

# Mississippi Timber Price Report

## Department of Agricultural Economics

## Department of Forestry

Box 9681  
Mississippi State, MS 39762

July/August, 1995

### MISSISSIPPI TIMBER PRICE REPORT

#### 1. WHAT IS THIS REPORT?

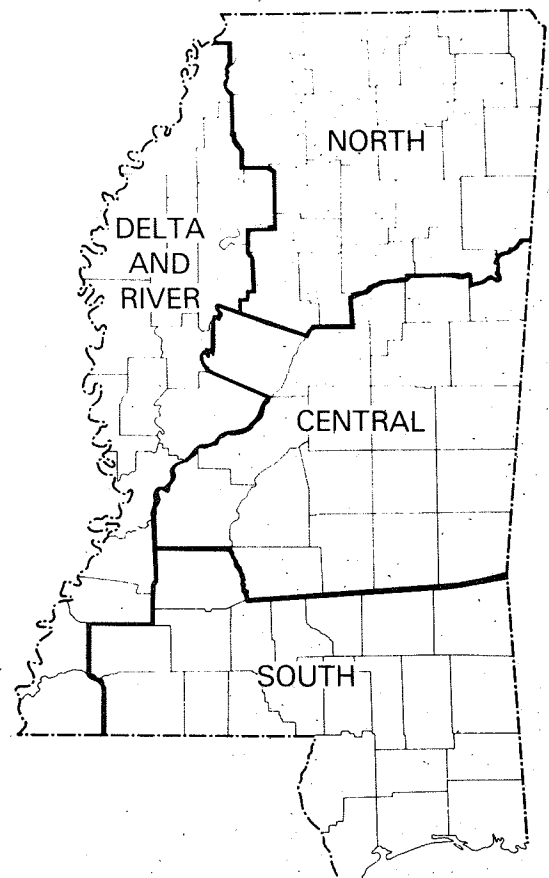
The Mississippi Timber Price Report is a bimonthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with the Cooperative Extension Service to provide an accurate picture of timber market activity.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

Lots of hot, dry weather, ferocious southern pine beetle attacks and plenty of logs available sums up the July/August situation. The sawtimber market was soft, in general because plenty of wood was available from southern pine beetle salvage sales. However, several reporters remarked that good prices were being paid for winter-logging tracts that had "no bugs." That was more the exception than the rule, though.

Southern pine beetles were very active on the National Forests especially the Homochitto, Bienville, and Holly Springs. We received more than 120 salvage sale reports for the period of July/August. The salvage activity disrupted the normal logging activities in many areas of the state with loggers and buyers migrating to the hardest hit beetle areas. One mill in central Mississippi was hauling beetle salvage timber from southwest counties (more than 150 miles) to take advantage of lower log prices and help in the clean up. Several reporters in south Mississippi indicated that beetle damage was much worse on public lands than on private lands because of the public agency policies of longer rotations (100 years or more) making older stands more susceptible to beetle attack.

The large differences in timber quality, volumes and short life of infested timber has made prices paid for "beetle timber" erratic. Data from public land sales throughout Mississippi ranged from \$85 to \$387/MBF,D for standing sawtimber with an average in south Mississippi of 170/MBF,D, of \$168 in central and \$155 in the north region. Beetle-damaged pine pulpwood ranged from \$3.00 to \$23.00 per cord statewide, with prices averaging \$8.50/cord, \$7.75/cord, and \$5.00/cord in south, central, and north respectively. Landowners should check their pine stands regularly through the fall for signs of beetle activity and take action, especially those with land near the National Forests.

Most mills reported good log inventories, some with the highest ever for this time of year. Hardwood mills are beginning to build for the winter as are some pine mills. However, several mills had loggers "blocked" out because they didn't want too many logs. Since the weather is still warm, there is danger of decay if logs are kept too long in the heat. After cool weather sets in about mid-October, logs can be stored with less risk.

The pine lumber market was reported slow, or "draggy" as one reporter put it, but firming up in late August. Pine lumber prices were about 25% lower compared to last year, but some mills were expecting business and prices to improve this fall. One reporter remarked that "summer is always a slow time with holidays and vacations".

Hardwood log prices held steady, but dry weather was allowing logging almost anywhere and that usually means abundant logs and lower prices. Delta loggers were able to get to areas thought earlier in the year to be out of the question. One reporter in central Mississippi said "even the wettest hardwood bottoms were accessible". Log inventories at most hardwood mills were high, with some "blocked out".

Some specific hardwood species standing sawtimber prices reported were: Ash in North Mississippi \$192/MBF,D; in Central Mississippi Cottonwood \$120-160/MBF,D, Sycamore \$100-120/MBF,D, and Willow (grade only) \$80-90/MBF,D. In the Delta, one reporter described poplar prices as "dead" as was sweetgum. The driving force in the hardwood market remains oak with red oak a bit flat, while white oak was reported "in greater demand".

#### Pulpwood

Pulpwood was very available in July/August, but mills still buying. Prices had softened and quotas were reported by many contacts. One dealer said, "we need some rain to get folks interested in pulpwood again".

**Other Comments**

Again, the big story is the Southern Pine Beetle. Landowners are advised to check their timber often through the fall months.

This report contains graphs of average pulpwood prices over the past two years.

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 Agricultural Economics at P.O. Box 9755 or Extension Forestry at P.O. Box 9681, Mississippi State, MS 39762.

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

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DON'T FORGET TO CHECK THE TIMBER MARKET COMMENTS!

STANDING TIMBER<sup>1</sup>

	<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	245-377	298	288-508	370**	275-493	357	320-350	337
Chip-n-saw pine	-	55*	50-70	57	65-75	70	-	-
Poles (pine)	-	-	-	-	500-550	525	-	-
Mixed hardwood sawtimber <sup>2</sup>	91-155	134.50	125-175	148	100-200	131	90-175	132
Oak sawtimber	153-271	227	223-250	235	225-300	267	245-350	296
Soft hardwood sawtimber <sup>3</sup>	-	-	-	-	-	-	-	-
Rare hardwood sawtimber <sup>4</sup>	-	-	-	-	-	-	-	-
Pine pulpwood	20-38	26.50	15-40	21.75	12-50	21.25	15-21	19.00
Hardwood pulpwood	11-26	15	9.50-30	17	8-16	11.25	12-17	14.25

DELIVERED PRICES<sup>5</sup>

	<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	365-390	371	365-410	406	375-450	408	-	-
Chip-n-saw pine	-	-	-	90*	91-104	98	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber <sup>2</sup>	161-222	205	200-257	225	225-275	258	175-238	210
Oak sawtimber	280-310	300	315-345	330	360-475	418	300-450	395
Other hardwood sawtimber	-	-	-	-	-	-	90-475	**
Pine pulpwood	40-52	46.25	33-48	45	46-49	47.25	49	49*
Hardwood pulpwood	30-46	40	28-46	42	36-42	38.00	42-45	43.25

<sup>1</sup>Prices 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.

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


<sup>3</sup>"Soft Hardwoods" are mostly: Cottonwood, Willow, Poplar and Gum.

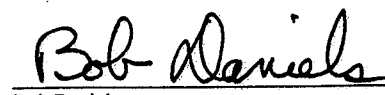
<sup>4</sup>"Rare Hardwoods" are mostly: Walnut, Cherry, Royal Paulownia, Persimmon, some species and grades of Cypress, certain prime grades of Cherrybark and White Oaks.

<sup>5</sup>Delivered prices are values given at the sawmill or pulpwood yard gate.

\*Only one price reported.

\*\*See Timber Market Comments.

  
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