

TOP STORIES

MasterBrand Ends Cabinet Assembly at Its Gas City, Indiana, Plant

MasterBrand's American Woodmark subsidiary will eliminate assembly operations at its cabinet plant in Gas City, Indiana, and permanently lay off up to 207 employees, according to a Worker Adjustment and Retraining Notification (WARN) letter dated October 5. Layoffs are expected to begin December 5 and finish by January 8, 2027. Finishing operations at the plant will continue. None of the affected employees are represented by a union, and none have bumping rights. MasterBrand completed its acquisition of American Woodmark on May 28. MasterBrand has tied its plant review to a target of more than \$100 million in annual run-rate cost savings by the third year after closing. In September it said it would move part of its UltraCraft cabinet production out of Kinston, North Carolina, affecting about 390 workers there.

Managers, Workers and First Nations Seek to Buy the Idled Temiscaming Mill

A coalition of the mill's local managers, unionized workers and First Nations is pursuing a purchase of Rayonier Advanced Materials' idled mill in Temiscaming, Quebec, the union Unifor said October 9. The coalition wants to develop a plan to restart operations. It gave no price, financing or timeline and did not name the First Nations involved. Workers, former managers and community members bought and reopened the mill in 1973 under the Tembec name, a year after Canadian International Paper closed it. A company spokesman said earlier this month that the shutdown would remain in effect indefinitely and put the job losses at between 300 and 400.

Germany Eases Deforestation-Rule Filings for Small Forest Owners

Germany's federal cabinet adopted a rule on October 7 that lets small forest owners give an address instead of plot coordinates when they file under the EU Deforestation Regulation (EUDR). Recognized forestry associations may file a one-time simplified declaration for timber they sell on members' behalf. The government counts 340,000 operators in German forestry. The rule takes effect December 30, when the EUDR begins to apply to large and medium operators. On October 8 the Bundestag held the first reading of the government's EUDR enforcement bill and referred it to committee. The bill gives state authorities enforcement over domestic primary production, including German-grown timber, and assigns the rest to the Federal Office for Agriculture and Food. Annual checks would cover at least 1 percent of operators and traders in the low-risk category, 3 percent in the standard-risk category and 9 percent in the high-risk category, plus 9 percent of high-risk product volume. Germany's main forest-owner federation has asked for the relief to be written into the law.

WHAT HAPPENED THIS WEEKEND

Friday, October 9, and the weekend — business, markets, and the broader economy.

- The S&P 500 gained 46.18 points, or 0.59 percent, to 7,811.54 on Friday. The Dow rose 423.31 points, or 0.83 percent, to 51,654.95. The Nasdaq Composite gained 172.83 points, or 0.64 percent, to 27,366.17.
- The 10-year Treasury par yield rose 2 basis points to 5.24 percent, and the 2-year rose 5 basis points to 4.80 percent. The 30-year held at 5.60 percent. US bond markets are closed Monday for Columbus Day.
- Canada lost 68,000 jobs in September, Statistics Canada reported Friday, after a loss of 42,000 in August. The unemployment rate rose to 6.5 percent from 6.4 percent. Educational services led the decline, followed by health care and manufacturing. Quebec lost 49,000 jobs, and British Columbia and Ontario also posted declines.
- The University of Michigan's preliminary October consumer sentiment index fell to 46.3 from 48.1 in September. The current conditions index dropped to 44.7 from 50.9. Year-ahead inflation expectations rose to 4.7 percent from 4.6 percent. The survey's director said buying conditions for durable goods "plummeted amid high prices and borrowing costs."
- The Canadian dollar weakened Friday as the Bank of Canada's daily average rate rose to C\$1.4271 per US dollar from C\$1.4240 on Thursday. Canadian markets are closed Monday for Thanksgiving.
- Prime Minister Mark Carney spoke with President Trump on Sunday and thanked him for helping secure an energy ceasefire between Ukraine and Russia, according to the prime minister's office. The readout said Canada will keep maximizing its oil and diesel exports to the United States.

INDUSTRY & COMPANY NEWS

- **Egger**, the Austrian wood-based panel maker, closed its purchase of 65 percent of Kromaplast, an edgebanding processing and logistics company in Cessalto, Italy, on September 30. The price was not disclosed. Kromaplast's 21 employees stay on, and its previous shareholder and managing director, Francesco Lorenzon, will keep running the site. Egger makes edging at plants in Gebze, Turkey, and Brilon, Germany. The deal follows its agreement in September to take a 30 percent stake in Sinowolf, a Chinese edgebanding maker.

- **Candlelight Curated** has been awarded \$1 million by the New York Power Authority toward a \$4.25 million rehabilitation of the former Candlelight Cabinetry plant in Lockport, New York, according to a trade report Friday. The 200,000-square-foot plant is expected to restore 70 jobs. Empire State Development earlier awarded the company up to \$2 million in performance-based tax credits.
- **Kuiken Brothers** completed its purchase of Paramus Building Supply on October 2, adding yards in Paramus and Bergenfield, New Jersey, and 25 employees. The dealer now has 11 locations in New Jersey and New York and about 330 employees.
- **Wildfire status.** Monday morning's national situation report put the Northwest preparedness level at 1, down from 2 on October 8. The national level remained at 2. Northwest personnel numbered 1,065, down from 1,320 on October 8. The Little Giant Fire on the Okanogan-Wenatchee National Forest in Washington, where 40 structures were lost, was 95 percent contained. The Grasshopper Fire near Dufur, Oregon, where 33 structures were lost, was 98 percent contained. In southern Idaho, the 2,000-acre Buckhorn 2 Fire south of Murtaugh was 50 percent contained with structures threatened.

