

TABLE OF CONTENTS

SECTION A – EXECUTIVE SUMMARY

TABLE OF CONTENTS.....	1
1 ECONOMICS CHAPTER: HIGHLIGHTS	3
1.1 GLOBAL ECONOMIC OUTLOOK.....	3
1.2 U.S. ECONOMIC OUTLOOK.....	4
1.3 U.S. HOUSING & R&R OUTLOOK	5
1.4 CANADA ECONOMIC & HOUSING OUTLOOK	7
2 EXECUTIVE SUMMARY/HIGHLIGHTS: GLOBAL SUPPLY/DEMAND	8
2.1 OVERVIEW	8
2.2 GLOBAL LUMBER FORECAST	9
2.3 GLOBAL WOOD PELLET OVERVIEW	10
3 SOFTWOOD LUMBER CHAPTER: HIGHLIGHTS.....	11
3.1 LUMBER SUPPLY/DEMAND OUTLOOK.....	11
3.2 LUMBER CONSUMPTION OUTLOOK	12
3.3 LUMBER IMPORTS/EXPORTS OUTLOOK	13
3.4 LUMBER PRODUCTION OUTLOOK.....	14
3.5 BASIS OF POTENTIAL LUMBER "SUPER-CYCLE"	15
3.6 NORTH AMERICA LUMBER PRICE OUTLOOK.....	16
4 STRUCTURAL PANELS CHAPTER: HIGHLIGHTS	17
4.1 STRUCTURAL PANELS CONSUMPTION OUTLOOK	18
4.2 STRUCTURAL PANELS IMPORT/EXPORT OUTLOOK.....	19
4.3 STRUCTURAL PANELS PRODUCTION OUTLOOK	20
4.4 STRUCTURAL PANELS PRICE OUTLOOK	21
5 NON-STRUCTURAL PANELS CHAPTER: HIGHLIGHTS.....	22
5.1 NORTH AMERICA FORECAST SUMMARY	22
5.2 NORTH AMERICAN CONSUMPTION OUTLOOK	23
5.3 NON-STRUCTURAL PANELS: PARTICLEBOARD PRODUCTION OUTLOOK.....	24
5.4 NON-STRUCTURAL PANELS: MDF PRODUCTION OUTLOOK.....	25
5.5 NON-STRUCTURAL PANELS: PRICE OUTLOOK.....	26

SECTION B – ECONOMICS & INTERNATIONAL TRADE

TABLE OF CONTENTS.....	27
1 EXECUTIVE SUMMARY.....	29
1.1 GLOBAL ECONOMIC OUTLOOK	29
1.2 U.S. ECONOMIC OUTLOOK.....	30
1.3 U.S. HOUSING R&R OUTLOOK	31
1.4 CANADA ECONOMIC & HOUSING OUTLOOK	33
2 GLOBAL OVERVIEW	34
2.1 GLOBAL GDP TRENDS: OUTLOOK	36
2.2 GLOBAL INFLATION TRENDS.....	37
2.3 GLOBAL CURRENCY EXCHANGE RATE TRENDS.....	38
2.4 GLOBAL HOUSING TRENDS	39
3 U.S. & CANADA DEMAND SIDE DYNAMICS.....	40
3.1 OVERVIEW OF DEMAND & SUPPLY ASSUMPTIONS & DRIVERS	40
3.2 OVERVIEW OF U.S. ECONOMIC ASSUMPTIONS & DRIVERS	41
3.3 U.S. ECONOMIC OUTLOOK.....	41
3.4 U.S. INTEREST RATES OUTLOOK.....	42
3.5 U.S. ECONOMIC WILD CARDS	43
3.6 U.S. HOUSING DYNAMICS & TRENDS	46
3.7 U.S. REPAIR & REMODELLING MARKET: OVERVIEW.....	52
3.8 U.S. REPAIR & REMODELLING MARKET: OUTLOOK	54
3.9 CANADA ECONOMIC OUTLOOK.....	55
3.10 CANADA: HOUSING OUTLOOK	56
4 STATISTICS AT A GLANCE.....	57

SECTION C - GLOBAL SUPPLY/DEMAND TRENDS

TABLE OF CONTENTS.....	65
1 EXECUTIVE SUMMARY	67
1.1 OVERVIEW	67
1.2 GLOBAL LUMBER FORECAST	68
1.3 GLOBAL WOOD PELLET OVERVIEW	69
2 GLOBAL TRENDS	70
2.1 GLOBAL INDUSTRIAL ROUNDWOOD — CONIFEROUS	70
2.2 GLOBAL INDUSTRIAL ROUNDWOOD — NON-CONIFEROUS	73
2.3 GLOBAL SAWNWOOD — CONIFEROUS	76
2.4 GLOBAL SAWNWOOD — NON-CONIFEROUS	86
2.5 GLOBAL PLYWOOD	89
2.6 GLOBAL OSB	92
2.7 GLOBAL PARTICLEBOARD	93
2.8 GLOBAL MDF	97
3 WOOD PELLETS MARKETS.....	101
3.1 GLOBAL PELLET CONSUMPTION AND DEMAND DRIVERS	102
3.2 WOOD PELLET PRODUCTION.....	104
3.3 WOOD PELLET EXPORTS: CANADA	106
3.4 WOOD PELLET EXPORTS: USA.....	107
3.5 WOOD PELLET EXPORTS: NORTH AMERICA.....	108
3.6 WOOD PELLET PRICES: OVERVIEW	109

