



Western LUMBER FACTS

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Western Softwood Lumber Industry Activity (million board feet)

| | Full Year | 10 months YTD | | | % Chg | | | | | | | |
|---------------|-----------|---------------|-------|-------|--------|--------|--------|--------|--------|------------|------------|-------|
| Production | 2011 | 2012 | 2011 | % Chg | Oct-12 | Sep-12 | Oct-11 | M to M | Y to Y | 3rd Qtr 12 | 3rd Qtr 11 | % Chg |
| Coast | 7,118 | 6,658 | 6,072 | 9.7% | 749 | 620 | 572 | 20.8% | 30.8% | 2,008 | 1,852 | 8.4% |
| Inland | 4,091 | 3,772 | 3,438 | 9.7% | 432 | 355 | 363 | 21.7% | 19.1% | 1,125 | 1,099 | 2.4% |
| Cal RW | 409 | 411 | 372 | 10.6% | 48 | 38 | 26 | 26.7% | 80.8% | 125 | 121 | 3.5% |
| Western Total | 11,618 | 10,841 | 9,882 | 9.7% | 1,228 | 1,013 | 961 | 21.3% | 27.8% | 3,258 | 3,071 | 6.1% |

Shipments

| | | | | | | | | | | | | |
|---------------|--------|--------|-------|------|-------|-----|-----|-------|-------|-------|-------|------|
| Coast | 7,108 | 6,573 | 6,024 | 9.1% | 743 | 585 | 593 | 26.9% | 25.2% | 1,978 | 1,862 | 6.2% |
| Inland | 4,077 | 3,740 | 3,411 | 9.7% | 411 | 347 | 341 | 18.5% | 20.4% | 1,121 | 1,050 | 6.8% |
| Cal RW | 426 | 388 | 363 | 7.0% | 45 | 39 | 33 | 13.5% | 35.5% | 121 | 119 | 1.4% |
| Western Total | 11,611 | 10,701 | 9,798 | 9.2% | 1,198 | 971 | 967 | 23.3% | 23.9% | 3,220 | 3,031 | 6.2% |

New Orders

| | | | | | | | | | | | | |
|---------------|--------|--------|-------|------|-------|-------|-----|-------|-------|-------|-------|-------|
| Coast | 7,093 | 6,588 | 6,023 | 9.4% | 732 | 615 | 584 | 19.0% | 25.3% | 1,996 | 1,873 | 6.6% |
| Inland | 4,115 | 3,767 | 3,438 | 9.6% | 419 | 361 | 340 | 16.1% | 23.3% | 1,140 | 1,061 | 7.4% |
| Cal RW | 423 | 385 | 359 | 7.1% | 49 | 36 | 33 | 34.5% | 46.8% | 113 | 116 | -2.8% |
| Western Total | 11,631 | 10,741 | 9,820 | 9.4% | 1,199 | 1,012 | 957 | 18.5% | 25.4% | 3,249 | 3,050 | 6.5% |

Unfilled Orders

| | Dec-11 | Oct-12 | Oct-11 | % Chg |
|---------------|--------|--------|--------|-------|
| Coast | 226 | 245 | 240 | 2.3% |
| Inland | 206 | 238 | 196 | 21.8% |
| Cal RW | 32 | 30 | 31 | -0.2% |
| Western Total | 463 | 514 | 466 | 10.3% |

Orders vs. Production

| | Oct-12 | Sep-12 | Oct-11 |
|---------------|--------|--------|--------|
| Coast | 97.7% | 99.2% | 102.0% |
| Inland | 97.0% | 101.6% | 93.7% |
| Cal RW | 101.9% | 96.0% | 125.6% |
| Western Total | 97.6% | 99.9% | 99.5% |

Shipments vs. Inventory

| | Oct-12 | Oct-11 |
|---------------|--------|--------|
| Coast | 113.8% | 96.9% |
| Inland | 79.2% | 69.1% |
| Cal RW | 23.9% | 17.7% |
| Western Total | 88.3% | 74.9% |

