UTAH LUMBER

Sawdust Signals

A practical field read for lumber buyers, sellers, manufacturers and distributors

CLEAR INFORMATION. STRONG RELATIONSHIPS. TRUSTED INSIGHT.

Volume 1 | Issue 15 **November 3, 2026**

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CLEAR BETWEEN THE KNOTS

I'm in Los Angeles this week visiting customers and then attending the NAWLA Trader's Market. Last night, I had the pleasure of sharing a great meal with two long time friends and trade partners, David and Kirk., We were talking about mass timber and CLT when Kirk asked David whether the lumber was clear.

"It's clear between the knots." Rolling laughter ensued!

That answer stuck with me. A simple lumber comment, but a pretty good reminder about perspective.

This market has plenty of knots: slow orders, heavy inventories, squeezed margins and buyers who have turned "keep me posted" into a purchasing strategy. Spend enough time staring at those problems, and you can convince yourself the whole board is worthless.

But there's still clear wood between the defects that have value if it's processed and used to it's potential.

There are purchases that make sense, customers with real needs and opportunities to put business together. There are relationships worth strengthening and problems we can help each other solve. A good deal doesn't have to wait for the entire industry to feel better about itself.

As we gather at NAWLA this week, we'll have plenty of time to compare knots. Let's also look for the clears. What do you need? What can we move? What can we put together that works for both sides?

The same perspective applies beyond lumber. A difficult stretch can take up so much of our attention that we overlook the good people, worthwhile work and possibilities right in front of us. Sometimes dinner with old friends is enough to remind you.

Know where the knots are. Just don't overlook the clear in between.

~ Tyrone

THE BOTTOM LINE

I'm packing for the week in LA. Lumber buyers are still trying to travel with no excess baggage. Common narrows, studs and low grade ended October a lot lower, while buyers treated winter inventory like an airline fee: something to avoid whenever possible. There are deals out there. There is still no prize for bringing home a load nobody ordered.

The curtailment conversation finally has names and a timetable. West Fraser announced a fourth-quarter wind-down at Leola, Arkansas, and its Huguley OSB mill. That is more than a rumor, but it is not all that capacity disappearing today. Meanwhile, selected Southern Pine buyers showed more interest late in the week and November futures extended Friday's bounce on Monday. Encouraging? Yes. Permission to buy the whole pile? No.

Pack light, but do not leave the job stranded. Cover real needs, counter the surplus and check the exact wide or structural item before assuming everything is on clearance. Freight can still turn a bargain into an expensive layover. A purchase order with a customer beats a prediction with a lot of confidence.

MARKET READ	THIS WEEK
DIRECTION	Cash still VERY soft; Monday's futures follow-through is still far from broad recovery.
WHAT CHANGED	Named curtailment plans; selective Southern Pine restocking.
BEST OPPORTUNITY	Mills with prompt wood that fits needs for the next 6-8 weeks.
MAIN CAUTION	Uneven wides, grade differences and expensive delivery delays.

Prepared by Utah Lumber Co. | Lead Market Commentary: Tyrone Konecny, President

UPDATED THROUGH NOVEMBER 2 | Cash reports: Oct 29-30; futures and trade update: Nov 2; desk commentary: Nov 1. No Nov 3 trading included.

Pricing Update & Market Overview

PRICE TABLE UNDER CONSTRUCTION

The table is still in the shop. The market has not agreed to wait.

We are evaluating 8-10 clearly defined indicator items in place of broad product-group averages. Species, grade, size, length and pricing basis need to stay consistent so the comparison means something.

Item selection and methodology remain under review. No Utah Lumber group averages, weekly changes or new indicator prices are published in this edition. **We would rather finish the measuring stick than hand you a ruler made of rubber.**

What Changed Since Issue #14

The broad cash read is still lower, but the details are moving. Common narrows, stud trims and low grade remained under pressure. Some Southern Pine buyers stepped beyond fill-in orders late in the week; other reports still described reluctant purchasing and lower quotes. That is selective participation, not agreement on a floor.

