

Box 9681
Mississippi State, MS 39762

May/June, 2002

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 Mississippi State University 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

Pine Sawtimber average prices trended lower in May/June as logging conditions improved. Average standing pine sawtimber prices ranged from \$392 to 398/MBF, Doyle. Foresters report good demand for pine and hardwood sawtimber but prices are lower due to good log supply weather.

Southern pine lumber production increased even in a market that is seeing pine mill production cutbacks and some closings.

In the hardwood market, hardwood logs are in good demand and oak sawtimber held its own. Lumber sales are reported "fair" but seems to be improving. Mills were commenting that

they had good orders for lumber lately. The outlook for hardwood business in the second half of 2002 is reported as "slow optimism".

Pulpwood

Pulpwood demand was characterized as "weak" by most reporters contacted. Average standing prices for pine pulpwood ranged from \$14.50 to \$20/cord (5.50 to 7.75 per ton). Hardwood pulpwood ranged from \$8.50 to 14.50/cord (\$3 to 5.25/ton).

Other Comments

Housing starts in May increased 11.6% in the largest jump in seven years. Housing continues to be one area that continues to prop up a flagging economy. As the economy improves, housing is leading the way but lumber prices remain low on an oversupplied market. Canadian lumber continues to be an important political issue in the timber sector.

The Mississippi Timber Price Report is available on the World Wide Web. The current issue can be accessed through the Mississippi State University Extension Service Homepage. The Extension website is at www.msucares.com>. Select "Forestry" from the left hand index and then select "Timber Price Reports" to find the Mississippi Timber Price Report on line. Individual price reports are available dating back to 1997. Other data will be added periodically.

Anyone can get copies of the Mississippi Timber Price Report from the local Extension office. For the latest timber prices, call your County Extension Office or to get on the mailing list, contact Extension Forestry at 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 TIMBER¹

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	351-445	392	377-431	395	386-425	398	365-405	395
Chip-n-saw pine	66-90	77	60-85	76	65-95	70	-	-
Poles (pine)	-	-	-	-	520-585	542	-	-
Mixed hardwood sawtimber ²	138-212	152	170-255	193	135-185	159	120-170	155
Oak sawtimber	260-340	290	275-340	315	284-375	351	355-388	362
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	15-29	18.50	16-25	20	12-28	16.50	11-20	14.50
Hardwood pulpwood	10-21	14.50	10-17	13.50	9-14	8.50	11-16	13.50

DELIVERED PRICES⁵

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	435-475	450	440-495	470	440-490	469	-	-
Chip-n-saw pine	-	-	86-101	90	82-105	97	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	244-285	260	245-292	270	225-282	248	247-286	262
Oak sawtimber	342-415	377	355-425	385	335-390	351	395-460	435
Other hardwood sawtimber	-	-	-	-	-	-	-	-
Pine pulpwood	31-53	44	31-54	39	33-57	42	26-43	35
Hardwood pulpwood	24-54	31	23-51	29	27-46	33	26-38	31

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.

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

"Soft Hardwoods" are mostly: Cottonwood, Willow, Poplar and Gum.

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

Delivered prices are values given at the sawmill or pulpwood yard gate.

Mississippi weight conversion factors for shortwood pulpwood by law are: pine = 2.6 tons/cord. ; mixed hardwood = 2.8 tons/cord.

There is no statutory weight conversion for sawlogs in Mississippi. Pine sawlog weight to lumber volume conversions vary by log diameter and range from 6.5 tons of logs/MBF of lumber to 12 or 13 tons/MBF. Most mills in Mississippi use weight conversion factors of 8 to 10 tons/MBF for southern pine. For hardwood logs (comprised mostly of oak and hickory), most mills use a conversion factor between 9 and 11 tons of logs/MBF of lumber. A mill's conversion factor will also vary according to the equipment configuration in the mill.

*Only one price reported.

**See Timber Market Comments.