# THE LUMBER DAILY

Tuesday, June 23, 2026
White Oak Edition
Est. 2026 | Vol. 1, No. 65

**MARKET PULSE | Lumber $636 | WTI $74 | S&P 7,473 | 10yr 4.48%**

## TOP STORIES

### Skanska Breaks Ground on One of the Largest All-Mass-Timber Healthcare Projects in the U.S.

On June 11, Skanska broke ground on the University of Oregon's Ballmer Institute for Children's Behavioral Health, a roughly $83 million, 54,000-square-foot academic and research building on the university's northeast Portland campus that is set to be among the largest all-mass-timber healthcare facilities in the country. The two-story structure uses an all-timber superstructure on concrete foundations, with roughly 18,200 cubic feet of cross-laminated timber (CLT) and 12,500 cubic feet of glulam, including CLT floor and roof decks, glulam beams and columns, a timber stair system and a CLT elevator shaft. ZGF Architects designed the building, Skanska is self-performing the timber erection, and the project targets Leadership in Energy and Environmental Design (LEED) Gold certification with completion scheduled for late 2028. The award lands as mass timber pushes from offices and schools into healthcare and behavioral-health space, a segment that prizes exposed wood and daylight, and it keeps a steady pull on regional CLT and glulam supply at a time when framing demand for new houses is soft.

### Canada's Inflation Reaccelerates to 3.2% on Gasoline

Canada's consumer price index (CPI) rose 3.2% in May from a year earlier, up from 2.8% in April and the sharpest annual pace since early 2024. Gasoline did most of the work, climbing 33.2% year over year as Middle East supply worries and the temporary closure of the Strait of Hormuz pushed pump prices higher for a third straight month. Food bought from stores rose 4.3%, the 16th consecutive month it outran headline inflation, while shelter costs kept cooling, easing to 1.7% from 1.8%. The Bank of Canada's (BoC) preferred core measures held steadier, with the trimmed-mean rate at 2.0% and the median at 2.1%, which points to a spike concentrated in energy rather than a broad-based one. The read for wood is indirect but real: a firmer Canadian inflation print complicates the rate path that drives the loonie, and currency is one more variable layered on the duties and tariffs already stacked on cross-border lumber.

## ■ DEEP DIVE: THE WHITE OAK SQUEEZE

### Bourbon Has First Claim on the Barrel Wood

Bourbon must be aged in new charred oak barrels, and white oak (*Quercus alba*) is effectively the only species that works, because a tight cell structure makes its staves watertight. Years of strong American whiskey demand have locked cooperage orders in, and stave buyers are paying up: white oak stave bolts have run roughly $525 to $775/MBF this spring on published log-price data, and rift-sawn white oak, the straightest and most stable cut, remains very tight with long lead times. Cooperages and the stave mills that feed them are competing hard for the best logs, which pulls the highest-grade material off the market before other buyers ever see it.

### Flooring and Millwork Pull on the Same Logs

Barrels are not the only draw. As import costs on finished wood climb, flooring and millwork makers are leaning harder on domestic white oak, and premium white oak flooring is commanding strong prices. That demand competes for the same appearance-grade logs the cooperage trade wants, since both prize clear, straight, light-colored wood. The result is a market where the high-value end of a single species stays tight even as broad hardwood demand reads soft, with thinner domestic sawmill capacity keeping prices from easing the way weak export demand alone might suggest.

### Plenty of Trees, Not Enough Young Ones

On paper the resource looks comfortable. Federal forest-inventory data put U.S. white oak growing stock at more than two billion cubic meters, about 15.5% of the nation's hardwood volume, and annual growth runs close to double what is harvested each year. The constraint is age structure, not total volume. Much of the standing white oak is mature, and young white oak is not regenerating fast enough beneath it, because the species needs sunlight and periodic fire-influenced openings that today's shaded, fire-suppressed forests rarely provide. The inventory supporting current barrels and floors was largely established generations ago, and the thin cohort of young trees behind it points to a tighter supply decades out.

### Mind the Species, and the Regeneration Question

One clarification matters for buyers. The white oak under pressure here is *Quercus alba*, the Eastern and Midwestern timber tree that cooperage, flooring and furniture all draw on. Oregon white oak (*Quercus garryana*) is a separate Pacific species with a smaller range and mostly local specialty uses, and it sits outside this squeeze. Zena Forest Products of Rickreall milled it into edge-grain flooring for the main terminal at Portland International Airport, likely the first installation of its kind in the country. A multi-state effort backed by industry, agencies and universities is now focused on regenerating white oak stands so the next generation of mature trees actually arrives, but those are slow-growing acres. For anyone sourcing white oak components, firm prices and long lead times on the best grades look set to persist, and locking supply early beats assuming the ample headline inventory will keep the premium cuts cheap.

## WHAT YOU MISSED YESTERDAY

*Monday, June 22 - business, markets, and the broader economy.*

- U.S. stocks were mixed. The S&P 500 slipped 0.4% to 7,472.79 and the Nasdaq Composite fell 1.3% to 26,166.60 as large-cap technology shares dropped, while the Dow Jones Industrial Average rose about 0.3%.
- The small-cap Russell 2000 closed at 3,000 for the first time, a milestone for the part of the market most tied to domestic and rate-sensitive companies.
- Treasury yields rose, with the 10-year note ending near 4.48%, its highest in about two weeks, as investors weighed the inflation and interest-rate outlook.
- Oil fell again. WTI traded near $74 a barrel, around its lowest since early March, after the Strait of Hormuz formally reopened and a 60-day ceasefire memorandum tied to the U.S.-Iran framework was signed in Paris.

## ■ MARKET SNAPSHOT

| INDICATOR | VALUE | TREND |
|---|---|---|
| Front-month lumber | **~$636/MBF** | Holding near an eight-month high (Jun 22) |
| WTI crude | **~$74/bbl** | Lowest since early March as Hormuz reopened |
| 10-yr Treasury | **4.48%** | Two-week high; Jun 22 close |
| Canada CPI (May) | **+3.2% y/y** | Sharpest since early 2024; gasoline-led |
| Russell 2000 | **3,000** | First-ever close at the 3,000 level (Jun 22) |

## ■ THE BOTTOM LINE

Three things for your Tuesday. First, the clearest wood signal of the day is on the demand side and it is specific: mass timber is moving into healthcare and institutional work even while framing demand for new houses stays soft, so the pull runs toward engineered and appearance products rather than dimension lumber. Second, white oak shows how tight a single species can get at its high-value end, where bourbon barrels, flooring and millwork all compete for the same clear logs, even as the headline inventory of the tree looks ample and the real limit is how few young stands are coming up behind the mature ones. Third, the macro picture stayed mixed, with Canadian inflation reaccelerating to 3.2% on gasoline, U.S. yields ticking up to a two-week high, and oil sliding toward its lowest since early March as the Strait of Hormuz reopened. The through-line is that wood demand is sorting by grade and end use, with the value migrating toward the specialty and finish end of the business.

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