



# Southeastern Timber Market Outlook

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# Forisk helps the forest industry make better decisions.

- Analysis and forecasts.
  - *Forisk Research Quarterly*
- Price and industry data.
  - *Forisk Market Bulletin*
  - *Forisk Wood Fiber Review*
  - North American Mill Database
  - Timberland Owner Database
- Multi-client studies.
  - Timber market rankings
  - Silviculture benchmarking
- Resource studies and consulting.
- Educational workshops.

## Upcoming Events

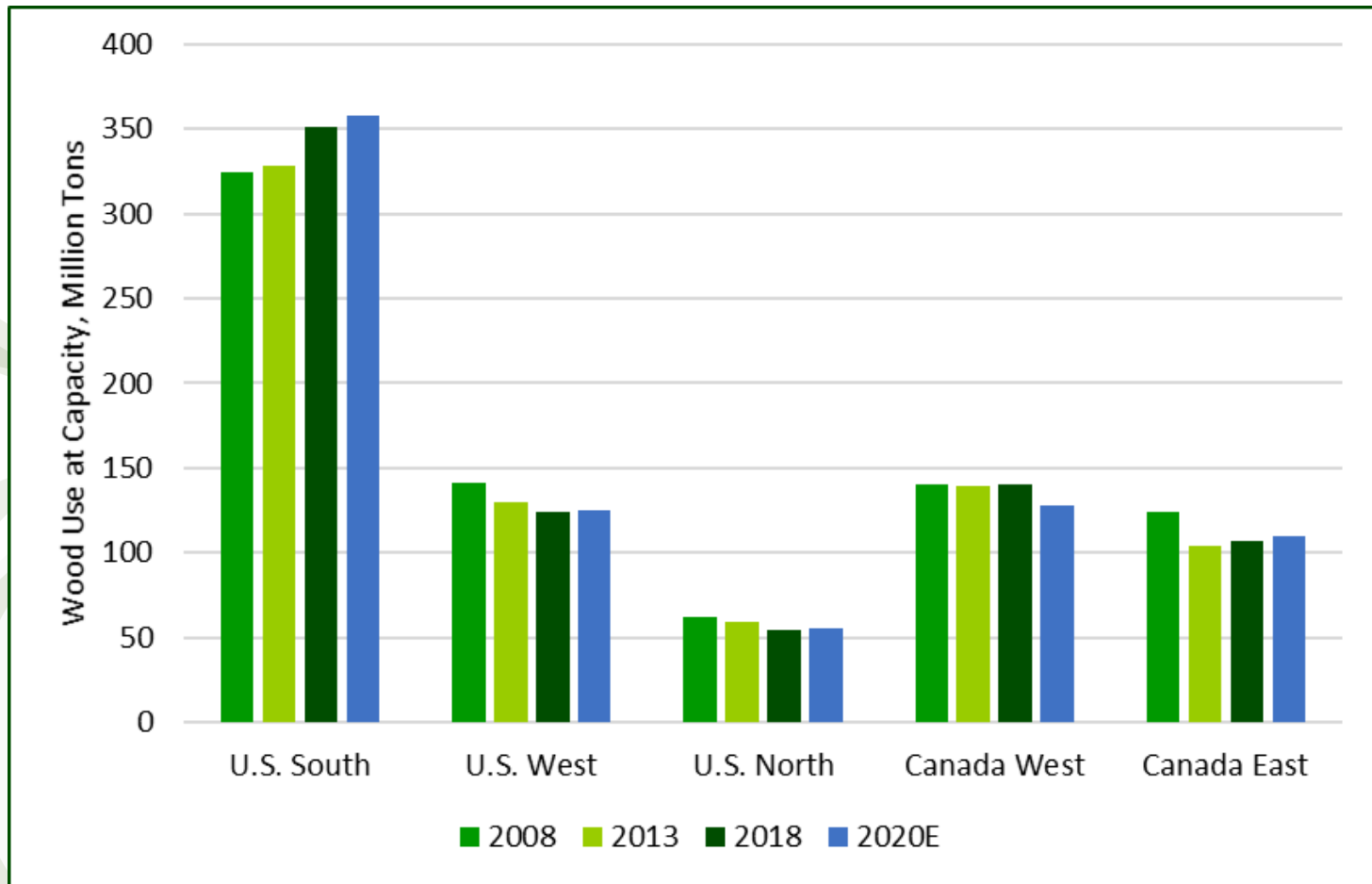
*“Wood Flows & Cash Flows”  
Annual Conference*

