



Forisk News, August 4, 2009

Archives available at: <http://www.forisk.com/News-v-38.html>

Subject line: Forisk News: Wood Demand – Bioenergy Projects – Forest Finance

Wood Demand: The 2nd Quarter of 2009 showed signs of stabilization and improvement in wood markets. Fewer mills announced downtimes and “we’re holding on” was a frequent quote from procurement managers when asked to describe mill operations and market conditions. Pine sawtimber demand increased for the first time since 1st Quarter 2007, driven primarily by increased consumption at plywood/veneer mills. Pine pulpwood consumption increased at pulp mills, chip mills and even OSB facilities. For further details by state and by end use market, review the [Wood Demand Report](#).

Bioenergy Projects: As of July 1st, 109 wood-consuming bioenergy projects were operating, under construction, or announced across eleven states in the US South. If all projects succeed, South-wide wood consumption by bioenergy firms – including pellet, wood-to-electricity, and ethanol/liquid fuel facilities – would total over 43.6 million tons per year by 2015. However, according to Forisk analysis, more than half of these projects will fail. For additional details, look for Forisk’s monthly, project-by-project listing and screening of known bioenergy projects.

Applied Forest Finance: Financial analysis provides a framework for addressing key investment decisions. To learn, refresh, and implement the practical tools for marginal financial analysis and estimating discount rates in forestry, attend the August 26 Applied Forest Finance course in Atlanta, Georgia. For course details and to register, click [here](#).

Forisk Updates

- Registration now open for Investing in Timber REITs, a one-day course on September 22nd in Atlanta, Georgia. For course details, click [here](#).
- Forisk’s Stumpage Price Forecast available soon. For details on Forisk’s forecasting approach and philosophy, click [here](#).
- MillVantage™, an online geodatabase of current information on mills and wood-consuming bio-energy facilities offered by Forisk Consulting and Sewall Company, has expanded coverage in the US South to include Virginia and Oklahoma. To access a demo site, visit <https://geopower.jws.com/milldb>.

Forisk provides research and educational services to executives and analysts making decisions associated with timber REITs, timberlands, and wood-using energy and manufacturing facilities.