THE LUMBER DAILY

Friday, July 10, 2026
Quebec Edition
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MARKET PULSE | Lumber $627.00 | WTI $71.74 (-2.4%) | Diesel $4.58 | S&P 7,543 | 10yr 4.58%

TOP STORIES

Quebec Puts $120 Million Behind Its Sawmills

Quebec announced $120 million in new support for its forest industry on Tuesday, aimed squarely at softwood lumber processors strained by US duties and soft markets. The package creates a new loan program called FORET, carrying $60 million for 2026-27, and adds a forestry-dedicated fifth stream to the province's existing ESSOR investment program with another $60 million over six years. The province framed the move as a response to the trade conflict with the United States and the uncertainty hanging over lumber markets. Industry groups and regional leaders welcomed the liquidity while noting that the conditions behind the crisis have not changed, and regions like the Gatineau Valley are already lobbying for their share.

Fraser Canyon Fires Double, Close Part of Highway 1

The fires around Boston Bar, BC, grew into a roughly 20,000-hectare complex by Wednesday night, about double the combined size reported earlier that day, and the BC Wildfire Service said Thursday it expects further growth in the coming days. The Brunswick Complex pairs the Brunswick Creek fire west of Highway 1 with the Ainslie Creek fire east of it. A section of the highway through the canyon is closed, hundreds of properties are under evacuation orders, alerts stretch into the Thompson-Nicola Regional District, and structures have burned, including cabins at a lakeside resort. Farther north, the Swede Creek fire southwest of Prince George has put Cariboo-region properties on evacuation alert.

Lumber Buyers Position for August's Duty Decision

CME lumber futures settled near $627 per MBF on Thursday, the strongest level since October. Market reporting ties the run to buyers pulling purchases forward ahead of the final results of the US administrative review of duties on Canadian softwood, due next month, and to expectations of tighter supply while the current duty load holds back Canadian volume. April's preliminary results pointed to lower combined rates; the final determination is expected in August.

■ DEEP DIVE: QUEBEC'S FOREST CRISIS

The last shift at Bearn

Chantiers Chibougamau's Bearn sawmill in Temiscamingue cuts its last log today. The company, which acquired the mill in 2023, cited recurring operating deficits, the plant's distance from its other operations, a timber profile different from its facilities farther south, and years of underinvestment that predate its ownership. The closure ends work for most of the 68 employees, though the company says it will offer some positions at other sites. A relaunch effort is already in motion: the union, regional partners and the company have begun working with the province to document what the mill could support under a new configuration.

St-Michel, Maniwaki, and the mills in limbo

Scierie St-Michel, the principal employer in Saint-Michel-des-Saints, filed notices of intention under Canada's Bankruptcy and Insolvency Act on May 26 and 28, with about $38 million owed to roughly 200 creditors. The mill exports 60 percent of its production to the United States; it sat idle from August 2025 to January 2026 and has recalled about 100 workers since, with no guarantee all will return. In the Outaouais, Domtar has been closing and reopening its Maniwaki sawmill since late 2024 and said this spring it is open to selling the mill to a local owner, telling workers it sees no recovery in the short, medium or long term. Across the province, dozens of mills have taken downtime or closed outright over the past year.

What $120 million buys

The FORET program, a French acronym for financing the optimization and resilience of softwood lumber processors, is administered by Investissement Quebec and offers loans of up to $5 million sized to a company's working-capital needs over the next 24 months. Eligibility turns on whether the province judges a processor strategic, weighing operational performance, importance in the value chain and competitiveness. The second $60 million adds a forestry stream to ESSOR over six years, with loans covering up to 30 percent of eligible project costs and up to 15 percent of that forgivable, targeted at diversification into higher-value products. The backdrop is an all-in US duty load of 45.16 percent on Canadian softwood: 35.16 percent in combined antidumping and countervailing duties plus the 10 percent Section 232 tariff. Applications run through March 31, 2027.

WHAT YOU MISSED YESTERDAY

Thursday, July 9 — business, markets, and the broader economy.

- **Markets:** The S&P 500 rose 0.8% to 7,543.64, the Nasdaq gained 1.3% to 26,206.89, and the Dow added 139 points to 52,487.41. Semiconductors led the advance, with Micron up 4.5%.
- **Rates:** The 10-year Treasury yield eased to about 4.58% after Wednesday's climb to its highest level since May.
- **Oil and fuel:** WTI crude fell 2.4% to $71.74, giving back most of Wednesday's ceasefire-collapse spike as traders reassessed the actual threat to supply. Retail diesel averages $4.58 a gallon this week, down nine cents.

- **Labor:** Initial jobless claims fell by 2,000 to 215,000 for the week ended July 4; the prior week was revised up to 217,000.

INDUSTRY & COMPANY NEWS

- **A Nordic major goes quiet for two months:** Stora Enso will halt its Veitsiluoto sawmill in northern Finland from the start of August to a planned October restart, standing down all 56 workers at the 200,000-cubic-meter mill. The company cited the weak lumber market, low consumer confidence and log costs. Sweden's Sodra and Vida trimmed or shut capacity through the spring; the pullback has now reached Finland.
- **Ottawa and Quebec sign a caribou deal:** The federal and Quebec governments reached an agreement on woodland caribou recovery, with $25 million in federal funding over five years on top of Quebec's $59.5 million through 2028, plus $15 million over five years for Indigenous-led recovery and habitat work. Quebec counts 17 caribou populations across three ecotypes. Environmental groups were split on whether the funding matches the scale of the recovery problem.
- **A Wisconsin pulp mill exits on schedule:** Ahlstrom's Mosinee mill shut down its pulp mill and one of four paper machines on June 30 under the downsizing announced in February; a second machine follows September 30. About 200 jobs, half the site, are affected. The mill makes specialty base papers for construction materials, food packaging and tape.

■ MARKETS & SUPPLY SNAPSHOT

INDICATOR	VALUE	TREND
Lumber futures (front month)	**$627.00**	Strongest close since October as buyers front-run the August duty finals
WTI crude	**$71.74**	Down 2.4% Thursday as the war-risk premium deflated
10-year Treasury	**4.58%**	Eased off Wednesday's highest-since-May close
30-yr fixed mortgage (weekly avg)	**6.49%**	Rose in the survey week ended July 9
National wildfire preparedness	**Level 4**	37 uncontained large fires in the July 8 national report
Canadian dollar	**C$1.41 per USD**	Near the one-year low touched in late June

■ THE BOTTOM LINE

Quebec owns the front page today. The province is lending $120 million to keep its sawmills alive, and Bearn cuts its last log the same week the money lands. In BC, the Fraser Canyon fires doubled in a day and closed part of Highway 1. Lumber futures are holding their strongest levels since October while buyers wait on August's final duty numbers. And in Finland, a 200,000-cubic-meter sawmill goes dark for two months on weak demand.