September 2<sup>nd</sup>, 2021

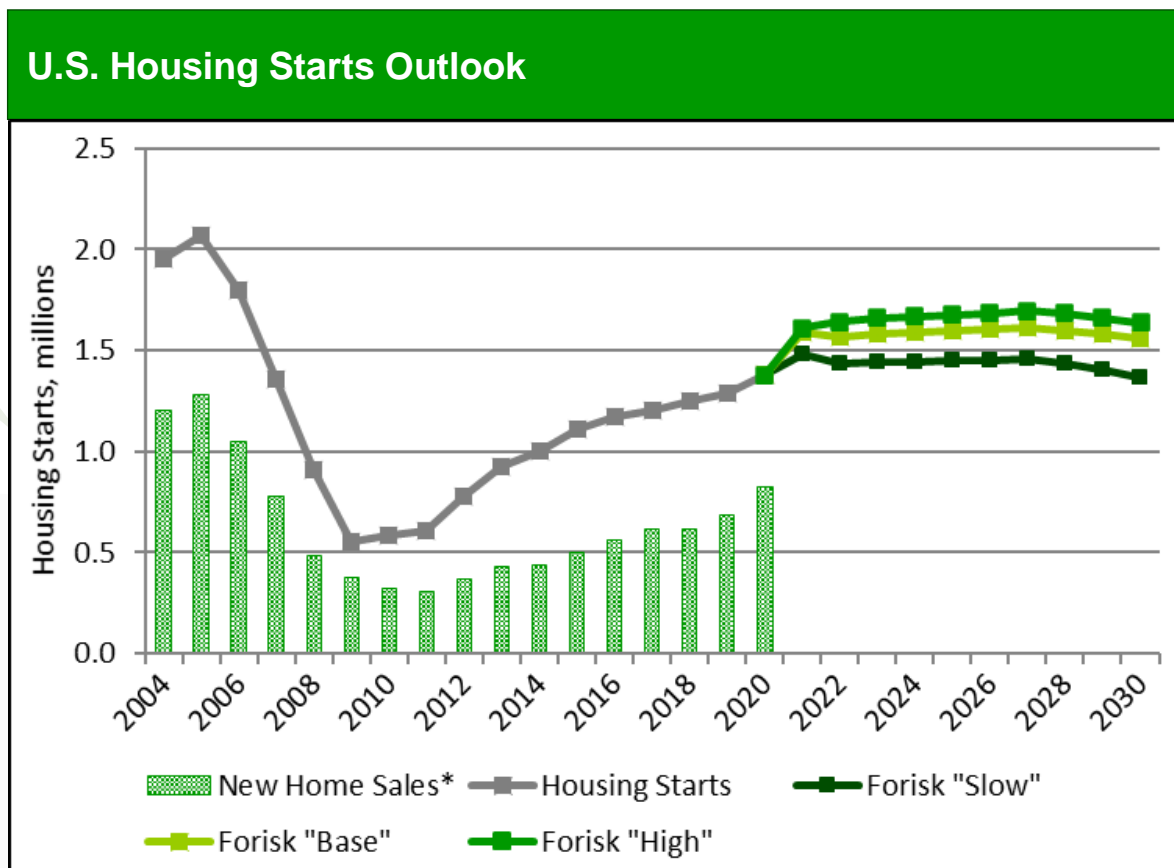
*“Timber Market Analysis”  
Class*

December 9<sup>th</sup>, 2021

# North American Forest Industry Capacity by Region



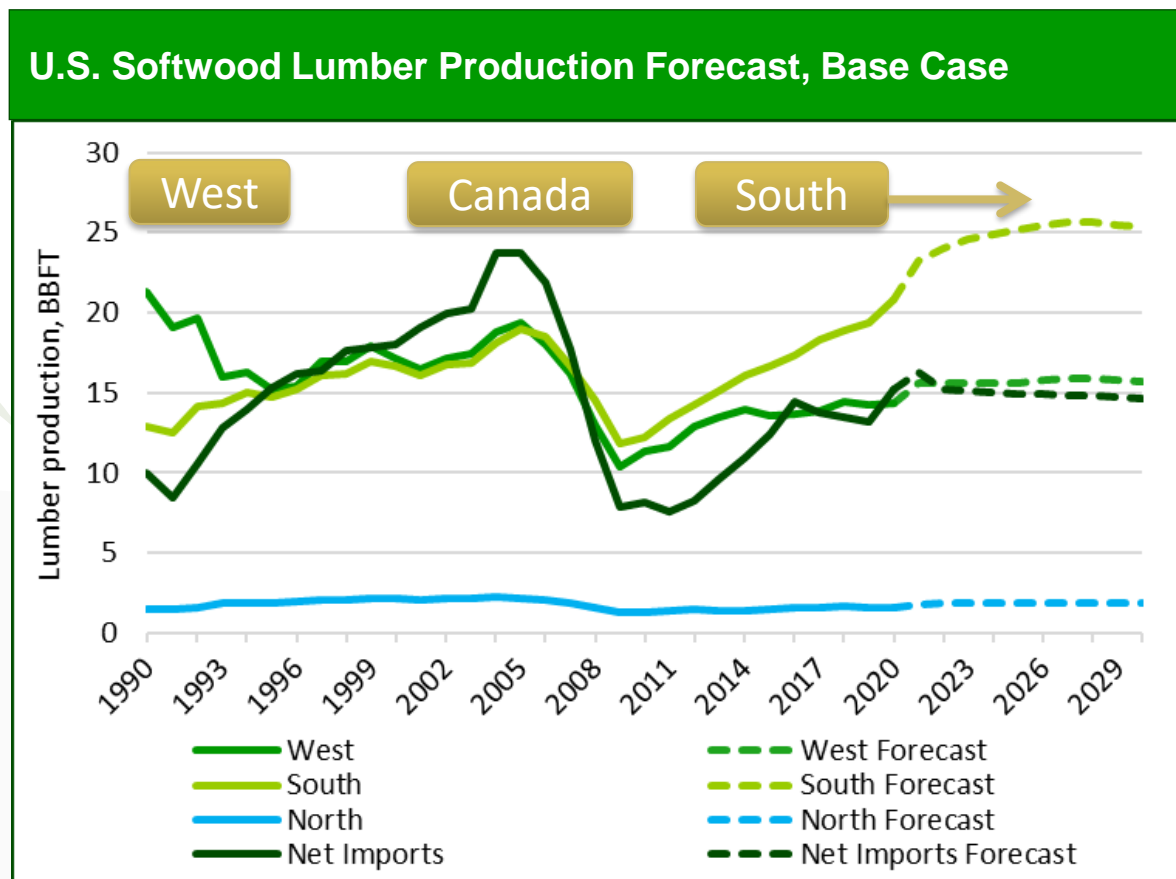
As of Q3, Forisk projects U.S. housing starts of 1.590 million for 2021, up 15% from 2020 actuals. Forisk's Base Case peaks at 1.61 million housing starts before returning to a long-term trend approaching 1.50 million.



