THE LUMBER DAILY

Tuesday, April 21, 2026
Oregon-California Lane Edition
Est. 2026 | Vol. 1, No. 21

MARKET PULSE | Lumber $578 | WTI ~$88 | Diesel $5.59 (CA $7.56) | S&P 7,109 (-0.24%) | 10yr 4.30%

■ TOP STORIES

VIRGINIA GOVERNOR CREATES WOOD COUNCIL BY EXECUTIVE DIRECTIVE

Virginia Governor Abigail Spanberger signed Executive Directive 2 on Monday, April 20, establishing the Virginia Wood Council as a new advisory body under the Secretary of Agriculture & Forestry. The council is tasked with supporting loggers, expanding markets for Virginia wood products, advancing sustainable forestry, and helping the sector navigate federal tariff uncertainty. Virginia forestry covers 16 million acres, supports more than 108,000 jobs, and generates roughly $21 billion in annual economic activity — the state's third-largest private industry. The directive was signed during a roundtable at the East Coast Sawmill, Logging & Pallet Equipment Exposition in Doswell.

CANADA OPENS SAFEGUARD INQUIRY INTO IMPORTED CABINETS, FLOORING, AND STORAGE FURNITURE

Finance Minister François-Philippe Champagne directed the Canadian International Trade Tribunal (CITT) to open a 270-day safeguard inquiry into global imports of solid and engineered wood cabinets and vanities, solid and engineered hardwood flooring, and engineered wood storage furniture. The inquiry follows a formal request from the Canadian Wood Products Alliance and will assess whether import volumes are causing or threatening serious injury to Canadian producers. Any recommendation for remedies — tariffs, quotas, or tariff-rate quotas — would flow back to cabinet for decision. The CITT also continues a separate anti-dumping probe on decorative plywood from China.

WEST FRASER: BLUE RIDGE RESUMES, HENDERSON STARTS, Q1 DUTY CHARGE FLAGGED

West Fraser issued a pre-Q1 operational update and scheduled its first-quarter earnings call for April 30 at 8:30 a.m. Pacific. Full operations have resumed at the Blue Ridge, Alberta sawmill following a January 10 fire. Production has commenced at the new sawmill in Henderson, Texas. Manufacturing at the High Level, Alberta oriented strand board (OSB) mill will conclude by end of April as previously announced. The company flagged a Q1 duty-rate adjustment charge tied to the April 9 preliminary results from the seventh administrative review, which indicated a combined anti-dumping and countervailing rate approximately 10 percentage points below the current in-force rate. Final rates are not expected until August.

■ DEEP DIVE: THE OREGON-CALIFORNIA FLATBED LANE

Distance, Route, and Hours-of-Service Math

Interstate 5 is the operating spine for southbound freight out of the Pacific Northwest. Portland to Sacramento runs about 580 miles; Portland to Oakland about 635; Portland to Los Angeles about 964 miles at roughly 15 hours in ideal conditions. From Eugene the Sacramento run is about 470 miles; from Medford it drops to about 340. Federal hours-of-service rules cap a solo driver at 11 driving hours inside a 14-hour on-duty window — which means Portland to Sacramento fits one shift but Portland to Los Angeles is structurally a two-day solo run or a team operation. Siskiyou Pass, which tops out at 4,310 feet between Ashland and Yreka, is the weather-critical segment: Oregon Department of Transportation routinely posts chain-up requirements and temporary holds of 30 to 60 minutes into April in heavy snow years. April 2026 has been clear.