Wides need more sorting, not a blanket label. Selected DF 2x10 and 2x12 in both GRN & KD remain better supported, while some white fir/hem-fir wides are now being discounted. The sources differ by species and timing. A shortage in one item cannot hold up every board sharing its width.

Plenty of Wood. Not Enough Purchase Orders.

Most sawmills we are talking with have sizeable lists of prompt wood, with some showing 5-10 million board feet available. That is not a few leftover units looking for a ride. That is an availability list that needs a table of contents.

Turning off the saw does not make the stacks disappear. Curtailments can slow the buildup, but existing inventory still needs a customer, a purchase order and a truck. Substantial prompt availability gives buyers room to negotiate; the prospect of further cuts is a reason not to assume today's offers last forever. Watch for shorter availability lists, repeat orders and less willingness to entertain counters.

Prompt volumes: Utah Lumber trading-desk observations, November 1; not an industry-wide inventory survey.

Supply: Read the Timing, Not Just the Headline

Development	What it changes - and what it does not
West Fraser Announced Oct 28	Leola lumber and Huguley OSB: indefinite curtailments expected in Q4 after wind-downs. Announced annual capacity reductions: 225 million BF of SYP and 500 million square feet of OSB (3/8-inch basis). Not immediate weekly output losses.
Canfor / Iron Mountain Announced Oct 27	The $96 million Arkansas program targets about 220 million BF of annual net production at Iron Mountain. That is the resulting total, not a 220-million-BF addition. Sawmill/log-yard work is expected to finish in Q4.

Utah Lumber view: These announcements show that supply is adjusting, but not uniformly. Do not subtract unlike products, annual capacities and different start-up dates into one neat weekly supply number. Watch actual operating schedules and repeat orders.

Cash synthesis: October 29-30 market reports. Supply details independently checked against October 27-28 announcements. West Fraser | Canfor / Arkansas EDC

From the Trading Desk

BUY THE TALLY. NOT THE MOOD.

Some mills are defending thin offerings; others are working down prompt piles. Ask for the exact grade, lengths, available volume and loading window. A broad market label cannot tell you which seller needs an order today.

Category	Current field read	Buyer move
HF / DF	Coast narrows fell again. Selected KDDF 2x10s held a different tone; some HF/WF wides became more negotiable.	Where specifications allow, compare HF with KDDF. Check species and length before paying a premium.
WSPF	2x4 and 2x6 remain the weakest dimension widths. Mill offerings vary widely; 2x6 2100f MSR is a specific exception to broader weakness.	Recheck 2x10 and 2x6 2100f premiums. Relative strength can reflect weaker narrows, not stronger demand.
ESPF / Euro	Eastern prices differ by destination and currency. Studs remain weak; European premium dimension also eased.	Match grade, destination and currency. A premium description must mean the same thing on both quotes.
Green DF	Narrows still need counters. Selected 2x10/2x12 and rough large cuttings are better supported; 4x4 and 4x6 are softer.	Separate 2-inch, 4-inch and rough timbers. Last week's shortage is not every item's replacement cost.
Southern Pine	Some late-week restocking improved tone, but demand remained restrained and scattered deep discounts persisted.	Watch 2x8/2x10 seasonal value and 2x4-18 premiums. Match the item to a customer; no bottom is guaranteed.
Studs	Weak demand extends across trims and species. Fingerjoint supply also exceeds demand; it is not an automatic safe haven.	Watch 8- and 9-foot trims for stabilization. Specify brand, grade and yield; seasonal value is not a confirmed turn.
Low Grade	Soft construction grades keep competing for industrial outlets. Lower prices are not consistently clearing accumulations.	Compare recovery, waste and delivered cost. Keep an outlet attached to extra volume.
Panels	Plywood is steadier than lumber. OSB remains regional; some northern readings firmed while other regions eased.	Check region, thickness and shipment. A mill announcement does not describe every open-market offer.

Field synthesis: October 29-30 lumber/panel reports; item-level buyer interpretation updated November 2. Different source methods and cutoffs are not averaged together. These are market observations, not the proposed pricing-index lineup or firm offers.