Inventories

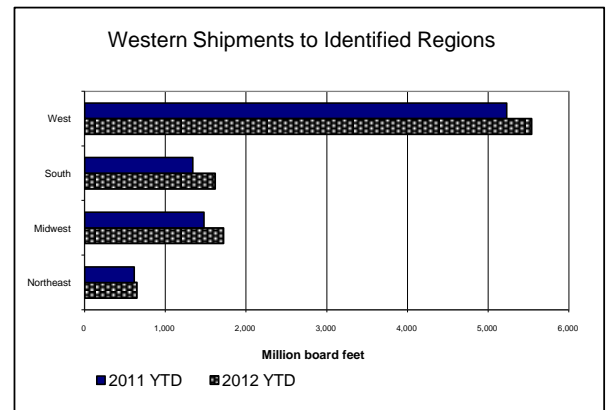
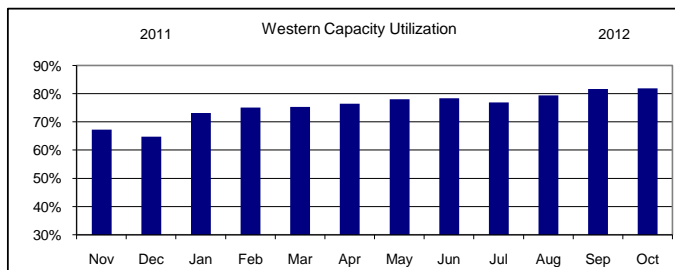
| | Dec-11 | Oct-12 | Oct-11 | % Chg |
|---------------|--------|--------|--------|-------|
| Coast | 572 | 653 | 612 | 6.6% |
| Inland | 481 | 518 | 494 | 5.0% |
| Cal RW | 160 | 186 | 186 | 0.3% |
| Western Total | 1,213 | 1,357 | 1,292 | 5.1% |

Unfilled vs. Inventory

| | Oct-12 | Oct-11 |
|---------------|--------|--------|
| Coast | 37.6% | 39.1% |
| Inland | 45.9% | 39.6% |
| Cal RW | 16.4% | 16.5% |
| Western Total | 37.9% | 36.1% |

Production as Percent of Practical Capacity

| | 2011 | 2012 | 2011 | Oct-12 | Sep-12 | Oct-11 |
|---------------|------|------|------|--------|--------|--------|
| Coast | 69% | 78% | 70% | 81% | 81% | 67% |
| Inland | 71% | 77% | 71% | 82% | 82% | 76% |
| Cal RW | 69% | 83% | 75% | 89% | 85% | 54% |
| Western Total | 70% | 78% | 71% | 82% | 82% | 70% |



Shipments to Identified Markets

Coast Region by Rail & Truck

| | 10 months YTD | | | | % Chg | | | |
|-----------|---------------|-------|-------|-------|--------|--------|--------|--------|
| | 2011 | 2012 | 2011 | % Chg | Oct-12 | Sep-12 | Oct-11 | Y to Y |
| Northeast | 509 | 467 | 417 | 12.2% | 56 | 41 | 43 | 35.1% |
| Midwest | 895 | 965 | 743 | 29.9% | 120 | 89 | 62 | 35.0% |
| South | 953 | 1,046 | 804 | 30.2% | 124 | 108 | 85 | 14.6% |
| West | 4,034 | 3,673 | 3,434 | 6.9% | 385 | 306 | 371 | 25.8% |
| Total | 6,391 | 6,151 | 5,397 | 14.0% | 685 | 544 | 560 | 22.2% |

Inland Region by Rail & Truck

| | | | | | | | | |
|-----------|-------|-------|-------|-------|-----|-----|-----|-------|
| Northeast | 234 | 181 | 200 | -9.2% | 19 | 20 | 22 | -6.0% |
| Midwest | 889 | 759 | 738 | 2.9% | 83 | 62 | 71 | 34.5% |
| South | 626 | 573 | 538 | 6.6% | 63 | 60 | 45 | 4.2% |
| West | 2,126 | 1,868 | 1,797 | 3.9% | 203 | 171 | 180 | 19.0% |
| Total | 3,874 | 3,381 | 3,272 | 3.3% | 368 | 313 | 318 | 17.6% |