Rates: Flatbed vs. Van, West Region vs. National, Portland-Outbound Premium

March 2026 national flatbed spot rates printed at $3.09 per mile, up 37 cents month-over-month and 56 cents year-over-year; contract flatbed averaged $3.43 per mile, up 30 cents month-over-month. Dry van spot was $2.52 per mile, van contract $2.72. That is a roughly 57-cent flatbed-over-van spread on the spot book. The West region posted the lowest flatbed average in the country at $2.39 per mile — a read on outbound volumes out of the Pacific states. Portland is the region's largest flatbed origin city; recent industry reporting has Portland outbound flatbed averaging $2.84 per mile, up 29 cents and 11 percent, with load-post volumes up 20 percent and 9 percent in recent weekly periods. Portland-origin spot rates have printed week-over-week jumps of 24 percent during the April fuel run. Contract shippers on the I-5 corridor are renewing above the West regional average; spot is where the volatility is.

Fuel: California's $2 Premium, the $0.73 Flatbed Surcharge, and the EIA Reset

US on-highway retail diesel averaged $5.59 per gallon for the week ending April 14. California retail diesel is at an all-time high, with state averages printing near $7.56 per gallon — roughly $2 over the US average. The national flatbed fuel surcharge rose to $0.73 per mile in March, up 24 cents month-over-month; the van surcharge rose to $0.61. Those surcharges are now larger than the total all-in contribution many carriers book per loaded mile in steady markets. Carriers running Oregon to California are fuel-planning at the state line: filling in Grants Pass or Medford on the Oregon side before crossing, fueling on the California return leg only where contract arrangements mandate. The US Energy Information Administration (EIA) April 17 Short-Term Energy Outlook raised the 2026 US on-highway diesel forecast to $4.80 per gallon from $4.12 in the March release — a 68-cent upward revision driven by tighter crude and below-average distillate inventories.

What Moves, Which Trailer, and Which Rules Apply

Outbound from Oregon, the mix is dimensional softwood, clear vertical-grain Douglas fir, Western Red Cedar (WRC) siding and decking, hardwood pallets, moulding blanks, engineered wood (laminated veneer lumber and glulam), panels, and packaged windows and doors. Inbound from California is thinner for flatbed — the dominant northbound cargo is produce on reefer, not tarped lumber. That directional imbalance is why Portland-outbound prints higher than the West region average. Trailer choice is load-specific: flatbed with tarps for banded dimensional and WRC; step-deck for long glulam or oversize millwork; curtain-side and dry van for paint-grade fingerjointed moulding and packaged millwork that cannot tolerate weather. Federal Motor Carrier Safety Administration (FMCSA) rules under 49 CFR 393 Subpart I require at least one tiedown per 10 feet of cargo, total working load limit of the securement system at or above 50 percent of cargo weight, and edge protection under every strap or chain that crosses a corner. Two California-specific regulatory items to watch: the California Air Resources Board (CARB) Advanced Clean Fleets rule is in formal repeal (high-priority and drayage provisions cannot be enforced pending final August 31 action), and Assembly Bill 5 (AB5) classification rules continue to apply to California-resident owner-operators, with the first state enforcement action filed against three trucking companies in late 2025.

■ WHAT YOU MISSED YESTERDAY

Monday, April 20 — business, markets, and the broader economy.

- **Equities slipped** — S&P 500 7,109.14 (-0.24%), Nasdaq 24,404.39 (-0.26%, snapping a 13-session winning streak, the longest since 1992), Dow 49,442.56 (-0.01%, -4.87 points).
- **Hormuz back in play** — Iran announced on April 18 that it had re-closed the Strait of Hormuz in response to the US refusing to lift its naval blockade. The International Maritime Organization reported on April 21 that roughly 20,000 mariners and 2,000 ships remain stranded in the Persian Gulf. West Texas Intermediate (WTI) bounced approximately 6.4 percent early Monday to the $87-$88 range before closing near $88.
- **Rates** — 10-year Treasury yield held 4.30%; Freddie Mac's Primary Mortgage Market Survey (PMMS) 30-year fixed rate stood at 6.30% for the week.
- **Lumber** — May Chicago Mercantile Exchange (CME) lumber settled $585.50 per thousand board feet Monday (+0.69%), opened softer Tuesday near $578.