Week Ahead: Earnings, Curtailments & Anaheim

Earnings calls may be more interesting than sales calls. Canfor reports November 4; Interfor follows November 5, with its call November 6. Our expectation is for more curtailment announcements as Canadian producers report Q3, not confirmation of additional shutdowns. Mills cannot pay the power bill with optimism.

NAWLA Traders Market gathers mill reps and wholesalers in Anaheim November 4-6, with expanded access for qualified nonmembers. Eligibility rules remain; manufacturers and affiliates must exhibit. Dodging a counteroffer may require eye contact. A crowded convention hall is not a projection of a housing recovery.

Week-ahead sources: Canfor earnings notice | Interfor investor calendar | NAWLA attendance guidance. Reviewed November 1.

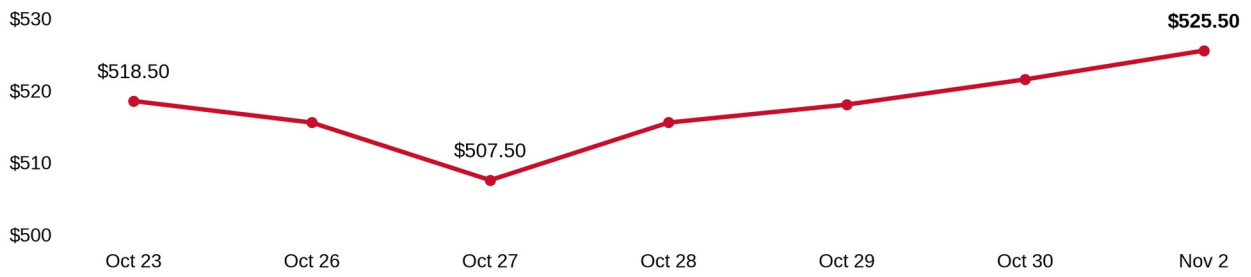
Futures: A Bounce, Not a Boarding Call

MONDAY ADDS LIFT. CASH STILL NEEDS ORDERS.

November extended the rebound to a reported $525.50/MBF on Monday, November 2, up $4.00 from Friday. That is $18 above the October 27 close of $507.50. January gained $9.50 to $524.50, outperforming the nearby contract.

November's premium to January narrowed from $6.50 to $1.00. That is a futures calendar spread, not a cash-basis quote. Better screen prices still need physical orders behind them.

FRONT-MONTH (NOVEMBER 2026) | REPORTED DAILY CLOSES



November contract throughout. Closing/settlement observations, not intraday lows. Oct 30 baseline confirmed by the supplied CME bulletin; Nov 2 reported contract settlements from the public market-data feed.

Contract	Nov 2 settle*	Day change	Session range	Volume
November 2026	$525.50	+$4.00	$520.00-$526.50	494
January 2027	$524.50	+$9.50	$516.50-$529.00	732
March 2027	$536.50	+$8.00	$535.00-$539.00	21

Basis Before Bravado

Keep the contract month visible. The November chart is not a rolled January chart. Monday's larger January gain narrowed the November-January spread, but does not establish a change in cash basis or prove that funds were covering shorts.

Our read: the bounce deserves attention, but one session does not establish lasting demand. Look for repeat cash orders, less discounting and firmer replacement on the same specifications. The screen can turn green without dispatch getting any busier.

*Nov 2 reported settlements, ranges and displayed volumes: Investing.com/Barchart contract feed. Oct 30 baseline: supplied CME Daily Bulletin #210. No Nov 2 open-interest figures are implied. Not live execution quotes. Contract data

COT: The Shorts Added Back

MANAGED MONEY

Funds and trading advisers hold financial positions. Those positions are not necessarily orders for physical lumber.

