



Prices for Douglas-fir, both export and sawlogs are trending upward. Both are influenced by the Canadian log supply situation. Exporters in Canada are not able to meet the Japanese demand for export, especially for 8" to 19" logs, so ships are turning to USA ports to fill their needs creating a stronger market for us. We expect prices to continue to rise, (depending on winter weather conditions) into the second quarter.

Fir sawlogs prices are rising along with lumber futures. Canadian supply has been hampered with mill shutdowns creating a more favorable market for our logs. If we have a strong US building market this spring, like they are predicting, we can expect fir sawlogs to stay above the \$650 level and even into the \$700's again.

The bad news is that the demand for hemlock and grand fir is poor and just got worse as far as the export market goes. Most of the hemlock was sold into China, and until the tariff dispute is settled, we don't expect to see much changes in prices. The average for all export and sawlog quality hemlock has dropped to under the \$550 mark, the lowest it has been in over 5 years.

Alder has really tanked too, mostly for the same reasons. China was a big importer of our hardwood lumber, and the tariff situation really hurt that market. Alder hit a 10 year low this month.