Source: Western Wood Products Association

Lumber, Average Prices by Species

| | Full Year | 10 months YTD | | | % Chg | | | | |
|---------------------------|-------------|---------------|-------------|--------------|---------------|---------------|---------------|---------------|---------------|
| | <u>2011</u> | <u>2012</u> | <u>2011</u> | <u>% Chg</u> | <u>Oct-12</u> | <u>Sep-12</u> | <u>Oct-11</u> | <u>M to M</u> | <u>Y to Y</u> |
| Coast Region | | | | | | | | | |
| Douglas Fir, Dry | \$313.86 | \$340.36 | \$315.84 | 7.8% | \$349.94 | \$365.34 | \$317.42 | -4.2% | 10.2% |
| Douglas Fir, Green | \$277.45 | \$297.00 | \$278.52 | 6.6% | \$304.83 | \$322.46 | \$280.16 | -5.5% | 8.8% |
| Douglas Fir, All | \$293.36 | \$319.23 | \$294.49 | 8.4% | \$327.90 | \$344.50 | \$297.65 | -4.8% | 10.2% |
| Hem-Fir, Dry | \$269.74 | \$299.15 | \$272.64 | 9.7% | \$299.17 | \$311.71 | \$259.40 | -4.0% | 15.3% |
| Hem-Fir, Green | \$258.93 | \$332.16 | \$255.27 | 30.1% | \$324.87 | \$319.91 | \$322.52 | 1.6% | 0.7% |
| Hem-Fir, All | \$268.47 | \$300.91 | \$270.44 | 11.3% | \$299.82 | \$311.97 | \$262.85 | -3.9% | 14.1% |
| Inland Region | | | | | | | | | |
| Ponderosa Pine | \$460.66 | \$466.47 | \$462.28 | 0.9% | \$465.11 | \$464.34 | \$463.57 | 0.2% | 0.3% |
| Douglas Fir & Larch-Dry | \$323.73 | \$342.78 | \$327.14 | 4.8% | \$351.06 | \$360.30 | \$321.14 | -2.6% | 9.3% |
| Douglas Fir & Larch Green | \$331.44 | \$324.13 | \$336.45 | -3.7% | \$317.03 | \$328.72 | \$321.67 | -3.6% | -1.4% |
| White Fir | \$292.31 | \$323.56 | \$294.41 | 9.9% | \$327.63 | \$335.88 | \$287.29 | -2.5% | 14.0% |
| Englemann Spruce | \$342.80 | \$370.82 | \$346.23 | 7.1% | \$386.33 | \$381.46 | \$342.64 | 1.3% | 12.8% |
| Western Red Cedar | \$644.19 | \$696.58 | \$651.99 | 6.8% | \$749.53 | \$736.30 | \$677.95 | 1.8% | 10.6% |
| Whitewoods | \$296.64 | \$316.45 | \$299.14 | 5.8% | \$323.42 | \$330.21 | \$291.31 | -2.1% | 11.0% |

Lumber, Invoice-based Average Prices for Selected Products

| | Full Year | 10 months YTD | | | % Chg | | | | |
|---------------------------------------|-------------|---------------|-------------|--------------|---------------|---------------|---------------|---------------|---------------|
| \$/MBF | <u>2011</u> | <u>2012</u> | <u>2011</u> | <u>% Chg</u> | <u>Oct-12</u> | <u>Sep-12</u> | <u>Oct-11</u> | <u>M to M</u> | <u>Y to Y</u> |
| Coast Douglas Fir (Green) | | | | | | | | | |
| 2 x4 Stand & Btr R/L | \$263.85 | \$276.74 | \$268.53 | 3.1% | \$289.75 | \$316.88 | \$249.29 | -8.6% | 16.2% |
| 2x4 Stud Stand & Btr (8') | \$279.96 | \$290.29 | \$285.23 | 1.8% | \$304.50 | \$337.44 | \$262.83 | -9.8% | 15.9% |
| 2x10 No. 2 & Btr R/L | \$305.63 | \$308.26 | \$304.27 | 1.3% | \$314.69 | \$312.83 | \$305.02 | 0.6% | 3.2% |
| Coast Hem-fir (Dry) | | | | | | | | | |
| 2x4 Stand & Btr R/L | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| 2x10 No. 2 & Btr R/L | \$293.63 | \$335.78 | \$295.71 | 13.5% | \$320.19 | \$341.53 | \$282.04 | -6.2% | 13.5% |
| Inland Douglas Fir-Larch (Dry) | | | | | | | | | |
| 2x4 Stud (8') | \$285.55 | \$325.52 | \$288.99 | 12.6% | \$315.43 | \$349.00 | \$267.66 | -9.6% | 17.8% |
| 2x10 No. 2 & Btr R/L | \$318.71 | \$354.93 | \$320.70 | 10.7% | \$354.79 | \$379.01 | \$327.72 | -6.4% | 8.3% |
| White Woods | | | | | | | | | |
| 2x4 Stud (8') | \$288.74 | \$316.35 | \$291.80 | 8.4% | \$322.01 | \$332.70 | \$287.77 | -3.2% | 11.9% |
| 2x6 Stud (8') | \$285.14 | \$302.52 | \$286.95 | 5.4% | \$290.90 | \$334.08 | \$278.26 | -12.9% | 4.5% |
| Ponderosa Pine (Dry) | | | | | | | | | |
| 5/4 Moulding & Btr R/W | \$1,313.13 | \$1,170.80 | \$1,313.56 | -10.9% | \$1,101.80 | \$1,033.09 | \$1,293.16 | 6.7% | -14.8% |
| 5/4 No. 2 Shop R/W | \$746.75 | \$687.02 | \$746.29 | -7.9% | \$629.48 | \$635.42 | \$746.15 | -0.9% | -15.6% |
| 5/4 No. 3 Shop R/W | \$556.67 | \$560.53 | \$554.79 | 1.0% | \$558.05 | \$559.86 | \$577.38 | -0.3% | -3.3% |
| 1x6 No. 2 & Btr Corn R/L | \$460.16 | \$476.61 | \$473.00 | 0.8% | \$483.95 | \$444.96 | \$469.94 | 8.8% | 3.0% |