FORISK NEWS

Q2 2026 Edition • May 21, 2026

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NEXT FORISK CLASS

Registration opens soon for the two-day virtual "*Timber Market Analysis"* class, which will be held on September 30th and October 1st. It is divided into two half-days of course content where Day 2 builds on Day 1. This class walks through the process to understand, track, and analyze the price, demand, supply, and competitive dynamics of local timber markets and wood baskets using case studies. Details are available here.

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.

FORISK
CONSULTING

www.forisk.com
Phone: (+1) 770.725.8447
P.O. Box 5070, Athens, GA 30604

Welcome to the Q2 edition of the *Forisk News!*

Since the previous Forisk News went to press, Forisk research has been featured in *Pension & Investments* and the *Statesboro Herald*. Members of the Forisk team have also presented research, participated in podcasts, and led workshops on forest management, pulp mills and wood fiber markets, forest finance, and mill capital investments for audiences across Australia, Germany, Japan, and the United States.

Forisk Webinar: Real-World Applications of Forisk's *Custom Market Forecast*

May 28, 2026

Join Forisk on Thursday, May 28 at 1:00 p.m. Eastern for a webinar on how clients use the *Custom Market Forecast (CMF)* to support real-word decisions. We'll walk through practical use cases – including timberland acquisitions, feedstock supplies, and mill investments – and demonstrate how the CMF delivers customized market-level insights, scenario analysis, and actionable market intelligence.

Date: Thursday, May 28, 2026
Time: 1:00 p.m. Eastern
Duration: 30 minutes
Cost: Free

Register Online

RECENT HIGHLIGHTS FROM FORISK'S BLOG

- U.S Housing Starts Outlook, Q2 2026 Update
- Impacts of the Washington State Np Rule on Harvestable Timber
- Declining Lumber Capacity in Western Canada Supports Continued Investments in the U.S. Pacific Northwest
- Forisk Custom Market Forecast Case Study - Timberland
- Forisk Custom Market Forecast Case Study - Bioenergy
- Realized Fiber Demand from Greenfield Biomass Projects Since 2015
- Biomass Prices Continue to Decline in the U.S. South
- How Rising Energy Prices Affect Timberland Investments and the Forest Products Industry
- 2025 Timberland Transactions Review
- Recommendations for Benchmarking Timberland Investment Performance in All Market Conditions

SELECT FINDINGS FROM THE Q2 2026 *FORISK RESEARCH QUARTERLY (FRQ)*

The Q2 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 Q2 *FRQ* report include:**

- **Macro and Housing:** The economy grew at a 2.1% annualized pace in Q1 2026, up from 0.5% growth in Q4 2025. The unemployment rate decreased to 4.3%. Yields on 10-year U.S. Treasuries increased to 4.2% in Q1 2026 from 4.1% during Q4 2025. Single family starts increased 3.5% in Q1 relative to last year, while multifamily starts increased 16%.
- **Lumber:** North American softwood lumber production fell over 7% quarter-over-quarter and over 4% year-over-year through Q4 2025. Through February 2026, year-over-year U.S. softwood lumber imports declined 23% and hardwood lumber decreased 5%.
- **Structural Panels (OSB & Plywood):** Q1 2026 U.S. OSB prices decreased 4.4% and plywood prices increased 13.5% from Q4. An estimated $1.4 billion will be invested in the North American structural panel sector through 2029, with an associated net capacity increase of 994 million square feet. Nearly 55% of U.S. structural panel imports through February 2026 came from Canada.
- **Pulp & Paper**: Year-to-date production of paper and paperboard fell 5.9% from 2025 to 2026. Q1 2026 packaging production fell 1.2% from Q4 2025, down 6.2% year-over-year. Printing/writing production was down 0.6% for the quarter. OCC prices were up 5.3% in Q1 and down 31.3% year-over-year. Market pulp prices were down 11% year-over-year for NBSK and up 7% for BEK. U.S. pulp exports to China and Mexico were both down over 18% year-over-year.
- **Wood Bioenergy:** Bioenergy products that pass Forisk's Wood Bioenergy Database screening plan to consume 94.3 million green tons per year of wood across the U.S. The 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 biofuel and biochar projects are increasing. Through February 2026, U.S. wood pellet exports decreased 3% year-over-year while Canadian wood pellet exports decreased 32%. North American wood pellet capacity is expected to grow 2% in 2026, to 23.0 million tonnes.
- **Log & Chip Exports:** Through February 2026, softwood log exports were up nearly 3% in the U.S. North and 180% in the U.S. South from February 2025 rates. Western softwood log exports were flat year-over-year. Canadian softwood log exports were up 6% year-over-year through February while total U.S. softwood log exports were up 17%. U.S. softwood chip exports through February were down 2% from last year. Canada, Japan, and Vietnam, the top three U.S. forestry commodity trade partners, imported 77% of log and chip exports from the United States.
- **Timberland Investments:** Public timber REITs returned 4.0% YTD through April 24th after returning -13.4% in 2025. Weyerhaeuser is trading above where it ended 2025 while Rayonier is slightly below. As a sector, public timber REITs decreased 3.5% for the quarter according to the market cap weighted Forisk Timber REIT Index (FTR). 980 thousand acres of industrial timberland transactions closed in the U.S. (versus 930 thousand as of the prior *FRQ*) for the last four quarters. TIMOs accounted for 68% of the acreage bought, while forest industry accounted for 43% of the acreage sold.
- **Forest Operations:** U.S. logging employment declined 3% over the last 4 quarters, led by declines in the U.S. West. Canadian employment dipped 4% year-over-year. Logging wages increased across North America, exceeding 3.5% in the U.S. and over 6% in Canada. Trucking freight shipments held flat while trucking employment fell an additional 2%, year-over-year.
- **Timber Markets, U.S. South:** Southern stumpage prices increased for pine sawtimber by 4% but decreased for all other products in Q1 2026, according to Timber Mart-South. The 2026 forecast for sawtimber implies a 1% decrease from 2025. Pine pulpwood stumpage prices are projected to increase the most through 2030 in Mississippi and North Carolina.
- **Log Prices, Pacific Northwest:** Domestic Douglas-fir and hemlock log prices in Washington Q1 2026 and rose in Oregon. Douglas-fir Japanese export (J-sort) prices dipped 8%, while export hemlock prices fell 1%. Logging and hauling costs increase 4% over the next 10 years for cable and ground-based logging.
- **Hardwood Markets, U.S. North:** Forisk's Hardwood Price Index increased 0.3% in Q4 2025, up 2.1% year-over-year. Oak logs maintained the highest 2025 stumpage prices in the Middle Atlantic and New England regions while hard maple prices were highest in the Lake States.