■ DEEP DIVE: THE STEEL QUEUE

Steel Mill Prices Up 23.4 Percent in a Year

The producer price index for steel mill products stood at 381.162 in August, up 23.4 percent from a year earlier, according to the Bureau of Labor Statistics (series WPU1017, 1982=100). It rose every month from December 2025 through August. Figures from May on are preliminary. The index for fabricated structural metal products rose 6.5 percent over the same 12 months, to 413.731. The softwood lumber index rose 11.8 percent from a year earlier to 294.899. August's lumber reading was 1.9 percent below July's.

Where the Steel Is Going

US private construction spending on office buildings, the Census Bureau category that includes data centers, ran at a seasonally adjusted annual rate of \$134.1 billion in August, up 29.8 percent from a year earlier. Private manufacturing construction fell 19.8 percent to \$168.2 billion, and private power construction rose 9.7 percent to \$165.9 billion. Total construction spending was \$2,203.1 billion, down 1.7 percent from a year earlier. Skanska's summer market-trends report, announced September 1, put data centers at about 5.4 percent of private nonresidential building spending in 2025, up from about 1.7 percent in 2019. The report said structural steel lead times had reached 40 to 50 weeks in some markets and tied strong steel demand to data center, high-tech and manufacturing work. At a September 10 webinar, the company's supply-chain lead said lead times had more than doubled to 55 weeks and steel prices were up 25 percent in a year.

Skanska's Timber Cost Study

At the same webinar, Skanska said a mass timber frame generally costs more than a steel frame. In its study of a three-story office, savings on foundations, lateral systems, finishes, facade and schedule brought the two options close to cost-neutral. One timber project went from signed contract to material on site in about three weeks. Projects that had to coordinate penetrations through cross-laminated timber (CLT) and glued-laminated timber (glulam) took four to five months. Builders' risk insurance costs more for timber. The company said it is working with the US Department of Agriculture on a study of ways to lower premiums, expected to take 18 months to two years. A forecasting firm on the panel said lumber makes up about 65 to 70 percent of mass timber input costs and that North American CLT and glulam plants are producing below capacity. A wood-industry technical-support program counts 2,833 US multifamily, commercial and institutional mass timber projects built or in progress as of June.

Japan Expects 429 CLT Projects This Fiscal Year

Japan's government expects 429 building projects using CLT to be completed in the fiscal year ending March 2027, according to papers for a September 11 inter-ministerial meeting at the Prime Minister's Office. That compares with 357 in fiscal 2025, 222 in fiscal 2024 and 209 in fiscal 2023. Housing, including apartments, public housing and company dormitories, accounts for 327 of the 429. The figures count projects: an interior, non-structural use counts as one, and demolished buildings stay in the totals. Japan had 11 CLT plants with combined capacity of 100,000 cubic meters a year as of June. Its fourth CLT roadmap, adopted March 31, targets a supply system that can deliver 500,000 cubic meters a year by fiscal 2030. This year the government is funding work on a design manual for CLT shear walls and floors in steel-frame buildings and on cost comparisons of CLT against steel and reinforced-concrete construction.

■ MARKETS & LABOR SNAPSHOT

INDICATOR	VALUE	TREND
2-year Treasury par yield, October 9	4.80%	Up 5 basis points; 2-to-10-year spread narrowed to 44 basis points from 47
Canada unemployment rate, September	6.5%	Up from 6.4%; employment down 68,000 after a 42,000 drop in August
Canada employment rate, September	60.6%	Down 0.2 percentage point
Consumer sentiment, preliminary October	46.3	Down from 48.1 in September
Current economic conditions index, preliminary October	44.7	Down from 50.9; expectations index up to 47.3 from 46.3
Euro in Canadian dollars, October 9	C\$1.5978	From C\$1.5950

■ ON DECK

Tue, Oct 13	- Comments on proposed PS 2-25, the revised voluntary product standard for wood structural panels, are due to the National Institute of Standards and Technology. - The Forest Service rule shortening comment and objection periods on forest projects is scheduled for publication in the Federal Register.
Wed, Oct 14	- Statistics Canada publishes August building permits. - The Federal Reserve releases its Beige Book of regional economic conditions. - The federal weekly retail diesel survey is released.
Thu, Oct 15	- September US producer prices, including softwood lumber, are due at 8:30 a.m. Eastern. - Statistics Canada publishes August manufacturing sales.
Mon, Oct 19	- Bids open on the Oregon Department of Forestry's Lone Corndog sale in Klamath County, 2,202 MBF with a listed value of \$130,099.42. - Statistics Canada publishes September consumer prices.
Tue, Oct 20	- September US housing starts and permits are due at 8:30 a.m. Eastern. - Bids are scheduled to open on the Shelter Cove timber sale, about 4 million board feet, on the Tongass National Forest near Ketchikan, Alaska.
Wed, Oct 21	Statistics Canada publishes August investment in building construction.