



MCES Timber Price Report

Agriculture Economics Department
Extension Forestry Department

P. O. Box 5446
Mississippi State, MS 39762

January/February 1992

MCES TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

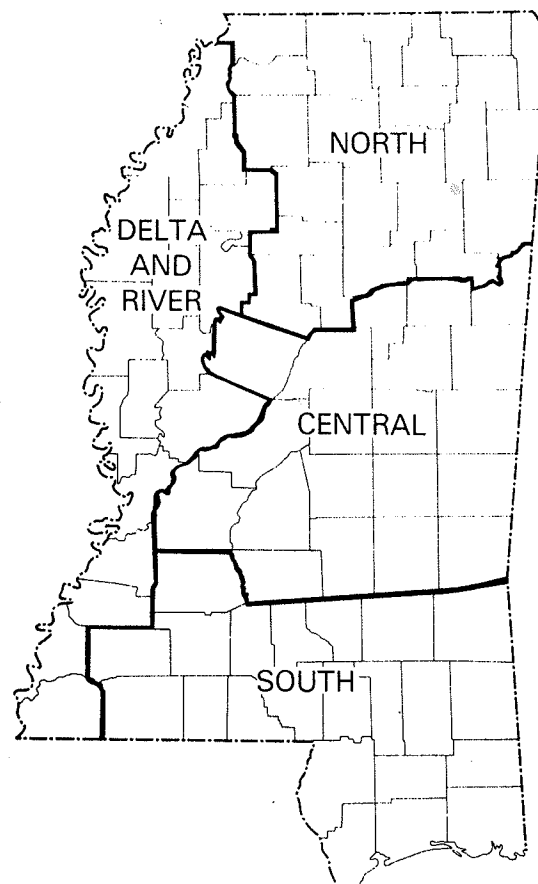
The MCES Timber Price Report is a bimonthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with MCES to provide an accurate picture of timber market activity. Mississippi is divided into four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

Markets for pine lumber began to move upward in February presumably in response to an increase in housing starts in late 1991. Reported stumpage prices for pine sawtimber were up throughout the state with many buyers commenting that competition was strong for offered sales. One reporter commented that "for every sale there were 6 or 8 bids and there always seems to be one bidder to pay a high price and knock you out of the competition." An example of the competitiveness is a sale reported in North Mississippi that was winter logging, good access and good quality pine timber that brought \$360/MBF,D stumpage. This figure was not included in the averages because it is so high but it illustrates the competition level. This sale was a consultant sale and the reporter commented that he was confident in his cruise but even if he'd have missed the volume by 20% the sawtimber would have averaged over \$300/MBF/D.

Most pine mills reported adequate inventories and an average amount of sales being offered. Several reporters commented that pine beetles were increasing particularly in South Mississippi and on Forest Service lands. A few reporters also mentioned that the pine lumber and plywood markets were good.

Delivered pine sawtimber prices reported for Southeast Mississippi averaged \$295/MBF compared to \$271/MBF in the Southwest. Stumpage prices reported for pine sawtimber in the Southeast averaged \$262/MBF compared to \$236/MBF in the Southwest.

On the hardwood side activity was slower in January and February. Normally logging activity is slow and many reporters commented that inventories were fair to good with few sales being offered. The hardwood lumber market showed signs of improvement with some reporters commenting that demand was a bit better, kiln dried red oak prices had moved up \$15/MBF and export demand was improving. Another reporter mentioned also that demand was improving because supply is getting lower.

Pulpwood

Pulpwood prices remained steady across the state with demand also steady. A few buyers reported that hardwood pulpwood was in particular demand as is normal this time of year since access to hardwood tracts is limited.

Other Comments

This issue contains graphs showing average standing delivered pine and hardwood pulpwood prices for the preceding two years.

Anyone can receive the MCES Timber Price Report by contacting their county Extension office or Extension Forestry at P.O. Box 5446, Mississippi State, MS 39762.

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DON'T FORGET TO CHECK THE TIMBER MARKET COMMENTS!

STANDING TIMBER¹

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	150-290	218	179-325	250	200-315	247	150-250	208
Chip-n-saw pine	-	55*	45-50	46	47-52	50	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	70-112	90	83-125	99	69-90	78	60-118	94
Oak sawtimber	115-175	146	-	215*	-	-	-	190*
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	14-30	21.75	14-28	22.25	5-22.50	15.75	10-19	14
Hardwood pulpwood	5-20	10.75	6-14	8.75	5.50-10	7.00	5-7	6.25

DELIVERED PRICES⁵

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	220-295	261	242-310	281	260-300	282	-	-
Chip-n-saw pine	-	-	55-84	68	65-78	70.00	-	-
Poles (pine)	-	-	-	-	40-43	42/T	-	-
Mixed hardwood sawtimber ²	170-200	188	158-180	176	175-200	183	155-190	159
Oak sawtimber	-	225*	-	-	-	-	213-275	253
Other hardwood sawtimber	-	-	-	-	-	-	145-320**	-
Pine pulpwood	32-54	45.50	36-52	45	38-40	38.75	-	46*
Hardwood pulpwood	31-41	37	31-48	37	30-35	32.25	38-45	40.75

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.

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