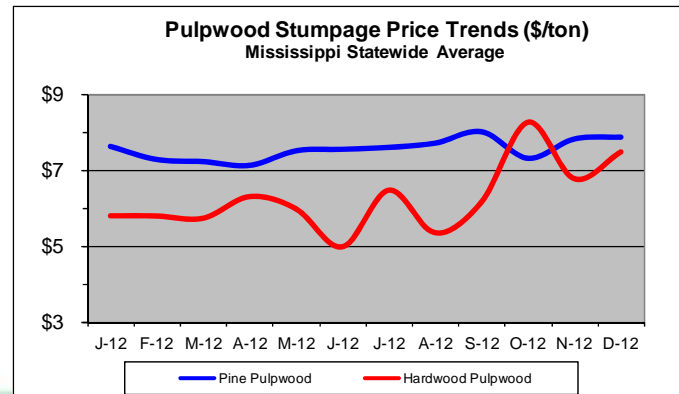
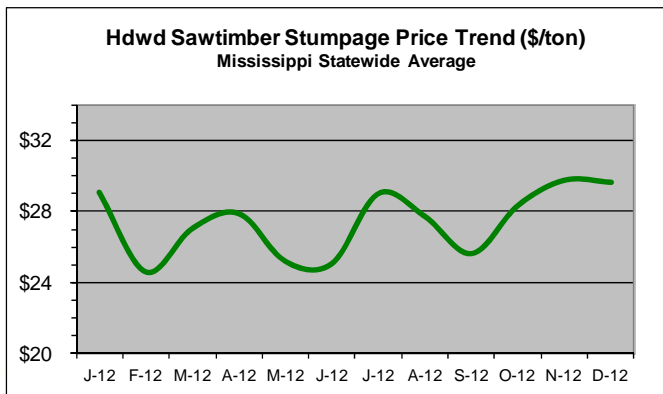
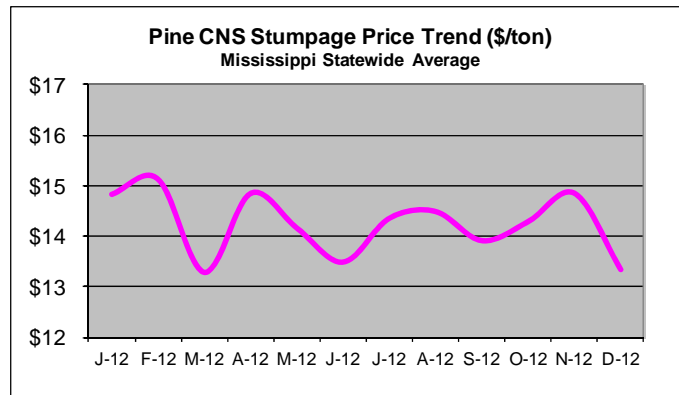
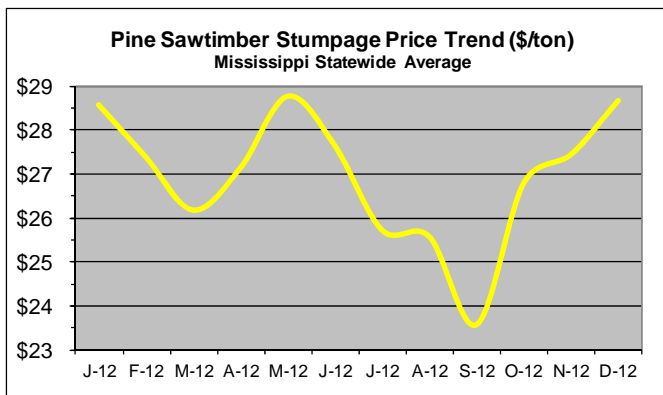


Since many variables, such as raw material demand, mill inventories, buyer competition and weather, play key roles in determining local prices, we encourage you to subscribe to our continuously updated online price service at www.forest2market.com for prices that are specific to your local area.

MISSISSIPPI STUMPAGE PRICE TRENDS





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MISSISSIPPI STUMPAGE PRICES



Pine

Pine pulpwood price saw a slight decrease which was opposite of many of the regions across the South as there has been less pulpwood competition in Mississippi. Stumpage prices for Pine CNS stayed flat while Sawtimber surged. Some of the increase in Pine Sawtimber can be attributed to the market correcting itself after summertime prices were very low. **Pine Pulpwood** decreased \$0.14/ton to end the quarter at **\$7.63/ton** – a 1.8% decrease. **Pine CNS** increased \$0.07/ton to close the quarter at **\$14.24/ton** – a 0.5% increase. **Pine Sawtimber** showed an increase of \$3.56/ton or 14.7% to end at **\$27.82/ton**.



Hardwood

Hardwood pulpwood price increased this quarter. **Hardwood Pulpwood** price rose by \$1.31/ton to close at **\$7.33/ton**. Sawtimber prices were also on the rise. **Low Grade Hardwood** increased \$0.05/ton to end at **\$21.33/ton**, and **High Grade Hardwood** increased \$3.87/ton to end at **\$33.62**. **Mixed Hardwood** ended the period at **\$29.52/ton**, \$2.30/ton more than last quarter.

U.S. SOUTH TIMBER MARKET OUTLOOK

The economy continued to improve slowly but steadily in the fourth quarter, led primarily by a housing market that is clearly in recovery. Home prices continue to increase, the number of foreclosures coming on the market is shrinking and housing starts remained strong throughout the fourth quarter. The Bureau of Economic Analysis' (BEA) estimates of growth in real gross domestic product (GDP) for 3Q2012 was 3.1 percent, higher than most analysts expected.

The most recent manufacturing and service sector reports issued by the Institute for Supply Management (ISM) indicate that there was little net change for the Wood Products industry in December, though production was higher. The performance of the Paper Products industry improved in December, with production, employment and new orders all higher. Real Estate and Ag & Forestry both reported no change in overall activity, while Construction expanded.

Across the South, pine sawtimber and chip-n-saw prices remained stable during the last 60 days of the year. Increased demand from housing start activity has not caused large price increases, primarily because the large number of timberland owners who delayed harvests during the recession are moving back in the market. Pulpwood prices—both pine and hardwood—surged at the end of the year, due to harvest activity being constrained by wet winter weather and stronger industry performance.