

Market Barometer

A Twice-Monthly Newsletter Forecasting North American Lumber Markets

SPECIAL MARKET REPORT:

The U.S. Department of Commerce issued information on the lumber tariff case yesterday that will have a significant impact on the lumber market. The following dates are important:

May 2, 2002

This is the date on which the U.S. International Trade Commission will announce its decision in an open forum. It has three options: 1) no injury; 2) threat of injury; and 3) material injury. If no injury is found, the case will be dismissed. If only threat of injury is found, retroactive duties covered under bonds will be cancelled.

May 6, 2002

The preliminary ADD of 9.7% will be temporarily suspended. However, exporters can enjoy duty-free entry on shipments made as early as April 22, 2002 by delaying the filing of entry papers until May 6, 2002.

May 16, 2002

The ITC will advise the DOC formally of its decision.

May 23, 2002

If the ITC finds either threat of injury or material injury, the 29% duty will recommence and cash payments will be required to cover exports.

From April 22–May 23, 2002, Canadian exports will be free of any duties. This could be bearish for the market, since Canadian producers will want to take advantage of this “window of opportunity.” Mitigating influences, however, are a shortage of rail cars and trucks, and the fact that May is the peak consumption period of the year.



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Next Barometer: April 17, 2002 • Next Market Update: April 24, 2002