



MCES Timber Price Report

Extension Agricultural Economics Department
Extension Forestry Department

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MCES TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

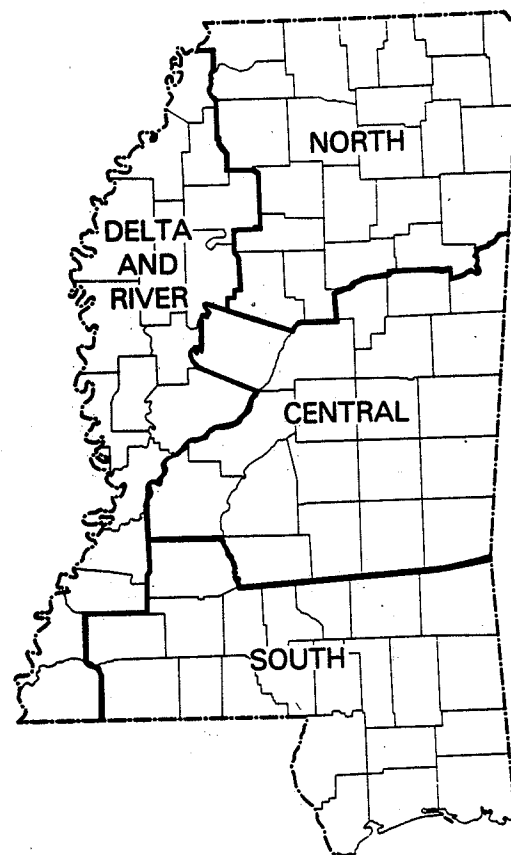
The MCES Timber Price Report is a monthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with MCES to provide an accurate picture of timber market activity. Mississippi is divided into four market 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

Large lumber supplies continued to push lumber prices down for pine and some hardwood products. At the same time log supplies in some areas have dwindled. This combination has created problems for some of the reporting mills.

Several pine mills in south Mississippi reported a shortage of pine sawlogs. Many mills kept log inventories intentionally low during the dry summer when logs were plentiful. Now some mills are having difficulties finding ample supplies of sawlogs to maintain desired production levels. This has created a favorable situation for timber owners who have pine timber to sell. Pine sawtimber stumpage prices have remained strong in south Mississippi and the strength has spread to central Mississippi as well. Delivered pine prices averaged \$208/MBF in the southwest and \$256/MBF in the southeast.

Oak continues to drive the hardwood market though declining oak lumber prices have generally resulted in lower delivered oak sawtimber prices. One mill manager reported that the No. 1 common red oak lumber price has fallen \$100/MBF since July 4. Stumpage prices slipped slightly in some localities but showed little change from last month in most regions. Some high quality oak stumpage is still selling at premium prices. One sale of mostly oak sawtimber in the Tombigbee River bottom in north Mississippi brought \$193/MBF. Other hardwood delivered prices in central Mississippi were: yellow poplar \$160-\$180/MBF, ash \$115/MBF, and white oak \$200/MBF.

Reactions from sawmills on the amount of timber for sale were mixed. In general, there are more pine sales being offered than hardwood sales, but several mills were looking to buy timber.

Pulpwood

Average pine and hardwood pulpwood prices showed little change from last month. However, it appears that pulpwood demand has bottomed out. Several yards reported getting better orders for pulpwood and many were "wide open" on hardwood pulpwood. The pulpwood glut of the past two years has taken its toll in some areas though. One central Mississippi pulpwood buyer reported that his pulpwood haulers have declined in number from about 200 last year to 75 presently. "They've just sold their equipment and gotten out of the business because they couldn't make enough money to operate. Now we need them" commented one manager

With winter approaching mills will begin to build winter inventories so pulpwood markets should improve.

Other Comments

Several mills in the southern region reported that chips were moving much better.

Southern Pine Beetle activity has picked up in several areas of south Mississippi and remains a problem in several areas of north Mississippi. Most mills report seeing some activity throughout the state but mostly scattered, small spots. One south Mississippi mill reported that "beetles are everywhere now." Landowners are advised to keep an eye on their timber. IPS and black turpentine beetles are also being reported.

Anyone can receive the MCES Timber Price Report by contacting the authors at the address on the front page.

COMMENTS? We'd like to hear from you whether you're a forest landowner or in forest industry. Is this report useful to you? What's wrong with it? What's right with it? How do you use it? Has it helped you with a timber sale? Let us know your reaction to this report.

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STANDING TIMBER

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	110-174	133	152-189	167	150-210	180	-	-
Chip-n-saw pine	-	25.50*	28-29.40	28.70	-	-	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	50-101	77	50-85	65	50-66	61	50-75	58
Oak sawtimber	70-125	98**	100-150	126	-	-	130-180	158
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	6-13	8.75	6-14	8.25	8-13.75	10.00	-	-
Hardwood pulpwood	2-5	3.75	2-6	4	6-8.25	7.25	5-6	5.50

DELIVERED PRICES⁵

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	188-222	207	190-240	222	180-260	223**	-	-
Chip-n-saw pine	51-57	54	-	-	54-63	58.50	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	150-180	163	130-175	150	140-165	150	120-180	160
Oak sawtimber	180-200	190	170-225	199	-	-	200-250	223
Other hardwood sawtimber	-	-	-	**	-	-	140-300	**
Pine pulpwood	33-39	36.75	30-34	31.75	32-37	34.50	29-40	34.00
Hardwood pulpwood	29-35.50	31	26-35	29	25-27	26.00	28-33	30.00

¹Prices reported are for timber market transactions during the previous 30-day period, sawtimber prices in \$/MBF Doyle, chip-n-saw and pulpwood prices in \$/cord, 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.

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