■ INDUSTRY & COMPANY NEWS

- **Niagara Sawmilling breaks ground on $115M Kennington expansion (Invercargill, New Zealand)** — Equipment delivery scheduled late 2026, commissioning 2027. Once operational, the new Comact line more than doubles current output, with log intake rising past 500,000 tonnes per annum. Niagara coincidentally expanded into the North Island by acquiring 94-year-old Otorohanga Timber Company of Waikato. The largest investment in the company's 91-year history.
- **China March timber imports +45.5% year-over-year** — Volume rebound across logs and lumber after a weak 2025 base. A data point for Pacific Northwest log exporters and Southern Hemisphere producers tracking the Asia demand curve; US log-export container and bulk volumes out of Grays Harbor and Longview have not yet shown a matching move in publicly available filings.
- **EIA Short-Term Energy Outlook revises US diesel forecast higher** — The April 17 release raised the 2026 US on-highway diesel average to $4.80 per gallon from $4.12 in the March release and the 2027 average to $4.11 from $3.78. The agency cited higher crude prices and below-five-year-average US distillate inventories. A direct input to freight-rate setting on the OR-to-CA lane through summer.
- **NWFA Wood Flooring Expo opens today in Orlando** — The National Wood Flooring Association (NWFA) expo runs April 21-23 at the Orange County Convention Center with 245+ exhibitors. The North American hardwood flooring channel is assembled in one room for three days; mill order books, distributor inventory signals, and species color-cycle reads are on tap.
- **East Coast Sawmill, Logging & Pallet Exposition closed in Doswell, Virginia** — The April 16-18 trade show at the Meadow Event Park drew sawmill, logging, and pallet operators from the Mid-Atlantic and Southeast. The venue hosted Governor Spanberger's Virginia Wood Council roundtable and directive signing.

■ FREIGHT & LANE SNAPSHOT

INDICATOR	VALUE	SIGNAL
National flatbed spot (Mar 2026)	$3.09/mi	+37¢ MoM, +56¢ YoY
National flatbed contract	$3.43/mi	+30¢ MoM
Flatbed fuel surcharge	$0.73/mi	+24¢ MoM
West region flatbed average	$2.39/mi	lowest US region
Portland outbound flatbed	$2.84/mi	+$0.29 / +11% period
US on-highway diesel (Apr 14 wk)	$5.59/gal	wk ending April 14
California retail diesel	~$7.56/gal	all-time high, ~$2 over US avg

■ COMING UP

- **Apr 21-23** — NWFA Wood Flooring Expo, Orange County Convention Center, Orlando. 245+ exhibitors, three-day hardwood flooring channel meeting.
- **Apr 29** — US Census February + March New Residential Construction (combined release). Two months of housing starts and permits in a single data drop.
- **Apr 30** — Weyerhaeuser Q1 release (after close, call May 1); West Fraser Q1 call 8:30 a.m. Pacific; UFP Industries Q1. First Q1 read on wood-products margin and shipments from the largest North American integrated producers.
- **May 14** — Interfor Q1 — first large Canadian producer under the April 9 preliminary seventh administrative review rates.

■ THE BOTTOM LINE

Three for your Tuesday: (1) On the Oregon-to-California lane, the flatbed fuel surcharge alone is $0.73 per mile — larger than the margin many carriers book per loaded mile. With California retail diesel near $7.56 per gallon, fueling on the lane has become a dispatch call. Expect surcharges to lead the Q2 rate conversation out of the Pacific Northwest. (2) Virginia and Ottawa used the same day to put domestic wood-products manufacturing on the agenda — one through a new state advisory council, one through a 270-day trade-remedy inquiry. Both are reactions to the same fact pattern: weak housing demand and an imported share of finished wood products that has made the politics attractive. (3) The first concrete profit-and-loss read on the April 9 preliminary softwood duty revision arrives April 30 with the Canadian integrated-producer Q1 prints. Every large Canadian producer will have to mark to the same preliminary rate set.