

Export Outlook for Solid Wood Products

Revised FY 2003 Forecast: Unchanged at \$4.9 Billion
Initial FY 2004 Projection:  \$100 Million to \$5.0 Billion

Revised FY 2003 Forecast

Key Developments

- Exports to Canada rising on strength of hardwood lumber and favorable exchange rate

Initial FY 2004 Projection

Key Upside Developments

- Mexico's maquiladoras to use more U.S. lumber
- EU hardwood market recovery

Key Downside Developments

- Japan's housing starts could fall 2% to 1.13 million units

Wild Card

- U.S. housing starts

