

# FORISK NEWS

Q1 2026 Edition • February 26, 2025

## IN THIS ISSUE

- ▶ Research Highlighted on Forisk's Blog
- ▶ Select Findings from the Q1 FRQ
- ▶ Special research in the Q1 FRQ
- ▶ Forisk tracking of forest industry mills
- ▶ Wood fiber prices across North America
- ▶ Forisk in the News

## WELCOME JESSICA!

Forisk is excited to welcome Jessica Hood to the Forisk team as our new Office Manager! Jessica brings 11 years of experience managing a local civil engineering firm, where she oversaw operations, supported clients, and helped keep a growing team running smoothly. We're thrilled to have her organization and energy supporting Forisk!

## 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](http://www.forisk.com).



[www.forisk.com](http://www.forisk.com)

Phone: (+1) 770.725.8447

P.O. Box 5070, Athens, GA 30604

## Welcome to the Q1 edition of the *Forisk News*!

Since the previous *Forisk News* went to press, Forisk research has been cited in *LandThink* and *Agri Investor*, and members of the Forisk team presented research and workshops on timber harvesting and transportation, timberland investments, forest finance, and mill capital investments to audiences in Georgia, South Carolina, Texas, Canada, Japan, and the UK.

## Next Forisk Class: Applied Forest Finance

March 31, 2026

Taught publicly once per year, this live virtual class details the step-by-step financial analysis required to answer key investment and forest management questions. Attendees will learn how to identify, value, and rank timber and forestry investments.

Attendees receive digital copies of the updated *Forest Finance Simplified* handbook and the *Aunt Fanny Learns Forestry* book, as well as electronic reference materials and Excel models for reinforcing and applying the concepts learned during the course.

**Registration is currently open and the early registration discount ends on March 17!**

This class qualifies for 6.0 Hours of Continuing Education credit for the following: CFE (Forestry), CLE/MTH (Georgia Master Timber Harvester / Logger), and Georgia Real Estate Appraisal.

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

## RECENT HIGHLIGHTS FROM FORISK'S BLOG

- [Forisk Market Bulletin: February 2026 Mill Update](#)
- [Bond Yields as Benchmarks for Forest Industry and Timberland Investments](#)
- [Top 10 North American and U.S. Lumber Producers in 2025](#)
- [U.S. Housing Starts Outlook, Q1 2026 Update](#)
- [Do Our Reasons for Investing in Timberland Still Apply?](#)
- [Popular Forisk Blog Posts from 2025: Top Lumber Producers, Timberland Owners and Managers, and \(yes\) Tariffs](#)
- [Domestic and Exported Softwood Logs in the Pacific Northwest](#)
- [Five Recommended Books and Resources on Forest Finance and Owning Timberland](#)
- [Oregon Sawmill Species and Residual Production](#)
- [U.S. Pulp Mill Risk Assessment](#)
- [Timber REITs Correlated with Lumber Prices](#)

## SELECT FINDINGS FROM THE Q1 2026 FORISK RESEARCH QUARTERLY (FRQ)

The Q1 2026 *Forisk Research Quarterly (FRQ)* includes industry analysis and market forecasts through 2035 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 Q1 FRQ report include:**

- **Macro and Housing:** The economy grew at a 4.4% annualized pace in Q3 2025, up from 3.8% in Q2 2025. Based on data through November, the unemployment rate increased to 4.5%. Yields on 10-year U.S. Treasuries fell to 4.1% in Q4 2025 from 4.3% during Q3 2024. Single family starts declined 1% through October 2025, while multifamily starts increased 18%.
- **Lumber:** North American softwood lumber production fell nearly 4% quarter-over-quarter and increased 3% year-over-year for the first three quarters in 2025. Through November 2025, year-over-year North American softwood lumber imports declined 9%. Sawmills in the U.S. South reduced capacity by 1.2 billion board feet (BBFT) in 2025.
- **Structural Panels (OSB & Plywood):** Q4 2025 U.S. OSB prices increased 5.8% and plywood prices decreased 0.6% from Q3. About \$1.7 billion will be invested in North America's structural panel sector through 2027, with an associated net capacity increase of 861 million square feet. Over 45% of U.S. structural panel imports through November 2025 came from Canada.
- **Pulp & Paper:** Paper and paperboard production fell 3.6% from 2024 to 2025. Packaging production fell 4.8% from Q3, down 3.5% year-over-year. Printing/writing production was down 7.5% for the quarter. OCC prices dropped 24.7% in Q4, and down 37.4% year-over-year. Market pulp prices fell more than 5% year-over-year. U.S. pulp exports to China in Q4 were up 1.2% year-over-year.
- **Wood Bioenergy:** Bioenergy products that pass Forisk's [Wood Bioenergy Database](#) screening plan to consume 99.3 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 are increasing. Through November 2025, U.S. wood pellet exports increased 2% year-over-year while Canadian wood pellet exports increased 9% through November. North American wood pellet capacity is expected to grow 6.3% in 2026, to 22.7 million tonnes.
- **Log & Chip Exports:** Through November 2025, softwood log exports increased nearly 10% in the U.S. North and 42% in the South from November 2024. Western softwood log exports decreased 49%. Canadian softwood exports were down 8% year-over-year through November while U.S. softwood log exports were down 19%. U.S. softwood chip exports through November were up 1% over last year. 81% of log and chip exports from the United States are imported by Canada, Japan, and Vietnam, the top three U.S. forestry commodity trade partners.
- **Timberland Investments:** Public timber REITs returned 7.8% YTD through January 30<sup>th</sup> after returning -13.4% in 2025. All three timber REITs are trading above where they ended 2025. As a sector, timber REITs increased 5.2% for the quarter per the market cap weighted [Forisk Timber REIT Index \(FTR\)](#). 930 thousand acres of industrial timberland transactions closed in the U.S. (versus just over 1.0 million as of the prior FRQ) for the last four quarters. TIMOs accounted for 60% of the acreage bought, while private sellers accounted for 44.0% of the acreage sold.
- **Forest Operations:** Logging employment declined 3% over the last 4 quarters, led by declines in the U.S. South and West. U.S. logging employment shrank by 20% over the last 10 years, matching losses incurred from 2005-2015. Trucking employment fell another 2% year-over-year, despite steady freight demand.
- **Timber Markets, U.S. South:** Stumpage prices decreased for all pine products in Q4 2025, and increased for hardwood sawtimber and pulpwood, according to Timber Mart-South. The 2025 forecast for pine sawtimber implies a 0.4% decrease from 2025. Pine pulpwood stumpage prices are projected to increase the most through 2030 in Alabama and Mississippi.
- **Log Prices, Pacific Northwest:** Domestic Douglas-fir log prices fell 4% quarter-over-quarter in Oregon and Washington. Douglas-fir Japanese export (J-sort) prices dipped 4%, while export hemlock prices fell 1%. Logging and hauling costs increase 3% over the next 10 years for cable and ground-based logging.
- **Hardwood Markets, U.S. North:** Forisk's Hardwood Price Index increased 6.3% in Q3 2025, up 2.1% year-over-year. Northern hardwood log exports declined for nearly all species over the past few years, with white oak the lone exception.

