Notes from the Hardwood Leader - The following are notes from the April, 2013 edition of the Hardwood Leader, from Hardwood Publishing, Inc.

- In spite of better business for 2013, the year will pose difficulties for hardwood businesses. Notably, the Affordable Care Act with all of the ongoing uncertainties and challenges will cause many to take a very cautious view of business and will restrain hiring in the foreseeable future.
- Housing supply has tightened to 4.2 months (4.92 million units in January). This is the lowest it’s been since April 2005. Housing prices are expected to jump 8% in 2013, according to Bank of America.
- Hardwood lumber imports are steadily rising with Canadian imports continuing a 4-year climb from major lows in 2009. January 2013 imports were the strongest since 2008 with total volume up 29% since the 30-year low set in January 2010.
- Lumber exports in January, 2013 set an all-time record for January with 113 million BF. This was double the low-point in January 2009. It was also 20% higher than one month earlier (December 2012). Red oak exports were at an 8 and a half year high, while poplar exports were the highest on record.
- Due to improving housing conditions and financing conditions, domestic wood furniture sales are expected to increase throughout the year.
- Asian demand for Ash is increasing with monthly Ash exports going over 10 MMBF in 2012. Exports to Asian and Middle East markets should continue to grow through 2013.
- Hard maple prices are expected to rise due to increased demand.
- The outlook for Red oak is good with unmet demand in flooring and residential and commercial construction will push demand for cabinet, stair, and architectural millwork.
- Poplar is expected to continue strong with increasing demand from domestic moulding and millwork producers, furniture manufacturers and distribution yards.
- US residential furniture factory shipments were up 5% in December 2012 to a 6-month high of $1.9 billion.
- With the increase in the payroll tax for consumers starting on January 1, 2013, consumer spending on furniture is expected to be delayed by nearly 1 in 4 Americans according to the National Retail Federation.
- Winter home building is up considerably from previous winters, with housing starts this winter 21% higher than 2011-2012 and 36% higher than 2010-2011.
Single family new home sales jumped 15.6% in January. Unfortunately, median prices fell 9% with a shift to lower priced units.

Mortgage rates have started inching up with March 14 rates the highest point in 7 months. A survey of analysts and mortgage brokers shows that they believe mortgage rates will continue going up at least until the stock market pulls back.

Durable wood products manufacturing employment in February 2013 reached its highest level since September 2009.

Total non-farm, private, and manufacturing employment shot up in February, well above the same month in 2012 indicating strong job growth through at least June 2013.

US residential furniture manufacturing is improving with factory sales increasing 6% in 2012. In 2013, domestic wood furniture producers are expected to see a 2-3% sales increase with better consumer signs emerging. Exports of residential wood furniture reached a record $983 billion last year with October and November having the best sales months in history. Sales over the next several years are expected to increase 3-5% annually.