SECTION D – SOFTWOOD LUMBER

TABLE OF CONTENTS.....	111
1 EXECUTIVE SUMMARY	113
1.1 LUMBER SUPPLY/DEMAND OUTLOOK.....	113
1.2 LUMBER CONSUMPTION OUTLOOK	114
1.3 LUMBER IMPORTS/EXPORTS OUTLOOK	115
1.4 LUMBER PRODUCTION OUTLOOK.....	116
1.5 BASIS OF POTENTIAL LUMBER “SUPER-CYCLE”	117
1.6 LUMBER PRICE OUTLOOK	118

2 LUMBER CONSUMPTION	119
2.1 LUMBER CONSUMPTION ASSUMPTIONS & DRIVERS.....	119
2.2 U.S. CONSUMPTION BY HOUSING TYPE	120
2.3 U.S. CONSUMPTION BY END USE: TO 2014.....	122
2.4 U.S. CONSUMPTION: OUTLOOK.....	123
2.5 CANADA CONSUMPTION BY END USE: TO 2014.....	124
2.6 CANADA CONSUMPTION: OUTLOOK.....	125
2.7 U.S. & CANADA CONSUMPTION: OUTLOOK.....	126
3 LUMBER IMPORTS.....	127
3.1 U.S. LUMBER IMPORTS: OUTLOOK.....	128
3.2 U.S. LUMBER IMPORTS: NON-CANADIAN OUTLOOK.....	129
3.3 U.S. LUMBER IMPORTS: MARKET SHARE.....	130
3.4 CANADA: LUMBER IMPORTS	131
4 LUMBER PRODUCTION	132
4.1 LUMBER PRODUCTION ASSUMPTIONS & DRIVERS	132
4.2 U.S. LUMBER PRODUCTION: U.S. WEST OUTLOOK.....	134
4.3 U.S. LUMBER PRODUCTION: U.S. SOUTH OUTLOOK	135
4.4 U.S. LUMBER PRODUCTION: OUTLOOK.....	136
4.5 B.C. LUMBER PRODUCTION: MOUNTAIN PINE BEETLE	137
4.6 B.C. LUMBER PRODUCTION: OUTLOOK.....	138
4.7 W. & E. CANADA LUMBER PRODUCTION: OUTLOOK	139
4.8 CANADA LUMBER PRODUCTION: OUTLOOK.....	140
4.9 U.S. & CANADA LUMBER PRODUCTION: OUTLOOK.....	141
4.10 U.S. & CANADA: LUMBER COST BENCHMARKING.....	142
4.11 U.S. & CANADA: OPERATING RATES	144
4.12 U.S. & CANADA: TOP 10 COMPANIES	146
5 ENGINEERED WOOD PRODUCTION.....	147
5.1 LVL PRODUCTION	148
5.2 I-JOIST PRODUCTION	149
5.3 GLU-LAM PRODUCTION	150
6 LUMBER EXPORTS	151
6.1 THE CHINA FACTOR	151
6.2 U.S. LUMBER: EXPORTS.....	152
6.3 CANADA LUMBER: EXPORTS.....	153
6.4 U.S. & CANADA LUMBER: EXPORTS	154
6.5 U.S. & CANADA: LUMBER SUPPLY/DEMAND.....	155