\* Single-family homes

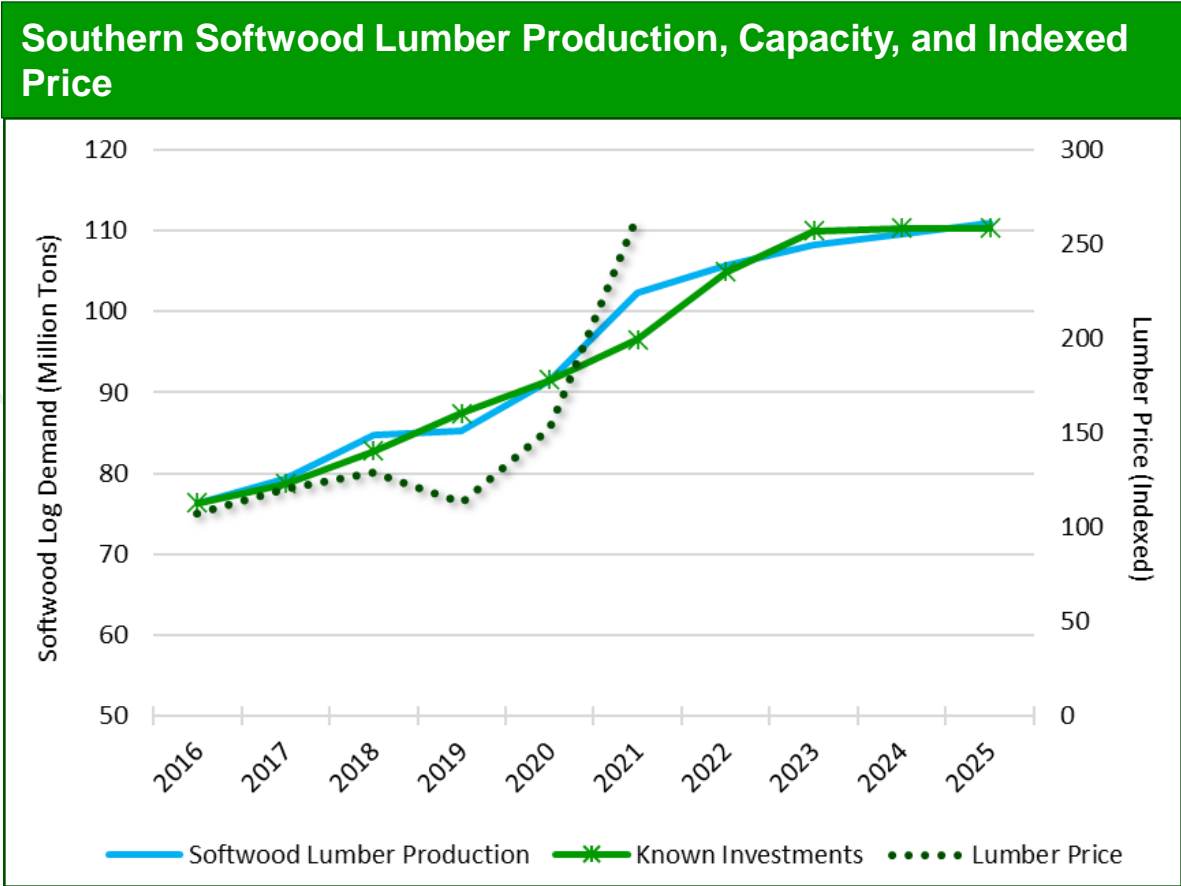
Data sources: U.S. Census, Forisk Consulting

**U.S. softwood lumber production increases 12% in 2021, following a 7% increase in 2020. The U.S. South continues to capture market share as Canadian imports trend lower.**



