



## FOR IMMEDIATE RELEASE

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### **Canadian Price Increases Push North American Wood Fiber Prices Higher in Second Quarter**

WATKINSVILLE, GEORGIA – June 29, 2023 – North American wood fiber prices increased 5% year-over-year through Q2 2023 according to the *Forisk Wood Fiber Review (FWFR)*. Slowing paper demand, falling lumber prices, and tight labor markets contributed to fiber price volatility throughout 2022 and into the first half of 2023.

Canadian roundwood prices increased 12% year-over-year and chip prices rose 28%. Softwood pulplogs in British Columbia and the Maritimes increased 2% while decreasing 8% in Eastern Ontario/Quebec for the quarter in Canadian dollars. Delivered softwood chip prices rose across Canada, with the largest rise in the E. Ontario/Quebec region, up 27% for the quarter. “The forest products industry remains challenging in Western Canada due to fiber shortages and extended fire seasons,” according to Vickie Swanton, Forisk’s Western Region Representative. “The sawmill sector is a mixed bag, with some facilities reopening after idling earlier this year and others taking extended, unscheduled downtime. Pulp and paper mills are not showing many rays of hope either, as companies are permanently closing pulping lines or taking extended market related downtime.”

U.S. roundwood and chip prices both fell around 1% year-over-year. U.S. South fiber prices fell year-over-year for all product types in the South Central and Southeast regions. Softwood chip prices in the Southeast were the only exception, remaining unchanged year-over-year. “Pulp and paper mills, the market drivers in the South, continued to operate at reduced rates due to end markets and mechanical issues following the 2022 winter freeze,” noted Stephen Wright, Product Manager for the *FWFR*. “With the decrease in fiber demand from price setters in the regions, companies with lower-margin products were successful at driving the price of fiber down in Q2.”

Wood fiber costs account for over half of total pulp manufacturing cost worldwide. The *Forisk Wood Fiber Review* includes prices and market commentary for all major North American regions, providing essential data for anyone that needs to track pulpwood, wood chips, and biomass prices in the world’s largest and most dynamic wood fiber markets. The *FWFR* provides updates of softwood and hardwood prices for all major markets in North America. Prices are reported for wood delivered to consuming plants as a range and average price. Each report also updates U.S. and Canada trade statistics for lumber, logs, wood pellets, wood chips and pulp.

For more information or to subscribe to the [Forisk Wood Fiber Review](#), visit [www.forisk.com](http://www.forisk.com) or contact: Heather Clark, [hclark@forisk.com](mailto:hclark@forisk.com), 770.725.8447.



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