Friday, June 12, 2026
Blue Mountains Edition
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THE LUMBER DAILY

MARKET PULSE | Lumber $617 | WTI $86 | 10yr 4.55% | S&P +1.7% | PPI 6.5%

TOP STORIES

Trump Says He Is 'Not Looking to Renew' CUSMA Three Weeks Before Its Review

President Trump said June 10 he is "not looking to renew" the Canada-United States-Mexico Agreement (CUSMA), the trade pact whose first mandated joint review opens July 1. "We don't need their cars. We don't need their lumber. We don't need their energy," he said of Canada and Mexico, adding that he negotiated the agreement, considers it an improvement on NAFTA, and retains "the right to terminate." The agreement's text gives the three countries a choice at review: extend the pact for another 16 years or move into a series of annual reviews. The comments landed while Ontario Premier Doug Ford was concluding a two-day Washington mission built around the opposite outcome, pitching a "Fortress North America" plan that pairs CUSMA renewal with continental supply chains for critical minerals, energy, and defense production in meetings with senators, members of Congress, and industry executives. Pennsylvania's governor, who signed a separate trade pact with Ontario the same week, called the President's comments "reckless and disrespectful."

Draft Plan Would More Than Triple Logging in Oregon's Blue Mountains

A draft environmental impact statement (EIS) for revised management plans on the Wallowa-Whitman, Umatilla, and Malheur national forests projects 377 million board feet of annual timber volume under its preferred alternative, more than triple the roughly 106 million board feet projected under the 1990 plans still in force. The Forest Service has not yet published the 371-page draft, but copies went to members of the Blues Intergovernmental Council, a regional advisory group, and a Baker County commissioner released the document June 10. The Wallowa-Whitman supervisor said Federal Register publication, which starts a 90-day public comment period, is expected at any time. The preferred alternative would also eliminate the rule that has restricted cutting trees larger than 21 inches in diameter across the three forests for roughly 30 years. New plans are slated for adoption in early 2027.

U.S. Wholesale Inflation Hits 6.5 Percent, the Hottest Since 2022

The U.S. producer price index (PPI) for final demand rose 1.1 percent in May, well above the 0.7 percent consensus, lifting wholesale inflation to 6.5 percent over the past 12 months, the highest annual rate since November 2022. Final demand goods prices jumped 2.8 percent, the largest monthly increase in records going back to 2009, and more than half of that goods move came from a gasoline index up over 23 percent; services prices rose 0.3 percent. The report extends the energy-driven inflation run that put May consumer prices up 4.2 percent year over year, and it is the last major inflation print before the Federal Reserve's decision next Wednesday. Equity markets rallied through the release on signs the U.S.-Iran war may be ending.

WHAT YOU MISSED YESTERDAY

Thursday, June 11 — business, markets, and the broader economy.

- Stocks surged: the Dow rose 929.97 points (1.9 percent) to 50,848.75, the S&P 500 gained 1.75 percent to 7,394.30, and the Nasdaq climbed 2.5 percent to 25,809.66 after President Trump called off strikes planned for Thursday night and said a deal with Iran could be signed as early as this weekend.
- WTI crude fell more than 4 percent toward $86 a barrel, the lowest since April; Iranian state media reported a draft 14-point memorandum covering a reopening of the Strait of Hormuz, the lifting of oil sanctions, and an end to hostilities, though no final text has been approved.
- The 10-year Treasury yield held near 4.55 percent, little changed, as the morning's hot wholesale inflation reading and the afternoon's de-escalation news pulled in opposite directions.
- Initial jobless claims rose 4,000 to 229,000 in the week ended June 6, the highest weekly count since the first week of February; continuing claims rose to about 1.8 million.
- The Federal Reserve meets Tuesday and Wednesday, with the rate decision and updated economic projections due Wednesday afternoon, the first meeting with Kevin Warsh in the chair.

INDUSTRY & COMPANY NEWS

- **C&C Forest Products will spend over $21 million rebuilding its Coushatta, Louisiana sawmill as a specialty operation.** The company, which runs sawmills in Louisiana and Arkansas, is reconfiguring the facility destroyed by a 2025 fire with updated equipment and a new site layout focused on specialty lumber and timbers, with capacity of up to 90 million board feet a year. The rebuild creates 77 direct jobs and retains 27, and the state's economic development agency estimates another 256 indirect positions in the region.

- **A Senate committee attached a roadless-rule repeal to a wildfire bill.** The Senate Energy and Natural Resources Committee voted 11-9 along party lines June 10 to advance the Wildfire Prevention Act with a late-filed amendment from chairman Mike Lee of Utah that would nullify the 2001 Roadless Rule, which restricts road building and most commercial logging across about 58.5 million acres of national forest, and would bar the Forest Service from issuing similar protections in the future. Democrats called the amendment a poison pill in a previously bipartisan bill; the measure now goes to the full Senate.
- **The signal-workers strike at CPKC heads to a federal board June 15.** With the walkout by roughly 300 International Brotherhood of Electrical Workers (IBEW) signal and communications technicians at Canadian Pacific Kansas City in its second week, the Canada Industrial Relations Board (CIRB) set a June 15 hearing on union complaints that the railway is using replacement workers in violation of federal anti-replacement-worker law. No bargaining sessions are scheduled; CPKC says contingency plans are keeping freight moving across its Canadian network and repeated its offer of binding arbitration.
- **Ontario put $1.6 million into a Mildmay sawmill expansion.** The province's investment in Bernie McGlynn Lumber through its Forest Sector Investment and Innovation Program supports a $5.3 million project adding a 30,000-square-foot facility, a double-bladed bandsaw, and what the province calls the first thermal-treating kiln system in Ontario, lifting output 47 percent. The government framed the support as part of its plan to help the forest sector adapt to U.S. tariffs.

■ MARKETS & SUPPLY SNAPSHOT

INDICATOR	VALUE	TREND
CME lumber (front month)	**~$617/MBF**	Highest since October; tight supply outweighing soft housing demand
WTI crude	**~$86/bbl**	Down more than 4% Thursday to the lowest since April on deal prospects
10-year Treasury	**4.55%**	Flat; hot PPI and de-escalation pulled opposite directions
U.S. PPI (May, Y/Y)	**6.5%**	Highest since November 2022; +1.1% on the month vs 0.7% expected
Initial jobless claims	**229,000**	Up 4,000; highest weekly count since early February

■ THE BOTTOM LINE

Three things for your Friday: First, read the CUSMA comments against the calendar. The joint review opens July 1, the agreement's own text keeps a 16-year extension available, and provinces are lobbying Washington for renewal while the White House talks it down, so the next three weeks are about negotiating posture rather than termination mechanics. Second, the federal sawlog pipeline widened on two fronts in a single week, with a Blue Mountains draft that more than triples projected volume and a Senate amendment erasing roadless protections, and both still face comment periods, floor votes, and likely courtrooms before any log hits a deck. Third, the week's prints cut in opposite directions on cost: May wholesale inflation was the hottest in over three years and was driven largely by the same war premium that is now draining out of crude, while lumber sits at an eight-month high on supply tightness that a peace deal does not loosen.

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