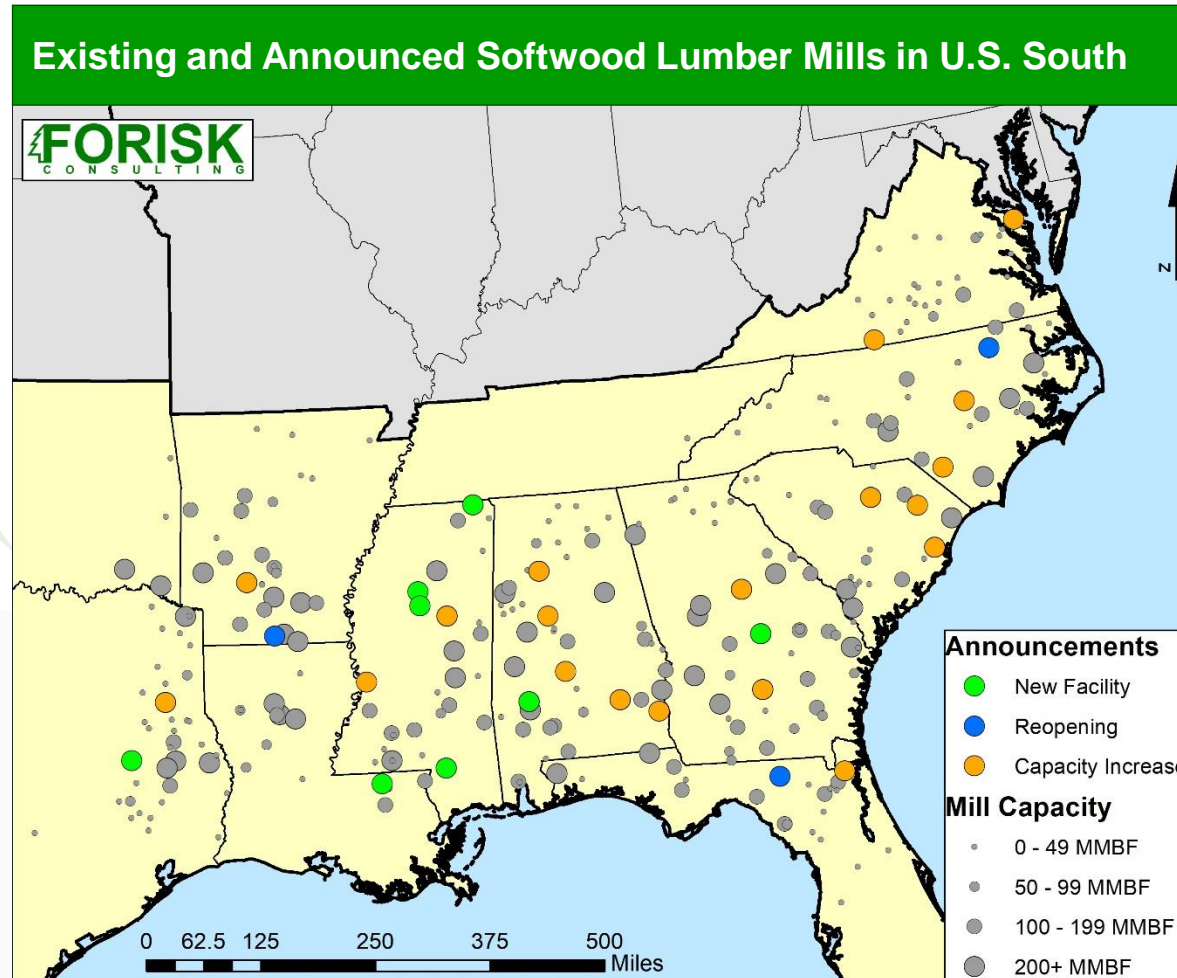
Data sources: USDA; WWPA; SFPA; Forisk

**Market Update: Sawmill capacity is catching up with demand.** As demand for lumber surged above capacity in 2021, prices drove higher into June. Now, as capacity catches up and consumers adjusted, lumber prices have eased.



