

FORISK NEWS

Q3 2025 Edition • August 12, 2025

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THE CMF IS TURNING ONE!

Last year, Forisk launched the *Custom Market Forecast (CMF)*, a new offering that leverages models from the *Forisk Research Quarterly (FRQ)* to deliver timely analyses specific to client markets and wood baskets. Thank you to our clients who have made the first year a success! The CMF is available for markets in the U.S. South and Pacific Northwest. Contact Nick DiLuzio (ndiluzio@forisk.com) to learn more or schedule a demo.

ABOUT FORISK

Forisk helps the forest industry make better decisions. We discover how things work through conducting applied research related to timber markets, wood bioenergy, and forest operations. Founded in 2004 and headquartered in Athens, Georgia, **Forisk conducts original, nationally cited research**. Leading media outlets – including *The Wall Street Journal*, *New York Times*, and National Public Radio – cite our analysis.

Current Forisk clients account for over 250 million tons of annual wood use and over 100 million acres of timberland ownership in North America. You can learn more about our company, our services, and our products at www.forisk.com.



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Welcome to the Q3 edition of the *Forisk News*!

Since the previous *Forisk News* went to press, members of the Forisk team presented research and workshops on forest economics and policy, timberland investments, forest operations, and mill capital investments to audiences and conferences in Florida, Georgia, New York, North Carolina, and Oregon.

In May we welcomed Chris King as our new Manager of the *Forisk Wood Fiber Review*, and in July, Amanda Lang was promoted to President and COO.

Next Forisk Class: Timber Market Analysis

October 1-2, 2025

Taught once per year, this live virtual class walks through the process to understand, track, and analyze the price, demand, supply, and competitive dynamics of local timber markets and wood baskets through the use of case studies. It is divided into two half-days of course content where Day 2 builds on Day 1. Attendees have the option to sign up for both days or just one of the days. Recordings will be available afterwards.

Attendees receive digital copies of course materials, including excel templates to conduct and deliver assessments of wood baskets and timber markets to clients and managers.

Registration is now open, with the early registration discount available until September 17!

Each day of this class qualifies for 3.0 hours of Continuing Education credit, with a combined total of 6.0 hours for both days. CE Credits include: CFE (Forestry), CLE/MTH (Georgia Master Timber Harvester / Logger), and Georgia Real Estate Appraiser.

[Visit Forisk's website to learn more.](#)

RECENT HIGHLIGHTS FROM FORISK'S BLOG

- [U.S. Pallet Sector Changes Over Time](#)
- [Forest Carbon Realities for Timberland Investors in 2025](#)
- [U.S. Housing Starts Outlook, Q3 2025 Update](#)
- [Financial Health of the Logging Industry](#)
- [Virgin Fiber and OCC Price Trends in the U.S.](#)
- [Southern Softwood Residual Chip Prices have Lagged Inflation](#)
- [Delivered Log Price Trends in the Pacific Northwest](#)
- [Forisk Timberland Transactions: 2025 Update](#)
- [Forisk Market Bulletin: May 2025 Mill Update](#)
- [Western Log Scale Conversions to Tons](#)
- [Softwood Sawtimber Forecasts: A Seven Year Performance Review](#)

SELECT FINDINGS FROM THE Q3 2025 FORISK RESEARCH QUARTERLY (FRQ)

The Q3 2025 [Forisk Research Quarterly \(FRQ\)](#) includes industry analysis and market forecasts through 2034 for timber prices, logging costs, softwood lumber production, structural panels production, paper and paperboard production, forest supplies, and wood bioenergy markets. **Select summary findings from the Q3 FRQ report include:**