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

## FORISK IN THE NEWS

---

- ▶ Forisk article "[Five Recommended Books on Forest Finance and Owning Timberland](#)" featured in *LandThink*
- ▶ Brooks Mendell quoted in *Agri Investor* article "[US Housing Optimism Meets Timberland Reality](#)"

## UPDATES FROM FORISK

---

- ▶ **March 2, 2026:** Amanda Lang will present "Timber Market Outlook and Silvicultural Implications" at the Southeastern SAF meeting in Gainesville, FL.
- ▶ **March 11, 2026:** Shawn Baker will present at the FRA Southwide Region Spring Meeting in Auburn, AL.
- ▶ **April 15, 2026:** Amanda Lang will present "Fiber and Timber Markets and Supplies" at the Wood Bioenergy Conference and Expo in Atlanta, GA.
- ▶ **April 16, 2026:** Amanda Lang will present "Fiber and Timber Supply and Outlook" at the PELICE conference in Atlanta, GA.
- ▶ **May 19, 2026:** Brooks Mendell will keynote the FRA Annual Meeting in Charleston, SC.

## 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:  
[ndiluzio@forisk.com](mailto:ndiluzio@forisk.com)

---

## SPECIAL RESEARCH IN THE Q1 FRQ

---

### Featured Research: Practical Problems in Prognostication: Forecasting Timber Prices as Markets Change

Our featured research article reviews the performance of state-level pine pulpwood and sawtimber forecasts from 2025, highlighting the impact of national and regional trends, as well as basin-specific impacts from mill closures. We then revisit the demand for wood products associated with housing, with a focus on key assumptions and drivers for long-term timber price forecasts in the U.S.

**Market Update, Q1 2026:** In this edition of quarterly observations and summary analysis of forest industry trends, we first look at bond markets and interest rates to gauge long-term investor sentiment. Then, we quantify the market response to the merger, when announced, for timber REITs PotlatchDeltic and Rayonier. Finally, we share the next "Reading the FRQ" guide.

**Forisk Facts & Figures:** Forisk's quarterly "story in three slides" discusses changes in our Southern timber supply forecasts. What role do public lands play in the Southern timber supply? How have recent mill closures impacted our 10-year outlook on pulpwood and sawtimber inventories by state?

---

## FORISK ASSESSMENT IDENTIFIED PULP MILLS AT HIGHER RISK OF CLOSING

---

Each quarter, Forisk compiles data on mill activity through its ongoing tracking of wood-using facilities as part of the [North American Forest Industry Capacity Database](#) (Mill Capacity Database).

**Forisk analyzed 29 pulp mills that closed in the U.S. since 2019 and identified four factors that contributed to mill closures.**

Based on these factors, Forisk developed a framework to screen open pulp mills for risk of future closures from these factors and applied that framework to mills in the U.S. Pacific Northwest, U.S. South, and U.S. North. Based on the risk assessment framework, 21 out of 88 open pulp mills fell into the category of "high risk" of closing, including 10 mills in the U.S. South, 3 mills in the Pacific Northwest, and 8 mills in the U.S. North. [Read the full Research Release here.](#)

---

## FOREST PRODUCTS INDUSTRY SPENT Q4 IN SURVIVAL MODE

---

The [Forisk Wood Fiber Review \(FWFR\)](#) reports that weighted average U.S. prices for roundwood and chips (combined) fell 6% in Q4 2025 and are down 6% from Q4 2024. The same prices in Canada were down 3% for the quarter and flat year-over-year. Softwood roundwood prices were either flat or down in Q4 across the U.S. and Canada. Production at most facilities slowed for the quarter as demand was insufficient to counter high operating costs and reduced investment. Curtailments and down-time were widespread in Q4. [Read the full Research Release here.](#)