THE LUMBER DAILY

Thursday, May 28, 2026
April Split Edition
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MARKET PULSE | Lumber $587 | WTI $89 | Diesel $5.59 | S&P 7,520 | 10yr 4.58%

TOP STORIES

April New-Home Sales Fall 6.2% to 622,000 Annualized as Single-Family Pulls Back

New single-family home sales fell to a seasonally adjusted annual rate of 622,000 in April, the US Census Bureau and Department of Housing and Urban Development reported Thursday morning. That is 6.2% below the revised March rate of 663,000 and 11.3% below the April 2025 rate. It is the lowest monthly print of 2026 so far. The end-of-April stock of new houses for sale was 489,000 at the same annualized pace, up 1.7% from March but down 2.2% from a year earlier; at the April sales pace that works out to roughly 9.4 months of supply. The median sales price was $422,500, up 8.0% from March and 2.2% above April 2025; the average sales price was $508,800. The print is the first hard read on April demand in the single-family channel and arrives the day before the long Memorial weekend recovery from elevated mortgage rates was supposed to show in the data.

Q1 GDP Revised Down to 1.6% in BEA Second Estimate; Investment and Consumer Spending Cut

Real gross domestic product (GDP) grew at a 1.6% annualized pace in the first quarter, the US Bureau of Economic Analysis (BEA) reported Thursday in the second estimate, a 0.4 percentage point revision down from the 2.0% advance print released April 30. The revision reflects downward marks to private investment and to consumer spending; the fourth quarter of 2025 was reported as 0.5%. Real gross domestic income (GDI) rose 0.9% in the quarter, and the average of real GDP and real GDI was 1.3%. Exports, investment, consumer spending, and government spending all contributed to the quarter; imports, a subtraction in the calculation, increased. The print pairs with the morning's new-home sales miss to put a softer face on the spring demand window than the advance estimate had suggested, and arrives with the 10-year Treasury yield at a 52-week high of 4.58% and the 30-year fixed-rate mortgage at 6.51% in the latest Freddie Mac Primary Mortgage Market Survey (PMMS).

Longview Death Toll Climbs to Two; Governor Calls Tank Implosion 'Deadliest Industrial Tragedy in Modern Washington State History'

Recovery operations resumed Wednesday at the Nippon Dynawave Packaging plant at 3401 Industrial Way in Longview, Washington, after officials concluded the site was stable enough to begin removing victims. The confirmed death toll rose to two, and the nine workers previously described as missing remain unrecovered. Longview Fire Battalion Chief Matt Amos said recovered victims would be decontaminated on site before transport to the Cowlitz County Coroner for identification and family notification. Washington Governor Bob Ferguson, speaking at a Wednesday news conference, said authorities were 'bracing ourselves for this being the deadliest industrial tragedy in modern Washington state history.' The 900,000-gallon white-liquor storage tank failed at 7:18 a.m. Tuesday, releasing roughly 500,000 gallons of strongly alkaline sodium hydroxide and sodium sulfide solution that mixed with water from a ruptured on-site fire main; officials say the liquid is contained on the property. The damaged tank remained structurally unstable through Tuesday evening, which is why recovery was suspended overnight. The plant employs about 1,000 people and produces liquid-packaging board for milk cartons and aseptic juice and broth containers.

■ DEEP DIVE: APRIL'S SPLIT IN HOUSING DEMAND

Single-Family Channel: Starts, Permits, and Sales All Lower

Three single-family series broke softer in the April data. Single-family housing starts were 930,000 at a seasonally adjusted annual rate, down 9.0% from a revised March print of 1,022,000. Single-family permits were 872,000, down 2.6% from March's 895,000 and the second straight monthly decline. Thursday's new-home sales report added the demand-side companion: 622,000 sales at an annualized rate, down 6.2% from March, the weakest single-family print of 2026 so far. Inventory of new homes for sale held at 489,000, up 1.7% from March and equivalent to about 9.4 months at the April sales pace, well above the roughly six-month balance considered healthy. The median new-home price climbed 8.0% in the month to $422,500, but the mix is doing most of that work: builders pulled back on lower-priced introductory product as the 30-year fixed-rate mortgage held above 6.5%, and what is selling skews larger and pricier. The single-family channel was the engine of new-residential construction in 2025, and these prints say that engine is throttling back in spring 2026.

Multifamily: Starts at a Three-Year High, Permits Up 21.8%

The other half of the housing complex tells a different story. April starts in buildings of five units or more were 529,000, up 14.3% from March and a three-year high. Permits in that segment were 514,000, up 21.8% month over month. The release puts both at five-plus annualized rates above 500,000, a level last seen in early 2023 when the multifamily pipeline was working off the post-pandemic capital cycle. Regional starts were strongest in the West (+45.5%), Midwest (+25.9%), and Northeast (+15.7%). For a development class that has been the soft spot of new construction since the 2023 rate shock, the April print is the clearest signal yet that the multifamily cycle has turned. National Association of Realtors (NAR) pending home sales were up 1.4% in April after a 1.5% gain in March, and existing-home sales rose 0.2% to 4.02 million at an annualized rate; both are consistent with a slow resale channel and renters extending lease durations in markets where for-sale inventory is stale.

