

TOP STORIES

Commerce Sets Canadian Softwood Duties at 24.75 Percent in Seventh Review

The Commerce Department on October 14 announced final results of its seventh administrative reviews of the antidumping and countervailing duty orders on Canadian softwood lumber, which cover lumber imported in 2024. The combined rate for companies without their own rate is 24.75 percent, made up of 10.64 percent antidumping and 14.11 percent countervailing duty. The combined cash deposit rate now in effect for those companies is 35.16 percent. Canfor's combined rate is 31.11 percent, Resolute's 25.55 percent and West Fraser's 20.02 percent. When the notices are published in the Federal Register, the final rates set the duties owed on 2024 entries and become the new cash deposit rates for future entries. The notices were not in the October 16 issue. The separate 10 percent Section 232 tariff on softwood lumber is not part of these rates.

Cedar Importer Takes the New Zealand Routing Finding to the Trade Court

Coastal Forest Products of Bow, New Hampshire, sued the United States at the Court of International Trade on October 9 to overturn the customs finding that it evaded softwood lumber duties on western red cedar. US Customs and Border Protection (CBP) found in May that Canadian-origin cedar resawn and kiln-dried at Herman Pacific in Auckland remained Canadian lumber, and upheld that finding on administrative review in September. CBP had rejected the importer's argument that the New Zealand processing substantially transformed the wood. The court's docket sets November 18 as the date the government's administrative record is due.

Emerald Ash Borer Turns Up in Walla Walla County

The US Department of Agriculture's Animal and Plant Health Inspection Service confirmed on October 14 that a specimen from Walla Walla County in southeast Washington is the emerald ash borer. It is the state's second detection, after the August find in Clark County on the other side of the state. After an arborist in College Place noticed damage, the Washington State Department of Agriculture found larvae. The beetle has spread to about 40 states since it was found in Michigan in 2002 and has not been detected in Idaho or California. Washington banned untreated firewood from entering the state this year. State timberlands carry almost no ash, according to the Department of Natural Resources.

WHAT YOU MISSED YESTERDAY

Thursday, October 15 — business, markets, and the broader economy.

- The S&P 500 rose 25.12 points, or 0.33 percent, to 7,744.06 on Thursday. The Dow gained 556.21 points, or 1.08 percent, to 52,177.69. The Nasdaq Composite added 20.16 points, or 0.08 percent, to 26,713.03.
- The 10-year Treasury par yield fell 9 basis points to 5.10 percent, its lowest close of October. The 30-year fell 9 basis points to 5.43 percent and the 2-year 5 basis points to 4.77 percent.
- Producer prices for final demand rose 1.3 percent in September, the largest monthly gain since March 2022, and were 6.3 percent above a year earlier, the Labor Department reported. Final demand goods rose 2.6 percent, the largest increase since that index began in December 2009, with gasoline up 20.3 percent.
- Retail and food services sales rose 0.8 percent in September to \$745.0 billion, and August was revised up to a 1.3 percent gain. Sales excluding gasoline stations rose 0.2 percent. Building material and garden dealers fell 0.6 percent to \$44.1 billion and were 4.5 percent above a year earlier.
- Initial jobless claims rose 1,000 to 199,000 in the week ended October 10. Washington's insured unemployment rate of 1.8 percent and Oregon's 1.5 percent were among the highest in the country in the week ended September 26.
- Canadian manufacturing sales rose 1.5 percent in August to C\$79.9 billion, Statistics Canada reported Thursday. Wood product sales rose 2.8 percent to C\$3.10 billion. On Friday morning, Canada Mortgage and Housing Corporation put September housing starts at a seasonally adjusted annual rate of 248,896 units, up 3 percent from August. The Bank of Canada's daily rate fell to C\$1.4196 per US dollar on Thursday from C\$1.4263 on Wednesday.

INDUSTRY & COMPANY NEWS

- **Commerce** published final antidumping determinations on high-purity dissolving pulp on October 16. Brazil's Bracell has a 6.50 percent dumping margin and a 6.40 percent cash deposit rate, and Norway's Borregaard a 6.51 percent margin; all other producers in each country take the same rates. A companion final countervailing duty determination sets Bracell's subsidy rate at 9.37 percent. The US International Trade Commission votes on injury within 45 days.