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 article "How do Rising Energy Prices Affect Timberland Investments and the Forest Products Industry" featured in *LandThink*
- Forisk research cited in *Pensions & Investments* article on timberland consolidation.
- Amanda Lang featured on ArborGen's TreeLines Podcast, Episode 12.
- Forisk quoted by the *Statesboro Herald* in an article on Georgia pulp mill closures.

UPCOMING PRESENTATIONS

- **June 2:** Shawn Baker will speak at the Southern Group of State Foresters Annual Meeting in Fort Meyers, FL.
- **June 5:** Brooks Mendell will speak on forest industry capital investments at the TPI Board of Advisors meeting in St. Simons, GA.
- **July 24-26**: Amanda Lang will speak at the Georgia Forestry Association Annual Conference in Jekyll Island, GA.
- **August 19:** Brooks Mendell will present on Timberland and Pulpwood Markets at the LFA Annual Meeting in Lake Charles, LA.
- **September 15-17**: Amanda Lang will speak at the Canopy Conference in Portland, OR.

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

SPECIAL RESEARCH IN THE Q2 *FRQ*

Featured Research: Timberland Value Sensitivity to Pulpwood Prices and Discount Rates
Our featured research addresses the sensitivity of forestland values to pulpwood and sawtimber prices, discount rates, and planted trees per acre for both existing stands and future forests. The analysis quantifies the relative implications of falling pulpwood demand on timber investments and provides context for thinking through the role of timberland in investment portfolios.

Market Update, Q2 2026: In this edition of quarterly observations and summary analysis of forest industry trends, we revisit lumber capacity in Western Canada to address implications for PNW timberland investors. Then, we quantify how fiber demand changed as pulp mills closed. Finally, we share the next "Reading the FRQ."

Forisk Facts & Figures: Each year, Forisk updates its North American Timberland Owner and Manager List, which is also part of the *FRQ* subscription package. This quarter's Forisk Facts and Figures - Forisk's quarterly 'story in three slides' - provides a current snapshot of North America's largest timberland owners and managers. Who are the largest timberland owners, and how has ownership changed over time? The 2026 timberland owner list covers 311 organizations that average 336,000 acres each for a total of 104 million acres across the U.S. and Canada.

MILL CLOSINGS OUTPACE OPENINGS IN NORTH AMERICA

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). This research release provides a summary of mill investment activity from the 2026 Q1 edition of the *FRQ.* Industry closures outpaced openings in late 2025 and early 2026, with several sawmills closing in the U.S. South and continued capacity reductions in Canada. Several mergers and strategic acquisitions also closed during this period, including the merger of Rayonier and PotlatchDeltic, which closed in January 2026.
Read the full Research Release here.

WOOD FIBER USERS MAINTAIN PRODUCTION WITH CAUTIOUS OPTIMISM IN Q1

The *Forisk Wood Fiber Review (FWFR)* reports flat U.S weighted average pricing for roundwood and chips (combined) in Q1 2026, down 5% from Q1 2025. The same prices in Canada were up 1% for the quarter and down 1% year-over-year. Softwood roundwood prices were flat or up slightly in all U.S. regions as buyers resumed production following a slow Q4. Residual chip prices were flat or slightly down in most U.S. regions with reduced demand following 2025 pulp mill closures. Many reported a "cautious optimism" in Q1, but markets still face challenges along with potential impacts from the U.S./Iran conflict.
Read the full Research Release here.