



Mississippi Timber Price Report

Department of Agricultural Economics

Department of Forestry

Box 9681
Mississippi State, MS 39762

May/June 1997

MISSISSIPPI TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

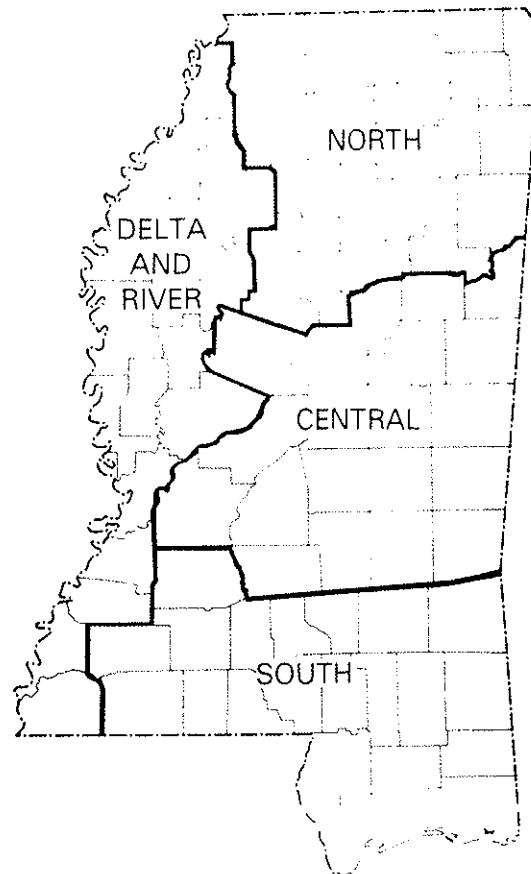
The Mississippi Timber Price Report is a bimonthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with the Cooperative Extension Service to provide an accurate picture of timber market activity. 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

The beginning of summer is traditionally the time of year where stumpage prices decline. Standing sawtimber prices in Mississippi trended down a bit in May/June, but not very much. A steady lumber demand and persistent rains have kept buyers looking for stumpage. Reporters comment that many mills have had lower-than-normal log inventories for this time of year. Another perceived problem has been a limited number of loggers to cut the tracts already purchased. Several buyers commented that there have been some difficulty getting logs to the mill yards due to fewer loggers today than a few years ago.

Despite problems of weather and logging capacity landowners continue to have good timber markets. Pine lumber production continued at a near record pace and lumber sales remained strong. Several reporters commented that they were "looking for more landowners to offer their timber for sale. Though some landowners may be waiting til fall to market their timber, this year summer is a good time." Many reports received had 8 to 12 bidders, especially the higher quality sales in central and south Mississippi.

The hardwood lumber market has been steady as lumber supply and demand has come into better balance. Red oak has been moving consistently according to mill contacts though not always at the prices they'd like. The rains have hampered hardwood loggers with many of the bottomlands remaining too wet into late June. This slow down in log supply has been a worry to hardwood buyers, who need the summer months to build inventory for wetter, winter months.

Some oak sawtimber stumpage prices reported in the Central and the Delta and River regions were impressive. Three sales in the Delta and River region for oak in May/June were \$400/MBF, \$585/MBF and \$600/MBF respectively. Three other oak sales in the Central region were reported over \$400/MBF stumpage this period. The market for high quality oak stumpage remains excellent. Forest Service studies have projected real price increases for the next decade for high quality timber of preferred species like, red oak in Mississippi.

Pulpwood

Pulpwood markets have remained active with few dealers reporting quotas. This is due to good pulpwood demand and rainy conditions that have hampered supplies. One reporter commented that "supplies of wood were behind schedule enough that he doubted if quotas would be imposed." Prices remained steady to a bit lower.

Other Comments

A few reports of southern pine beetles were mentioned and the Forest Service has seen some increase of beetle activity on their lands throughout the state. Landowners are advised to keep an eye out for southern pine beetles on your property.

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 cons are welcome.

MISSISSIPPI TIMBER PRICE REPORT
May/June 1997
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	298-494	391	323-472	405	344-609	439	350-470	400
Chip-n-saw pine	-	-	65-112	73	60-92	72	-	-
Poles (pine)	-	-	-	-	-	600*	-	-
Mixed hardwood sawtimber ²	130-210	168	75-250	180	140-220	167	75-250	138
Oak sawtimber	-	192*	183-290	225**	190-380	261	150-600	**
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	20-34	29	18-35	25	20-40	25	18-32	21.50
Hardwood pulpwood	15-26	20	10-30	20.50	10-20	17.50	15-26	18

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	405-480	435	455-505	488	440-535	510	-	485*
Chip-n-saw pine	-	-	79-105	91	87-110	98	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	160-225	218	200-255	223	215-273	242	165-290	225
Oak sawtimber	250-315	300	290-360	328	250-340	322	330-415	397
Other hardwood sawtimber	-	-	-	-	-	-	-	-
Pine pulpwood	23-50	46	37-58	46	29-51	41	40-79	45
Hardwood pulpwood	20-43	31	30-50	34	26-44	34	28-58	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, Gums, 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.



Bob Daniels
 Extension Forester
 (601) 325-3150