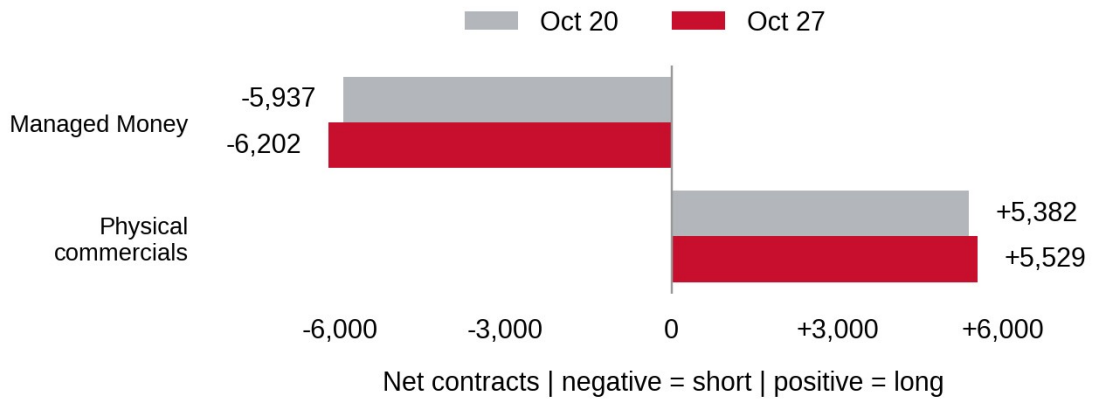
PHYSICAL COMMERCIALS

Mills, merchants and users hedge physical exposures. A net-long position is not automatically a bullish forecast.

Net positions | October 27 versus October 20

Participant	Oct 20 net	Oct 27 net	Weekly change
Managed Money	-5,937	-6,202	-265
Producer / Merchant / Processor / User	+5,382	+5,529	+147
Swap Dealers	-204	-96	+108
Other Reportables	+427	+338	-89
Nonreportable	+332	+431	+99

CFTC disaggregated futures only | Lumber code 058644 | Positions Oct 27, released Oct 30. Net = long minus short. All five category nets sum to zero; spreading positions contribute no net.



Issue #14's short covering reversed. Funds added 240 gross shorts and reduced longs by 25. Their 301 longs versus 6,503 shorts left a net short of 6,202. Total open interest fell 404 to 9,822.

Commercial net long rose 147 even though gross longs fell 378; gross shorts fell faster. That is why a larger net long should not automatically be read as fresh buying. This October 27 snapshot predates Friday's rebound and Monday's extension; it cannot identify November 2 buyers.

POSITIONING IS A RISK GAUGE. IT IS NOT A PURCHASE ORDER.

Crowded shorts can help a rally accelerate, but they cannot promise one. The useful question is whether cash orders follow a bounce, not whether a short position looks uncomfortable on a chart.

Supplemental public-data update: newer than the Oct 20 COT snapshot carried in the supplied Oct 29 market brief. CFTC report

Housing, Logistics & Canadian Supply

New-Home Sales: More Inventory Than Urgency

September new-home sales ran at 676,000 annually, down 0.6% from revised August and 5.3% from a year earlier. The October 29 report puts unsold inventory at 476,000 homes and supply at 8.4 months. Cheaper framing helps a budget; it does not automatically clear the homes already for sale.

September measure	2026 reading	M/M	Y/Y
New single-family home sales (SAAR)	676,000	-0.6%	-5.3%
New homes for sale	476,000	-1.0%	-
Months' supply of new homes	8.4 months	-	-
Median new-home sales price	$400,400	+3.9%	-3.9%
Total housing starts (SAAR)	1.221 million	-5.2%	-7.4%
Single-family permits (SAAR)	845,000	-4.0%	-4.8%

September Census/HUD figures as reported in the supplied Oct 29 market brief; permits retained from the September construction release used in Issue #14. SAAR = seasonally adjusted annual rate. Dash = comparison not shown here, not zero. Revised August new-home sales: 680,000.

Utah Lumber view: A sale can absorb a home already in the pipeline before it creates another framing order. The softer single-family permit pipeline still matters. The same report projects only 1.5% annual growth in repair-and-remodel spending by 2027 Q3; that forecast is not a near-term demand rescue.