- **Macro and Housing:** The economy grew at a 3.0% annualized pace in Q2 2025. The unemployment rate increased to 4.2%. Yields on 10-year U.S. Treasuries fell to 4.4% in Q2 2025 from 4.5% during Q1 2025. Single family starts declined 6.9% in Q2 2025 relative to last year, while multifamily starts increased by 17.1%.
- **Lumber:** North American softwood lumber production was flat for Q1 2025 year-over-year. The softwood lumber Producer Price Index declined 2% in Q2 2025 but increased 9% year-over-year. U.S. South sawmill investments continue with \$1 billion in announced projects from 2025 to 2027.
- **Structural Panels (OSB & Plywood):** Quarter-over-quarter average U.S. structural panel prices declined 21% for OSB and 2% for plywood in Q2 2025. Capital projects in the sector will expand North American capacity over 3.6 BSF and cost ~\$1.8 billion through 2027. Canada accounted for 48% (3 BSF) of all U.S. structural panel imports through May 2025.
- **Pulp & Paper:** Paper and paperboard production is down 2.6% from mid-year 2024. Packaging production fell 2.7% for the quarter, newsprint was up 4% for the quarter, and tissue production increased 1%, but all sectors fell year-over-year. Printing/writing production decreased 3.3% and is down 6.1% year-over-year. OCC prices dropped 2% in Q2 and are down 30% year-over-year. Average market pulp prices are up 2% year-over-year.
- **Wood Bioenergy:** Bioenergy products that pass Forisk's [Wood Bioenergy Database](#) screening plan to consume 98.1 million green tons per year of wood across the country. The U.S. South leads all regions in total projects and demand. Most bioenergy projects continue to be in the biomass-to-electricity, CHP, and pellet segments, though renewable hydrocarbon projects (liquid fuel and biochar) are increasing. Through May 2025, U.S. wood pellet exports increased 1% year-over-year while Canadian wood pellet exports increased 22%.
- **Log & Chip Exports:** Through May 2025, year-over-year Canadian softwood exports were down 13% while U.S. softwood log exports were down 25%. U.S. South softwood chip exports for the period were flat over last year. Year-to-date southern softwood log exports increased 22% year-over-year while western softwood log exports decreased 49%. Northern softwood log exports rose 1%. Canada, Japan, and Vietnam, account for 79% of U.S. log and chip exports.
- **Timberland Investments:** Public timber REITs returned -4.4% YTD through July 25th after returning -19.1% in 2024. Rayonier and Weyerhaeuser are trading down year-to-date while PotlatchDeltic is up. As a sector, public timber REITs increased 5.7% for the quarter according to the market cap weighted [Forisk Timber REIT Index \(FTR\)](#). Nearly 0.9 million acres of industrial timberland transactions closed in the United States for the last four quarters. TIMOs accounted for 67% of the acreage bought, while private sellers accounted for 47% of the acreage sold.
- **Forest Operations:** U.S. logging employment declined over 3% in 2024 for the third year in a row, led by 4% declines in the U.S. South. Canadian employment dipped over 1% year-over-year. Logging wages increased across North America, surging more than 4% in the U.S., with slower growth in Canada. Trucking freight shipments recovered 1% while trucking employment fell an additional 2%.
- **Timber Markets, U.S. South:** Southern stumpage prices increased for pine chip-n-saw and pine sawtimber in Q2 2025 and decreased for all other products, according to Timber Mart-South. The 2025 forecast for pine sawtimber increases 0.8% over the 2024 price. Pine pulpwood stumpage prices are projected to increase the most through 2029 in Alabama.
- **Log Prices, Pacific Northwest:** Domestic Doug-fir log prices rose 1% quarter-over-quarter in Oregon and 4% in Washington. Export Doug-fir prices rose 15%, while export hemlock prices increased 17%. Forisk's "base case" projects a slight increase for Doug-fir prices in 2025 followed by larger increases in 2026. Logging and hauling costs are projected to increase slightly over the next decade.
- **Hardwood Markets, U.S. North:** Forisk's Hardwood Price Index increased 1.8% in Q1 2025, up 10.2% year-over-year.

To learn more about the Forisk Research Quarterly (FRQ) subscription, [click here](#) or contact Nick DiLuzio at ndiluzio@forisk.com.

