



WHAT IS "LLG's LUMBER MARKET BLUEPRINT"?

30-60-90 Day Softwood Framing Lumber Forecast With Trading Strategies
It's easy when you know what is coming?

Layman's Lumber Market BLUEPRINT is the monthly publication of Layman's Lumber Guide Forecasting Suite that provides a 30-60-& 90 day forecast with buying and bidding strategies to...

- best Manage Inventory Turns...having more or less lumber at the appropriate time.
- correctly Bid Future Jobs...protecting profits in rising lumber markets and securing jobs in falling markets.

LUMBER MARKET BLUEPRINT combines statistical analyses and fundamental influences including...

- economic and political disruptions
- weather,
- seasonal housing demand,
- lumber dealer inventory accumulation and liquidation cycles,
- lumber mill production interruptions and accelerations,
- historical price relationships,
- jobsite productivity,
- lumber buyer intentions,
- and the ever-changing inventory shifts between lumber producers and lumber buyers.

All these components work together to create the unique *FTP's Forecasted Turning Point's*...the same analytics used by Layman's Lumber Guide for over 30 years. FTP's project "WHEN" lumber and OSB prices will most likely rise and fall...with 86% accuracy.

LUMBER MARKET BLUEPRINT illustrates this graphic forecast, along with specific 30-60-90 day buying and bidding strategies, that reduce and eliminate costly buying and bidding mistakes. LLG's BLUEPRINT creates more profitable inventory turns to benefit from lumber price volatility when planning for the future.

Looking Forward,
Matt Layman
Publisher



Layman's Lumber Guide

LUMBER MARKET BLUEPRINT

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JANUARY - 2019

CURRENT: Not once in 40 years of lumber market participation have I ever experienced a new year beginning with so much economic turmoil. Worlds are colliding, yet our lumber market has established markers to guide us...LLG's FTP's, Forecasted Turning Points.

Over the next three months we have two FTP's; week #3, late January and week #9, late February... historically a firming period for lumber prices. Not this year. All influences considered, delaying spring buys until the end of February is prudent. Trade wars and recession fears will dampen buyers' willingness until then.

•30-Days: January is a month for patience. Prices are trying stabilize, however buyers lack conviction to make speculative inventory commitments without some signal that the U.S. economy can shake off its fear of recession, which is based upon the rising U.S. debt, now 105% of GDP and 80% owned by the public. *The root fear is debt default.* This recovery is built on federal, corporate and private low interest debt.

•Strategy: Lumber prices will weaken into the week #3 FTP. A limp, late January buy-around will fall flat and weakness will continue. January prices will coil tighter without a big pop at the late-month FTP.

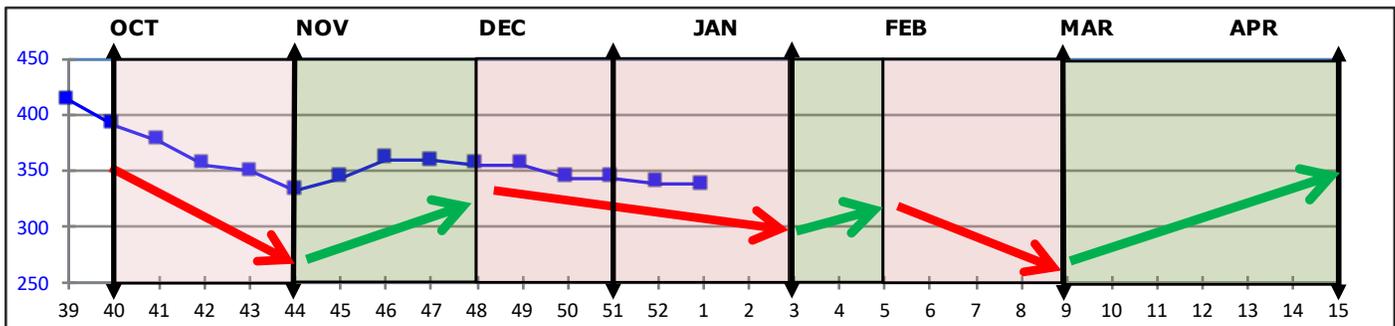
•60-Days: February will begin with the government back in business, trade disputes with Canada and China still unresolved, and the U.S. further in debt with no mention of resolution. A self-inflicted recession closes in, resulting from constricted consumer and corporate spending. Lower GDP and higher Federal debt will bring that root cause of stalled recovery into focus.

•Strategy: February's lumber market looks bleak. Production curtailments will be implemented. The week #9 FTP will be greeted by a worried lumber market, not interested in buying. **That will be time to buy for spring...especially SYP.** Price coiling will peak late Feb.

•90-Days: March will begin with a strong underbought condition, possibly the early stages of what will be labeled a recession. All the reasons to not buy Jan & Feb speculative spring inventory must be set aside. Negative noise will be deafening and lumber buyers will *need* to buy for spring. Home builders will use more fabricated roof and wall components in 2019. Early surveys indicate as much as 20%. SYP will be the hot ticket this spring.

•Strategy: Expect the week #9, late Feb FTP to initiate a solid rally into week #15, mid April. The winter price coiling will cease and lumber prices will catapult higher in March.

Black Arrows: Lumber Forecasted Turning Point - FTP's
2x4 #2 Lumber Composite Price: SYP-E, SPF-W, Dry Hem Fir, Green Doug Fir SPOT PRICE (Blue).



Black Arrows: OSB Forecasted Turning Points - FTP's - (Black)
7/16 Oriented Strand Board SE (OSB) SPOT PRICE (Blue)