7	PRICE FORECASTS	156			
7.1	OVERVIEW OF DEMAND & SUPPLY ASSUMPTIONS & DRIVERS	156			
7.2	2x4 W-SPF R/L LUMBER PRICES	161			
7.3	2x4 E-SPF R/L LUMBER PRICES	162			
7.4	2x4 SYP R/L LUMBER PRICES	163			
7.5	2x4 WESTERN US SPECIES R/L LUMBER PRICES	164			
7.6	2x4 SPF STUD LUMBER PRICES	165			
7.7	RANDOM LENGTHS COMPOSITE PRICE	166			
7.8	SUMMARY OF NO. AMERICAN PRICE OUTLOOKS	167			
7.9	SHOP & BETTER PINES	168			
7.10	SELECTED JAPAN EXPORT PRICES	170			
7.11	SELECTED CHINA EXPORT PRICES	171			
8	STATISTICS AT A GLANCE.....	173			
SECTION E – STRUCTURAL PANELS					
TABLE OF CONTENTS.....181					
1	EXECUTIVE SUMMARY	183			
1.1	STRUCTURAL PANELS CONSUMPTION OUTLOOK	184			
1.2	STRUCTURAL PANELS IMPORT/EXPORT OUTLOOK.....	185			
1.3	STRUCTURAL PANELS PRODUCTION OUTLOOK	186			
1.4	STRUCTURAL PANELS PRICE OUTLOOK	187			
2	CONSUMPTION	188			
2.1	STRUCTURAL PANELS CONSUMPTION ASSUMPTIONS.....	188			
2.2	U.S. CONSUMPTION BY HOUSING TYPE.....	189			
2.3	U.S. SHEATHING CONSUMPTION: BY END USE	191			
2.4	U.S. CONSUMPTION BY END USE: OUTLOOK	192			
2.5	U.S. CONSUMPTION: OUTLOOK.....	193			
2.6	CANADA CONSUMPTION: BY END USE	194			
2.7	CANADA CONSUMPTION: OUTLOOK.....	195			
2.8	U.S. & CANADA CONSUMPTION: OUTLOOK	196			
3	IMPORTS.....	197			
3.1	U.S. IMPORTS: TO 2014	197			
3.2	U.S. IMPORTS: OUTLOOK	198			
3.3	CANADA IMPORTS: OUTLOOK	199			
4	PRODUCTION.....	200			
4.1	U.S. OSB PRODUCTION: OUTLOOK.....	200			
4.2	U.S. PLYWOOD PRODUCTION: OUTLOOK	201			
4.3	U.S. OSB & PLYWOOD PRODUCTION: OUTLOOK.....	202			
4.4	CANADA OSB & PLYWOOD PRODUCTION: OUTLOOK.....	203			
4.5	N. AMERICA OSB/PLYWOOD PRODUCTION OUTLOOK.....	204			
5	OSB OPERATING RATES & COSTS	205			
5.1	OSB CAPACITY: SINCE 2006.....	205			
5.2	OSB CAPACITY: OUTLOOK	207			
5.3	OSB: OPERATING RATES	208			
5.4	OSB: COST TRENDS	209			
5.5	OSB: COMPANY COST TRENDS.....	210			
6	EXPORTS.....	211			
6.1	U.S. EXPORTS: BY PRODUCT	211			
6.2	U.S. EXPORTS: OUTLOOK.....	212			
6.3	CANADA EXPORTS: BY PRODUCT	213			
6.4	CANADA EXPORTS: OUTLOOK	214			
7	PRICE FORECASTS	215			
7.1	OVERVIEW OF DEMAND & SUPPLY ASSUMPTIONS & DRIVERS	215			
7.2	OSB PRICE DRIVERS	218			
7.3	OSB & PLYWOOD: OUTLOOK	219			
8	STATISTICS-AT-GLANCE	220			

SECTION F – NON-STRUCTURAL PANELS

TABLE OF CONTENTS.....	227
1 EXECUTIVE SUMMARY	229
1.1 NORTH AMERICA FORECAST SUMMARY	229
1.2 NORTH AMERICAN CONSUMPTION OUTLOOK	230
1.3 NON-STRUCTURAL PANELS: PARTICLEBOARD PRODUCTION OUTLOOK	231
1.4 NON-STRUCTURAL PANELS: MDF PRODUCTION OUTLOOK.....	232
1.5 NON-STRUCTURAL PANELS: PRICE OUTLOOK.....	233
2 N. AMERICA: PARTICLEBOARD/MDF OVERVIEW	234
2.1 N. AMERICA CONSUMPTION OVERVIEW.....	234
2.2 N. AMERICA PRODUCTION OVERVIEW	235
2.3 N. AMERICA OPERATING RATES	237
2.4 N. AMERICA IMPORT/EXPORT OVERVIEW	239
3 U.S.: PARTICLEBOARD & MDF	240
3.1 NON-STRUCTURAL CONSUMPTION ASSUMPTIONS & DRIVERS	240
3.2 NON-STRUCTURAL CONSUMPTION: CORRELATIONS	241
3.3 U.S. PARTICLEBOARD	242
3.4 U.S. MDF	245
4 CANADA: PARTICLEBOARD & MDF	248
4.1 CANADA PARTICLEBOARD	248
4.2 CANADA MDF	252
5 PARTICLEBOARD/MDF MARKET & PRODUCT TRENDS	255
5.1 MAIN END USES FOR PARTICLEBOARD AND MDF	255
5.2 DOWNSTREAM SHIPMENTS BY MARKET CHANNEL AND REGION	256
5.3 THIN MDF	258
5.4 MDF MOULDING.....	258
5.5 INDUSTRY & PRODUCT TRENDS	259
5.6 INDUSTRY REGULATORY ISSUES	261
6 PARTICLEBOARD & MDF PRICE OUTLOOK	264
6.1 OVERVIEW OF DEMAND & SUPPLY ASSUMPTIONS & DRIVERS	264
6.2 PARTICLEBOARD	266
6.3 MDF	267
7 STATISTICS AT A GLANCE.....	268

SECTION G – GLOSSARY & CONVERSIONS

TABLE OF CONTENTS.....	279
GLOSSARY.....	281