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Breakups Edition
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THE LUMBER DAILY

TOP STORIES

Stora Enso Moves Ahead on Breaking Itself Up as Quarterly Profit Improves

Stora Enso's half-year report Thursday showed second-quarter sales flat at EUR 2,423 million and adjusted operating profit up 27 percent to EUR 160 million, and confirmed the company is proceeding on both of its structural moves: the strategic review of its Central European sawmill and building-solutions operations continues, and the separation of its Swedish forest assets into a new listed company, to be called Bergslagets Skogar, is targeted for completion in the first half of 2027. External wood deliveries rose about 3 percent to 3.39 million cubic meters in the quarter. The chief executive told investors the company is not relying on market conditions to improve results — a fair summary of a quarter in which the gains came from portfolio surgery and cost work rather than demand.

The Boston Bar Complex Passes 27,000 Hectares With Two Highways Closed

The three fires around Boston Bar, BC — Ainslie Creek at 17,298 hectares, Brunswick Creek at 6,139, and the day-old Anderson Creek at 4,333 — together passed 27,700 hectares by Thursday morning, with 12 evacuation orders and 4 alerts covering about 457 properties. Highway 1 is closed for 45 kilometers through the Fraser Canyon, and Highway 3 is closed from Sunshine Valley to near Manning Park by the separate Norwegian Creek fire, severing both southern road corridors between the coast and the Interior. Water service is restored in Boston Bar under a boil notice. Near Clinton, the French Bar Creek fire forced an expanded evacuation order Thursday. Nationally, the US remains at preparedness level 5 with 70 uncontained large fires; Oregon's East Evans Creek Fire, by contrast, reached 33 percent containment with all higher-level evacuations lifted.

Brent Brushes $100 as Tankers Burn in the Red Sea

Brent crude settled at $97.87 Thursday, up 4 percent to its highest close since early June, and traded above $100 after settlement for the first time since May. Houthi missile and drone strikes hit two Saudi tankers in the Red Sea, setting one afire at the bow, and five Saudi tankers diverted, most toward Suez; Iran's Revolutionary Guard separately claimed the Strait of Hormuz is closed to traffic. WTI settled up 3.2 percent at $89.63 and kept climbing in late trade. For wood shippers the exposure runs through fuel: truck rates reprice with the weekly diesel survey, which updates Monday from a print already above $5 a gallon, and rail fuel surcharges follow the same index on a lag.

WHAT YOU MISSED YESTERDAY

Thursday, July 23 — business, markets, and the broader economy.

- **Stocks:** The S&P 500 fell 1.2 percent — its worst day in a month — with the Nasdaq down 2.2 percent and the Dow off 1.0 percent, as Tesla dropped 15 percent and Alphabet 7 percent on AI-spending and margin anxiety.
- **Labor:** Initial jobless claims fell to 187,000, far below expectations near 212,000 and the lowest weekly reading of the year.
- **Mortgages:** The 30-year fixed averaged 6.58 percent in Thursday's weekly survey, up for a second straight week from 6.55.
- **After the bell:** Intel beat on both lines with revenue up 25 percent — its strongest growth in more than fifteen years — and shares jumped double digits in late trading.
- **On deck:** June new-home sales land at 10 a.m. Eastern this morning; the Federal Reserve meets Tuesday and Wednesday with officials in pre-meeting blackout and oil's inflation pressure the live question.

INDUSTRY & COMPANY NEWS

- **UPM** reported a 71 percent jump in second-quarter comparable operating profit to EUR 212 million and confirmed the final phase of separating its WISA plywood business: shareholders vote August 31, with the new WISA Group expected to begin trading in Helsinki in early November.
- **Homag Group**, the German woodworking-machinery maker, said first-half orders fell 7 percent to EUR 634 million and sales fell 9 percent, while its order backlog held roughly stable at EUR 726 million as furniture customers continue to defer investment.
- **EU wood-pellet consumption** is forecast to grow about 2 percent in 2026 on recovering residential heating demand, according to a US agricultural attache report published this week, with imports rising to meet the gap.
- **Air Canada and Airbus** launched a roughly C$13.7 million joint initiative to scale domestic production of sustainable aviation fuel (SAF) in Canada — a demand channel that biomass producers, including forest-residue suppliers, are watching closely.

■ MARKET & FIRE SNAPSHOT

INDICATOR	VALUE	TREND
30-yr fixed mortgage (weekly avg)	**6.58%**	Up from 6.55% — second straight weekly rise
WTI crude	**$89.63**	Settled +3.2% Thursday, highest since June 11; still climbing late
USD/CAD	**1.4083**	Loonie firmed a third day even as the oil shock built
US fire personnel committed	**21,171**	Up about 3,500 in a week; preparedness level 5 holds
US acres burned YTD	**3.91M**	125% of the 10-year average; Northwest is the most active region

■ THE BOTTOM LINE

A Nordic producer confirmed both breakups are going ahead: a Swedish forest spin-off for 2027 and an open review of its Central European sawmills. The Boston Bar fires passed 27,700 hectares, and separate fires have closed both highway corridors between the coast and the BC Interior. Brent settled at $97.87 and traded above $100 after the bell on Red Sea tanker strikes. The weekly diesel survey that sets truck rates updates Monday. New-home sales print this morning and the Fed meets Tuesday and Wednesday.