



**Forisk News**, April 28, 2010

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

Subject line: Forisk News: Wood Demand – Timber REITs – Forisk Blog

**Wood Demand:** Pine sawtimber consumption in the US South improved 6.1% during the first quarter, after hitting five-year lows during the fourth quarter of 2009. Pulpwood demand increased 1.1% this quarter at both pulp and OSB mills. In addition, in-woods chips receipts in the South hit their highest levels since Forisk began reporting in 2006. Looking ahead, we expect pulpwood demand to reach pre-decline levels by 2013 as OSB and bioenergy facilities increase consumption. For further details by state and by end use market, review the [Wood Demand Report](#).

**Timber REITs:** The Forisk Timber REIT (FTR) Index of publicly-traded timber REITs (Plum Creek, Potlatch, Rayonier) returned 10.05% year-to-date in 2010 relative to 4.48% for the S&P 500. Weyerhaeuser's impending REIT conversion will increase the market capitalization of the FTR Index and the public timber REIT sector by ~85%. Forisk instructors will review performance metrics, discount rate estimation, and NAV analysis for public timber REITs in Atlanta during its "Investing in Timber REITs" Master Class on August 4<sup>th</sup> (see Forisk Updates below).

**Forisk's Blog:** Forisk recently launched its blog to provide timely and concise independent analysis of wood markets, bioenergy projects and timberland investment vehicles. To subscribe, please visit [Forisk's Blog](#).

#### **Forisk Updates**

- The Forisk Continuing Education Program offers **Applied Forest Finance** on August 4<sup>th</sup> at the Emory Conference Center Hotel in Atlanta, Georgia. In addition, the **Investing in Timber REITs** Master Class will be offered in the evening. For course details and to register, click [here](#).
- Forisk's 10-year Stumpage Forecast for pine sawtimber and pulpwood in the US South is available. The ForiskForecast provides year-by-year and state-by-state forecasts of stumpage pricing through 2020. For details, please contact Brooks Mendell at [bmendell@forisk.com](mailto:bmendell@forisk.com).

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