



AGRI-MARKETING

EXTENSION MARKETING DEPARTMENT

June 1986

MCES TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

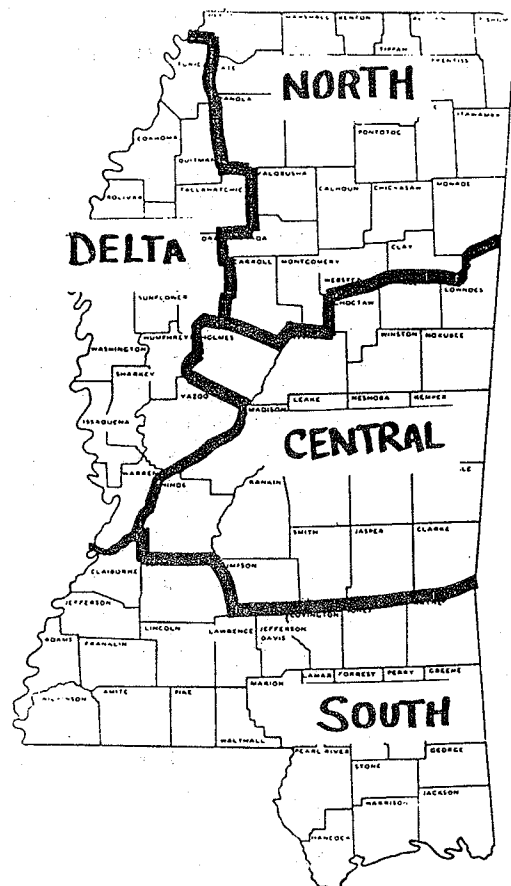
The MCES Timber Price Report is a monthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with MCES to provide an accurate picture of timber market activity. Mississippi is divided into four market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

In the southern reporting district delivered pine log prices tend to be lower in the western section and higher in the east. During May the average pine sawtimber delivered prices for southwest and southeast Mississippi were \$196/MBF and \$225/MBF, respectively.

In north Mississippi, one mill reported a delivered pine sawtimber price of \$230/M for Grade 1 pine logs, 13 inches and larger (small end diameter). Also, only one pulpwood yard contacted was taking hardwood pulpwood.

Several mills reported that southern pine lumber prices have dropped slightly. The active housing industry has kept lumber demand steady but abundant lumber supply has kept prices weak.

Hardwood mills reported oak lumber prices continue firm for grades #1 and #2 common, though prices for FAS grade oak and ash lumber had fallen slightly. Demand for traditionally low-valued mixed hardwoods, such as sweetgum, remains poor except in certain localized markets. At some plywood plants sweetgum is used for core stock in pine plywood.

In South Mississippi, one mill reported the following prices for delivered sawtimber: Ash, \$110/MBF; Poplar, \$160/MBF; and Cypress, \$170/MBF.

Other hardwood sawtimber delivered prices reported in the Delta in May were as follows:

Gum	\$120/MBF	Pecan	\$140-\$170/MBF
Poplar	\$150-\$180/MBF	Cottonwood	\$120-\$140/MBF
Hackberry	\$120-\$150/MBF	Willow	\$120/MBF
Elm	\$150/MBF	Hickory	\$140-\$150/MBF
Ash	\$225-\$240/MBF	Cypress	\$180-\$190/MBF
Basswood	\$150/MBF	Beech	\$120/MBF
Sycamore	\$120/MBF	Magnolia	\$150/MBF

Southern Pine Beetle activity remains a problem in the timber market. SPB damaged timber continues to come into many mills throughout the state and delivered prices tend to be \$30 to \$40 less per MBF. In southwest Mississippi, for example, SPB logs were \$160-\$170/MBF delivered and in central Mississippi SPB logs were \$140-\$150/MBF delivered.

The two weeks of rain we had in May helped the pulpwood and chip markets by slowing logging and wood procurement activities. Several mills reported lower log inventories as a result of the rain while others began thinking about building winter log inventories, hence stumpage markets may improve in the coming months.

Comments from users of the MCES Timber Price Report are welcome. If you see something you like or dislike let us know. Input from you will help make this report better. If you have a suggestion please write to the authors at P. O. Box 5446, Mississippi State, MS 39762.

MCES TIMBER PRICE REPORT

JUNE 1986¹

STANDING TIMBER

	North		Central		South		Delta	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	90-150	116	100-150	133	112-175	146	-	-
Chip-n-saw pine	-	-	-	25*	15-29	22	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	40-90	53	35-70	47	40-69	57	55-70	64
Oak sawtimber	-	69*	-	100*	-	-	60-80	75
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	6-8	7	5-10	8.50	6-14	10	-	-
Hardwood pulpwood	2-3	2	2-6	3.50	4-6	5	5-7	6

DELIVERED PRICES⁵

	North		Central		South		Delta	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	144-230	185**	175-230	206	180-235	210**	-	-
Chip-n-saw pine	-	-	53-64	59	49-57	55	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	140-155	146	130-150	136	115-145	131	140-165	152
Oak sawtimber	-	-	-	200*	160-180	170	135-220	180
Other hardwood sawtimber	-	-	-	-	160-220**	-	120-240**	-
Pine pulpwood	32-40	35	30-40	33.50	33-37	35	-	-
Hardwood pulpwood	-	27**	24-29	26	25-32	27**	32-35	33

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.

²"Mixed Hardwoods" are mostly: Ash, 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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