FORISK IN THE NEWS

- ▶ Forisk celebrates growth and leadership changes with [Amanda Lang promoted to President and COO!](#)
- ▶ [Forisk welcomes Chris King to the team as the new Wood Fiber Review product manager!](#)
- ▶ [Forisk Research Release, June 2025: North America Sees Slight Increase in Weighted Fiber Prices.](#)
- ▶ [Forisk Research Release, June 2025: From Closures to Investments: Q2 2025 Mill Activity at a Glance.](#)
- ▶ Forisk article "[Delivered Log Prices in the Northwest versus Stumpage in the U.S. South](#)" featured in *LandThink*

UPDATES FROM FORISK

- ▶ **August 20, 2025:** Brooks Mendell will speak at the [Louisiana Forestry Association Annual Meeting](#) in Lake Charles, LA.
- ▶ **August 28, 2025:** Amanda Lang will be speaking at the [Florida Forestry Association Annual Meeting](#) in Miramar Beach, FL.
- ▶ **September 17, 2025:** Brooks Mendell will keynote the [North Carolina Forestry Association 2025 Annual Meeting](#) in Greensboro, NC.
- ▶ **October 23, 2025:** Amanda Lang will be speaking at the [Mississippi Forestry Association Annual Meeting](#) in Flowood, MS.

FORISK RESEARCH & DATA SUBSCRIPTIONS

- ▶ [Forisk Research Quarterly \(FRQ\)](#)
- ▶ [Forisk Custom Market Forecast \(CMF\)](#)
- ▶ [Forisk Wood Fiber Review \(WFR\)](#)
- ▶ [Forisk North American Mill Capacity Database](#)

Contact Nick DiLuzio to learn more about any of these products:
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SPECIAL RESEARCH IN THE Q3 FRQ

Featured Research: Timberland Time Machine: Price Forecasts, Land Values, and Operating Income

Our featured research evaluates the relationship between timberland income and market values. This article first examines trends in private timberland values in the South and Pacific Northwest versus operating income. Second, it compares timber REIT income per acre in the South and West to private timberlands. Finally, back-tests of Forisk timber price forecasts and sensitivity analysis of discount rates point to the potential for disconnects between income and land values.

Market Update, Q2 2025: In this edition of quarterly observations and summary analysis of forest industry trends, we begin with observations on accounting for efficiency when considering forest industry capacity in sector analysis. Then, we compare current and historic timber product price ratios. Finally, we look at the status of forest carbon projects as a contributor to timberland financial performance.

Forisk Facts & Figures: Forisk's quarterly "story in three slides" reports wood demand changes in the pulp/paper sector. How has demand for wood fiber changed in the past 10 years?

FROM CLOSURES TO INVESTMENTS: Q2 2025 MILL ACTIVITY AT A GLANCE

Each quarter, Forisk compiles data on mill activity through its ongoing tracking of wood-using facilities as part of Forisk's [North American Forest Industry Capacity Database](#) (Mill Capacity Database), a database of over 2,300 wood-using mills in North America. Forest industry manufacturing developments in 2025 include mill closures mixed with some forward movement of capital projects. New announced projects, however, have stopped as companies seek clarity given economic uncertainty before they commit new capital. This quarter was marked by a series of significant mill closures, continuing the industry's trend of phasing out older and less efficient facilities. A summary of Q2 2025 mill projects is provided in the research release. [Read the full Research Release here.](#)

NORTH AMERICA SEES SLIGHT INCREASE IN WEIGHTED FIBER PRICES

The [Forisk Wood Fiber Review \(FWFR\)](#) reports that U.S. softwood fiber prices rose by 2% year-over-year through Q2 2025 with Canadian prices up 5%. Hardwood roundwood fell 6% in the Southeast but increased in all other U.S. regions. Softwood roundwood prices in the Southeast began to recover, as Hurricane Helene-downed fiber becomes unrecoverable due to deterioration. Roundwood prices also increased in all other U.S. regions.

Canadian chip prices increased 4% year-over-year. In British Columbia, softwood pulplog prices were flat for the quarter again. Delivered softwood chip prices rose by 3% in Alberta and 11% in East Ontario/Quebec year-over-year. U.S. roundwood prices increased 5% year-over-year and chip prices fell by 2%, though this varied regionally.

[Read the full Research Release here.](#)