Freight: Available Wood Is Not Available Delivery

The lane matters more than the national mood. The October 29 field reporting describes modest improvement on some routes: equipment can take 4-6 days to secure in certain locations and 10-14 days in others. Those are booking delays, not transit times. Northwest truck availability and rates remain a particular problem.

Ask for a realistic loading date before promising arrival. Check truck type, fuel adjustments, accessorials and unloading requirements. Local reload stock can win the delivered comparison even when its opening price looks higher.

THE CHEAP LOAD IS NOT CHEAP IF THE JOB IS WAITING.

Illustration: a $10/MBF mill discount on 25 MBF saves $250. An extra $500 of freight adds $20/MBF, leaving the delivered load $10/MBF more expensive. Apparently, the discount missed its connection.

Housing and remodeling: Oct 29 source brief, citing Census/HUD and Harvard JCHS. Freight: Oct 29 field reporting; illustrative 25-MBF load, not a standard load guarantee. No November releases are implied.

Canadian Exports: Less Crossing, Plenty Still for Sale

October Canadian softwood exports to the U.S. totaled 778.4 million board feet in the supplied permit report, versus 813.5 million a year earlier: down 35.1 million, or 4.3%. That is also 40.5% below October 2017. These are export-permit volumes, subject to revision, not Canadian production totals. Less crossing the border can coexist with large prompt mill lists when orders are thin.

Source: Global Affairs Canada October permit report (revised Nov 1), supplied in the Nov 2 bulletin; historical October figures from that bulletin. Calculations: Utah Lumber.

What This Means for Buyers

COVER

Cover confirmed jobs and thin inventory holes in genuinely tight specifications. Select wides and MSR products continue to warrant attention. A soft market is no consolation when one missing item stops the job.

BID

Bid prompt narrows, usable studs and industrial tallies with a known outlet. State the quantity, delivery basis, loading window and expiration. Give the seller an order to consider, not a survey to complete.

WAIT

Wait on inventory with no customer/job, unworkable freight or a story that depends on an immediate turn. A planned curtailment and a better futures close deserve attention, not a blank purchase order.

This Week's Short List

Put the supply announcement on a calendar. Separate a planned wind-down from a completed reduction. Confirm which products, locations and loading dates are actually affected.

Look for follow-through, not just a better tone. Southern Pine restocking and the futures rebound are worth watching. Repeated orders at firmer levels would say more than one active afternoon.

Recheck the supposed exceptions. Some Douglas-fir wides and structural items remain better protected; other wides and fingerjoint trims are weakening. Buy the specification, not last month's reputation.

Price the delivery before celebrating the lumber. Confirm the truck, the route and the customer's unloading window. A cheap FOB that cannot arrive in time is a conversation, not coverage.

Trade Talks: A Conversation Is Not a Tariff Cut

CTV News reports that Howard Lutnick is driving renewed U.S.-Canada discussions focused on Section 232 tariffs, including lumber. The article describes possible negotiations, not an agreed lumber rate, effective date or AD/CVD change. For buyers, it adds headline risk in either direction; it does not justify rewriting landed costs. "Very close" is a negotiating update, not a customs entry.

Source: CTV News, November 2; source-based reporting, not a notice changing duties. Trade reporting

WANT THE SIGNALS BEFORE THE SAWDUST SETTLES?

Ask your Utah Lumber trader to add you to Sawdust Signals. For quotes and availability: sales@utahlumber.com | 801-893-9900.

NOVEMBER 3, 2026 | Updated through Nov 2. Cash: Oct 29-30 reports; desk commentary: Nov 1. Futures: Nov 2 reported settlements. CFTC: Oct 27 positions. Canadian exports: October permit data. Trade: Nov 2 reporting. Housing: September estimates. No Nov 3 trading included.

Market commentary, not firm offers, guarantees or individualized investment advice. Pricing-table redesign remains under review; no Utah Lumber price assessments are issued here. Source charts and proprietary price tables are not reproduced.