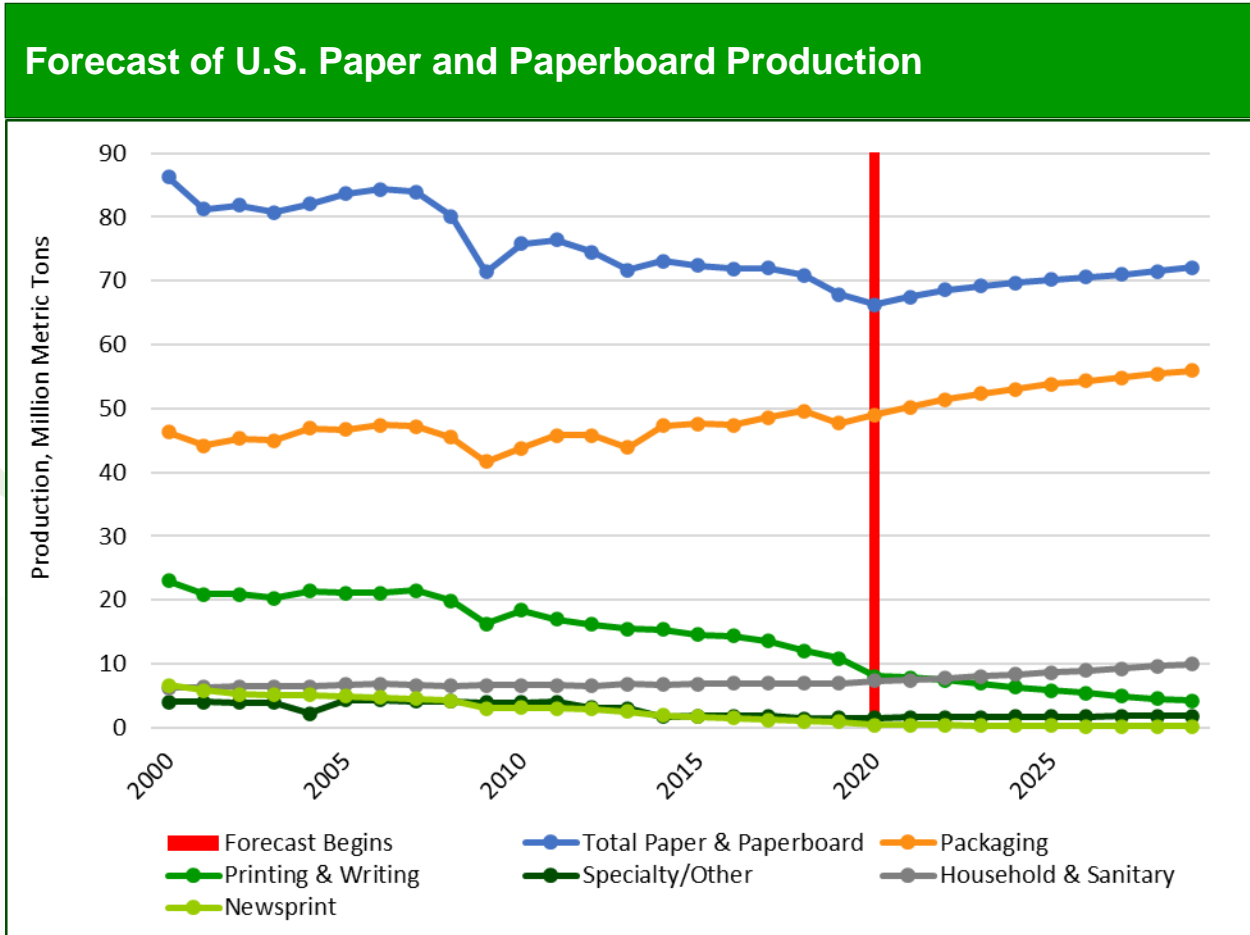
Data Sources: Forisk, WWPA, BLS

Capacity increases include reopenings, new mills, and several increases at existing mills.



Note: size of circles corresponds to projected capacity in 2022 after announced projects are complete.

