



Mississippi Timber Price Report

Department of Agricultural Economics

Department of Forestry

Box 9681
Mississippi State, MS 39762

September/October, 1996

MISSISSIPPI TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

The Mississippi Timber Price Report is a bimonthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with the Cooperative Extension Service to provide an accurate picture of timber market activity. Mississippi is divided into four market regions that reflect distinct timber markets within the state (see map) and average prices for common forest products are listed. These values are compiled by polling cooperators from forest industry, public agencies, consulting foresters and landowners.

2. HOW TO USE THIS REPORT.

This report is intended to give a profile of timber prices in Mississippi.

Values given are offered as a guide to help individuals assess the fair-market value of their timber. The average price for a region should **NOT** be applied as the exact value for a particular timber tract. The best way for private landowners to obtain the highest price for a particular tract is to use competitive bidding. These prices, however, do reflect current timber market activity in each region.

Certain factors may cause a particular tract of timber to be valued higher or lower. For example, a tract that has a high timber volume per acre and can be logged during wet weather may bring a price per unit higher than the average reported here. On the other hand, a tract with less volume at great distance from the buyer's mill may bring less. Additional factors that affect timber values are timber quality, tract size, type of product to be made from the timber, access to the tract and many others. These values are a good price reference for landowners who wish to market timber, but individuals are advised to have their timber evaluated by a professional forester before making a timber sale.



3. TIMBER MARKET COMMENTS

Sawtimber

Pine sawtimber stumpage prices moved up in September/October, statewide. During the last half of October, pine lumber markets began to improve. This combined with many mills' need to build log inventories spurred buying activity and stumpage prices. In the central and north regions a total of 4 sale reports over \$500/MBF were reported, though not included in the averages. This is evidence of the burst of buying activity this fall.

Many reporters commented that sale activity picked up during October and that there were more landowners selling timber than have in the last six months. Also, the number of bids per sales was up. While the competition for winter logging normally begins this time of year, some mills are also trying to improve their standing inventory as we enter the winter months. Some mills refrained from buying standing timber because of the potential Southern pine beetle epidemic this year. When that did not materialize some mills found their standing inventories a bit lean and now need to buy a few tracts. Nevertheless, buyers are being cautious because pine sawtimber stumpage prices are moving up and lumber markets have been volatile. Several reporters commented that "pine sawtimber prices were too high" (in their areas of south and east Central Mississippi) to support lumber prices they are seeing.

Many reporters mentioned that logging conditions were good to fair in most areas and that log inventories were lower than normal for this time of year. A few mills however, had all the logs they wanted and were "blocked out." In general, pine mills were still wanting logs in early November.

On the hardwood side, stumpage prices for red oak sawtimber have improved, but most mills felt good about their log supply. Mixed sawtimber standing prices were also firm, but demand for logs was not as strong as in pine. Many hardwood mills report a slight improvement in lower grade lumber demand and upper grade oak lumber has been steady, but prices have not increased much and were described as "soft."

That said, there were a few hardwood mill reporters whose log inventory was lower than normal for this time of year and who were looking for good timber to buy.

Some standing hardwood prices reported for particular species in central Mississippi were: poplar \$160-200/MBF, cypress \$180/MBF, white oak \$180-200/MBF, and ash \$300/MBF.

Pulpwood

Demand for pine pulpwood improved in September/October with stumpage prices moving up a few dollars per cord. Hardwood pulpwood was also in demand, but not as much as pine. Most yards contacted were wanting pine, but more "choosy" about hardwood.

In general, pulpwood demand is better than it has been all summer. Fiber markets have improved and recent rains have put some urgency in the equation.

Other Comments

The pole market was very active in September/October. Demand for poles was reported as strong in south Mississippi. Another contact commented that smaller poles had a steady demand too, but can be hard for him to get in central Mississippi. The type material he seeks is basically high-quality pulpwood (7 inch DBH, 20" long with a 5" top, no defects). The competition in the area with pulpwood, chip, and chip-n-saw buyers is strong.

Very little Southern pine beetle activity was reported this period.

Anyone can get copies of the Mississippi Timber Price Report from the local Extension office. The report is now available through the Cooperative Extension Service, County Computer Network to all County Extension Offices. For the latest timber prices, call your County Extension Office or to get on the mailing list, contact Extension Forestry at P.O. Box 9681, Mississippi State, MS 39762.

As always, your comments, pro and con are welcome.

(The following table content is extremely faint and largely illegible. It appears to be a continuation of a timber price report, likely containing columns for county, species, and price. A signature is visible at the bottom right of the page.)

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DON'T FORGET TO CHECK THE TIMBER MARKET COMMENTS!

STANDING TIMBER¹

	<u>North</u>		<u>Central</u>		<u>South</u>		<u>Delta and River</u>	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	270-491	341	335-449	393	320-460	409	295-428	361
Chip-n-saw pine	70-80	72	65-78	71	70-85	73	-	-
Poles (pine)	-	-	-	-	550-600	569	-	-
Mixed hardwood sawtimber ²	120-216	155	100-202	160	100-200	134	60-200	128
Oak sawtimber	200-350	253	240-300	276	175-270	235	230-370	290
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	21-39	30.50	15-45	26	15-31	24.50	12-30	21
Hardwood pulpwood	10-30	18	10-40	17	10-44	14.50	10-23	13.75

DELIVERED PRICES⁵

	<u>North</u>		<u>Central</u>		<u>South</u>		<u>Delta and River</u>	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	380-420	398	380-440	429	391-460	452	380-425	412
Chip-n-saw pine	-	-	78-101	93	92-118	109	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	170-260	220	200-245	231	210-250	238	150-300	218
Oak sawtimber	250-320	301	305-361	340	280-345	320	350-450	406
Other hardwood sawtimber	-	-	-	-	-	-	-	-
Pine pulpwood	29-66	47	23-49	45	31-50	41	-	48*
Hardwood pulpwood	24-35	30	29-41	36.50	29-44	37	30-38	35

¹Prices reported are for timber market transactions during the two-month period listed, sawtimber and standing pole prices in \$/MBF Doyle, chip-n-saw and pulpwood prices in \$/cord, delivered pine poles in \$/ton.

²"Mixed Hardwoods" are mostly: Low-grade Oak, Beech, Cottonwood, Willow, Elm, Gum, Locust, Hackberry, Magnolia, Pecan, Hickory, Sycamore, Tupelo and Birch.

³"Soft Hardwoods" are mostly: Cottonwood, Willow, Poplar and Gum.

⁴"Rare Hardwoods" are mostly: Walnut, Cherry, Royal Paulownia, Persimmon, some species and grades of Cypress, certain prime grades of Cherrybark and White Oaks.

⁵Delivered prices are values given at the sawmill or pulpwood yard gate.

*Only one price reported.

**See Timber Market Comments.



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