Board-Foot Translation: Why the Split Matters for Lumber

Framing intensity is the single most important number in the read-across from housing prints to lumber demand, and the single-family-to-multifamily ratio is roughly three to one. An average new single-family detached home consumes about 14,000 board feet of softwood lumber in framing and exterior trim; an average new apartment unit in a five-plus-unit building consumes closer to 5,000 board feet, with much of the structural load carried by concrete, steel, or engineered wood. The April mix shift, on the same total housing-unit base, is a meaningful net negative for dimension lumber pull-through even as the topline starts number holds. Engineered-wood products see the opposite read: laminated veneer lumber (LVL), I-joists, and oriented strand board (OSB) all index more heavily to multifamily construction, where longer floor spans and repetitive layouts pull more engineered material per square foot. Specialty product lines tied to single-family finish work, including custom moulding and interior doors, run with single-family starts; the April single-family pullback is what will show up in those order files first, on roughly an eight-to-twelve-week lag.

WHAT YOU MISSED YESTERDAY

Wednesday, May 27 - records again on stocks, oil sharply lower, yields anchored.

- The S&P 500 closed at 7,520.36, up 0.02%, a fresh record. The Dow Jones Industrial Average rose 182.60 points, or 0.36%, to a record 50,644.28; the Nasdaq Composite added 0.07% to 26,674.73.
- WTI crude fell 5.55% to settle at $88.68 a barrel as headlines suggested an Iran-ceasefire extension was within reach; on-highway diesel held at $5.59 a gallon in the May 26 Energy Information Administration (EIA) weekly average.
- The 10-year Treasury yield held near a 52-week high of 4.58%; the dollar index was little changed. Initial jobless claims for the week ended May 23 came in at 215,000, in line with the four-week range.
- Dick's Sporting Goods, Abercrombie & Fitch, and Best Buy reported quarterly results into the close; chip names were mixed after a sharp Micron-led rally Tuesday.

INDUSTRY & COMPANY NEWS

- **NAR** Pending Home Sales report posted a 1.4% month-over-month gain in April and a 3.2% year-over-year increase. The index rose in the Northeast, Midwest, and West and declined in the South. NAR chief economist Lawrence Yun framed buyers as 'cautious optimism despite increasing economic uncertainty and a slight rise in mortgage rates.'
- **Bar None Auction's Big Timber Auction** holds its preview Wednesday and Thursday in Woodburn, Oregon, with the sale Friday, May 29. A large portion of the inventory is the dispersal of Mr. Tree's logging fleet. Hundreds of late-model skidders, feller bunchers, log loaders, transfer trucks, mulchers, and grinders are on the block. Auctions of this scale read as a real-time signal on contractor exits and the mid-2026 used-equipment market.
- **BLM Western Oregon** is on track to release the draft environmental impact statement (EIS) for the Resource Management Plan revision on June 12, covering roughly 2.5 million acres of Oregon & California (O&C) Grant Lands across six districts. The agency proposes increasing the sustained-yield timber harvest toward 1 billion board feet annually. A final EIS is scheduled for November and a Record of Decision for February 2027.
- **Madison's Lumber Prices Index** closed the week ending May 22 at US$521 per thousand board feet (MBF), down US$1 from US$522 the prior week and US$3 below the May 1 print of US$524. The index has held a narrow corridor in May, consistent with the unchanged $590-region near-month CME contract.
- **BEA** also published Q1 corporate profits Thursday alongside the GDP revision. Profits from current production fell in the quarter, consistent with the softer demand picture in the morning's new-home sales report and the April starts data.

■ APRIL HOUSING PRINT

INDICATOR	LEVEL	NOTE
New single-family home sales	**622K SAAR**	-6.2% M/M from 663K; -11.3% Y/Y; weakest of 2026
Single-family housing starts	**930K SAAR**	-9.0% M/M from 1,022K; second straight monthly decline
Single-family permits	**872K SAAR**	-2.6% M/M from 895K
Multifamily starts (5+ units)	**529K SAAR**	+14.3% M/M; three-year high
Multifamily permits (5+ units)	**514K SAAR**	+21.8% M/M; pipeline turning
Median new-home sales price	**$422,500**	+8.0% M/M; mix-driven as builders pull entry product
Q1 GDP (second estimate)	**+1.6% SAAR**	Revised down from +2.0% advance

■ THE BOTTOM LINE

Three things for Thursday. The April demand prints landed softer than the April advance read had implied, with new single-family home sales at 622,000 at an annualized rate, single-family starts down 9% to 930,000, and Q1 GDP marked down to 1.6%. The split underneath the headline matters: multifamily starts hit a three-year high and multifamily permits jumped 21.8%, so the lumber pull-through is meaningfully weaker than the unit-count topline suggests, because a multifamily unit consumes roughly a third of the dimension lumber of a single-family home. Underneath those prints, the 10-year Treasury at a 52-week high of 4.58% and the 30-year mortgage at 6.51% are doing the work of holding the demand ceiling in place.