

Export Outlook for Solid Wood Products

No Chg in FY 2008 Forecast Since Aug: Remains at \$6.6 Billion

FY 2008 Forecast

Upside Developments

- US hardwood sales up due to strong demand from Europe, particularly for yellow poplar & white oak
- Exports to China continue growth due to demand from furniture industry

Downside Developments

- US housing market slump continues – reduces Canadian demand for US lumber which is re-exported as semi-finished products for the US housing industry
- Decreasing housing starts in Japan cause wood import demand to fall