- **The Ninth Circuit** on October 9 reversed a district court ruling against the Forest Service's Hanna Flats project in the Idaho Panhandle, which includes about 2,350 acres of logging. The lower court had found that the project would push road mileage in the Priest grizzly bear zone 22.4 miles above its 2011 baseline of 316.4 miles. The appeals panel held that 23.6 miles of roads on the ground in 2010 had been left out of the 2011 count, more than covering that overage, and that the project itself cuts road mileage by 1.2 miles. A separate claim over the project's exclusion from full environmental review is still pending.
- **New Forests** agreed to buy, for an undisclosed price, AKD's 57 radiata pine plantations, about 27,000 acres in Victoria, South Australia and New South Wales, according to the merger notification. AKD keeps its four sawmill sites and will buy sawlogs and pulp logs from the estate. Submissions to Australia's competition regulator, which is reviewing the deal, close October 19.
- **UPM** inaugurated its biorefinery in Leuna, Germany, on October 15, a total investment of 1.37 billion euros. The plant has capacity for 220,000 metric tons a year of biochemicals made from beech thinnings and sawmill residues sourced within about 125 miles. Enzymatic hydrolysis and lignin-based chemicals production have reached stable operation, the company said.
- **Finland's** Natural Resources Institute forecasts that sawn timber production will fall 3 percent this year and rise 3 percent in 2027, with sawn exports down 4 percent and then up 2 percent. It expects an industrial roundwood harvest of 62.5 million cubic meters this year. Private forest owners' stumpage income is forecast to fall about 15 percent to 2.7 billion euros.

■ DEEP DIVE: MILLWORK AND LUMBER PRICES

Millwork Within 1 Percent of Its 2022 Record

The federal producer price index for millwork rose 0.5 percent in September to a preliminary 371.193, its highest reading since August 2022, according to Labor Department data released October 15. The index sits 1.0 percent below that month's record of 375.081 and is 4.3 percent above a year earlier. After the 2022 peak, millwork fell 6.5 percent to a low of 350.625 in August 2023. Softwood lumber fell 58.6 percent from its May 2021 peak of 581.5 to a November 2023 low of 240.798.

Softwood and Hardwood Lumber Fell for a Second Month

The softwood lumber index fell 2.0 percent in September to 288.562, its second straight monthly decline from July's 2026 high of 300.547, and was 14.2 percent above a year earlier. August was revised to 294.506 from the 294.899 first published. The hardwood lumber index fell 0.5 percent to 285.075, also a second monthly decline, and was 1.3 percent above a year earlier. Hardwood lumber is 9.8 percent below its May 2022 record of 316.108.

Windows Hold a Record While Doors and Mouldings Edge Up

The index for wood window units held at 426.166 in August and September, the highest in the series, after a 2.8 percent step in July. It has not posted a monthly decline since January 2016 and was 4.3 percent above a year earlier in September. The wood door index rose 0.3 percent to 362.394, up 4.9 percent from a year earlier and 0.1 percent below its June 2024 high, with most of the past year's gain coming in a 2.8 percent April step. Doors had fallen 3.4 percent from December 2024 to September 2025. Wood mouldings rose 0.2 percent to 360.379, 2.3 percent above a year earlier and 5.3 percent below their May 2022 record of 380.361. Mouldings fell 11.3 percent from that peak to a July 2024 low of 337.561.

Softwood Plywood's Eleventh Straight Gain

The softwood veneer and plywood index rose 2.7 percent in September to 267.259, its eleventh consecutive monthly increase and the largest since April's 4.1 percent. It has climbed 19.0 percent from its October 2025 low of 224.649 and was 15.9 percent above a year earlier. September's reading is the highest since November 2022. The broader plywood index, which includes hardwood plywood, rose 1.8 percent to 303.660 and was 12.6 percent above a year earlier.

■ MARKETS & HOUSING DEMAND SNAPSHOT

INDICATOR	VALUE	TREND
10-year Treasury par yield, October 15	5.10%	Down 9 basis points; lowest close of October
US dollar, Bank of Canada daily rate, October 15	C\$1.4196	From C\$1.4263 on October 14
Canada housing starts, September, annual rate	248,896	Up 3% from 242,223 in August
US building material & garden dealer sales, September	\$44.1 billion	Down 0.6% on the month; up 4.5% on the year
Canada wood product manufacturing sales, August	C\$3.10 billion	Up 2.8% from July

■ ON DECK

Mon, Oct 19	• Bids open on the Oregon Department of Forestry's Lone Corndog sale in Klamath County, 2,202 MBF. • 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 on the Tongass National Forest near Ketchikan, Alaska.
Thu, Oct 22	• Statistics Canada publishes September industrial product prices, which include lumber, and the September new housing price index.
Fri, Oct 23	• Bids open on the Oregon Department of Forestry's Mystree Solved sale in Tillamook County, 4,188 MBF, appraised at \$1,948,879. • Statistics Canada publishes its advance estimate of September manufacturing sales.
Sat, Oct 24	• British Columbia holds its provincial election.
Tue, Oct 27	• September US new home sales are due at 10 a.m. Eastern.