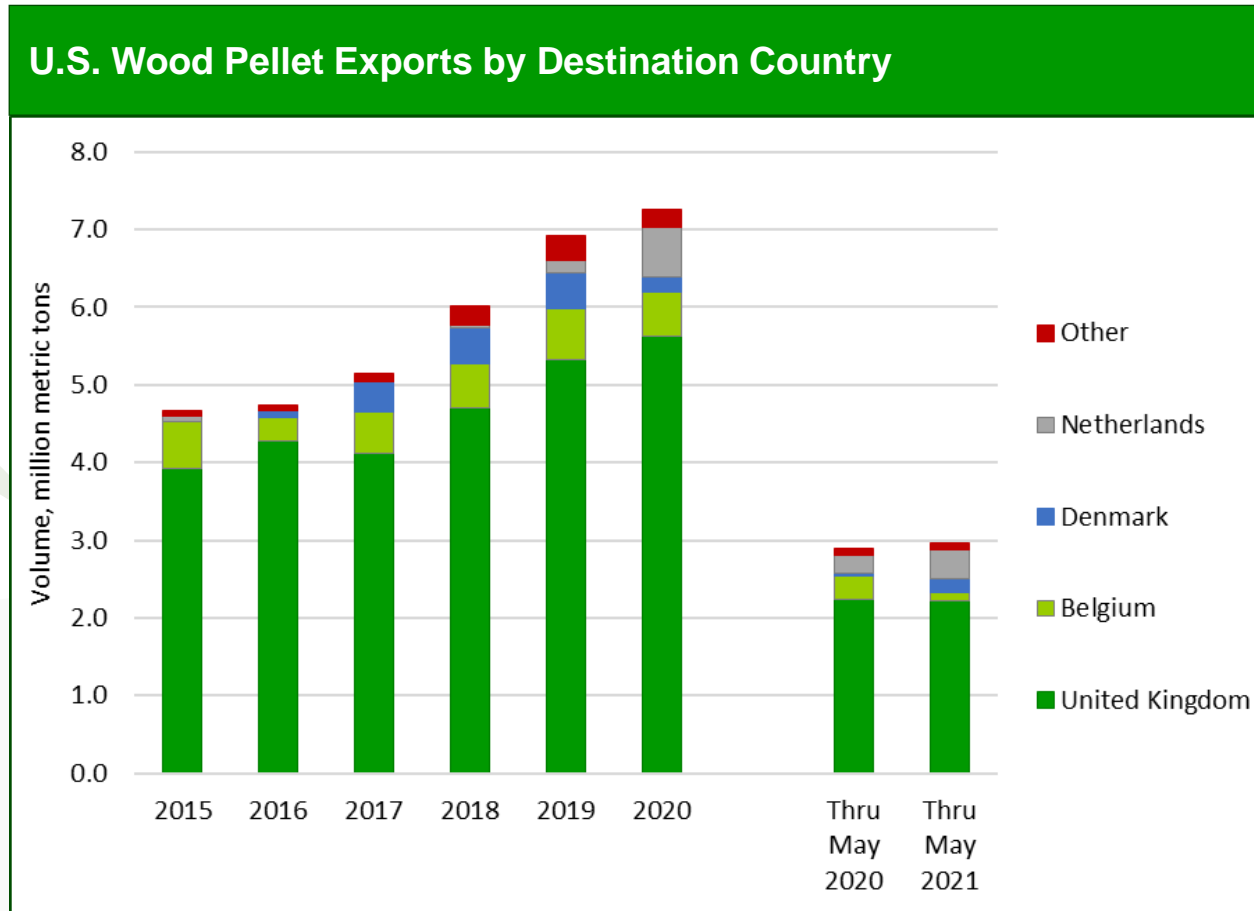
# Pulp/Paper Outlook



Data Sources: FAO, ERA

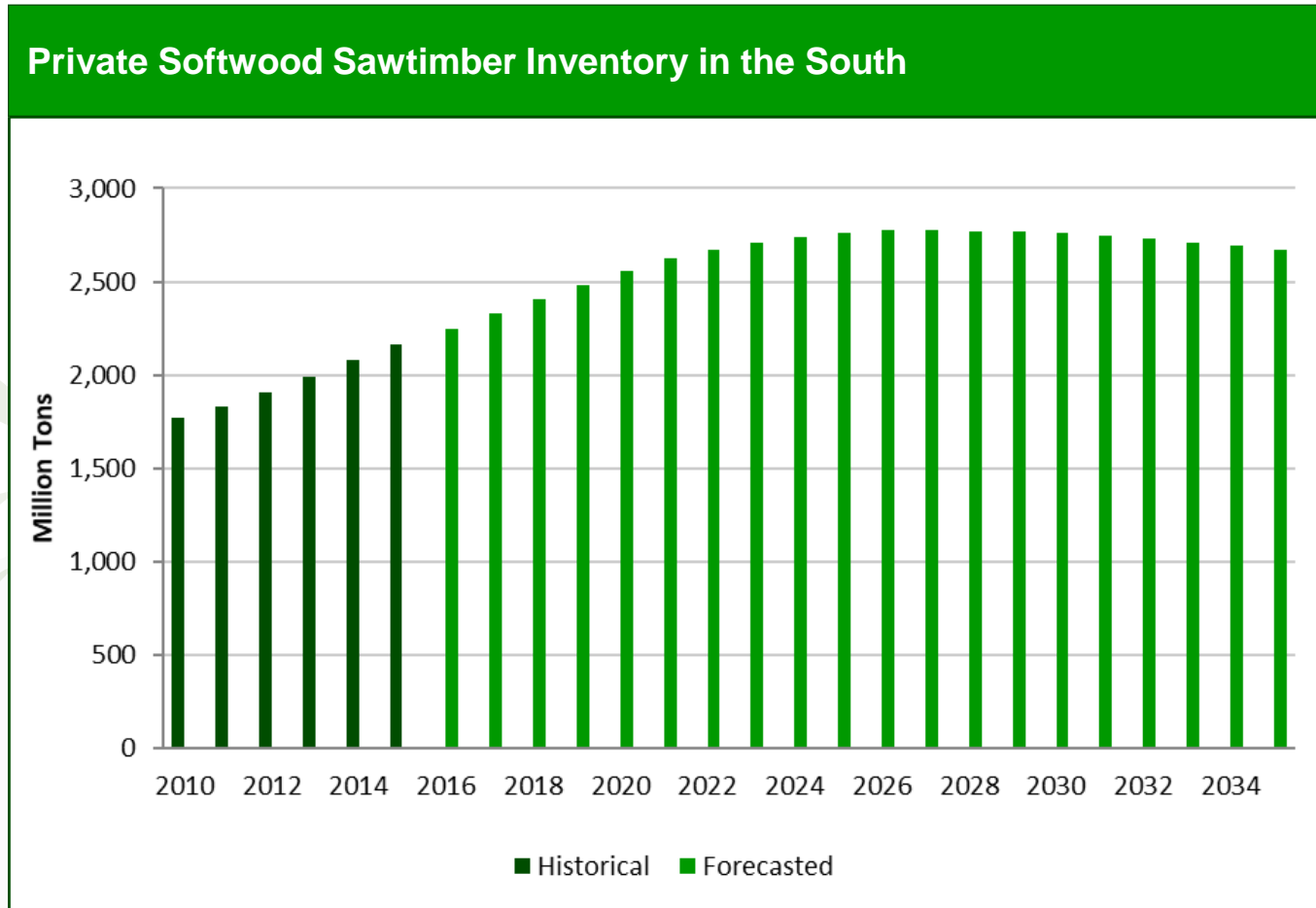


# In 2020, U.S. wood pellet exports increased 5%.

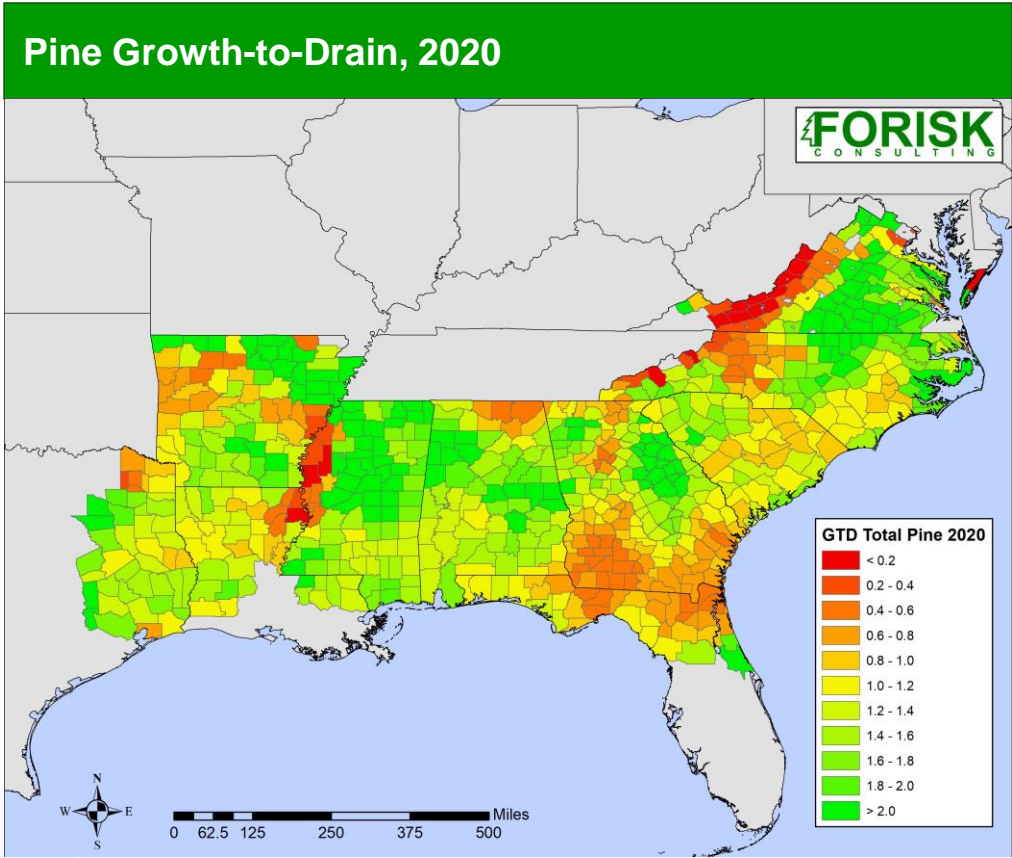


Data source: U.S. Census

# Softwood Sawtimber Inventory Continues to Increase in the South



The average pine growth-to-drain for the South in 2020 is 1.31, indicating a general oversupply of timber. Fast-forward five years to 2025 and the timber supply profile balances with a growth-to-drain of 1.0. During this time, 10 sawmills and 11 pellet mills expand or come online in the region.



Data Sources: Forisk, SOFAC, U.S. Forest Service