



AGRI-MARKETING

EXTENSION MARKETING DEPARTMENT

August 1986

MCES TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

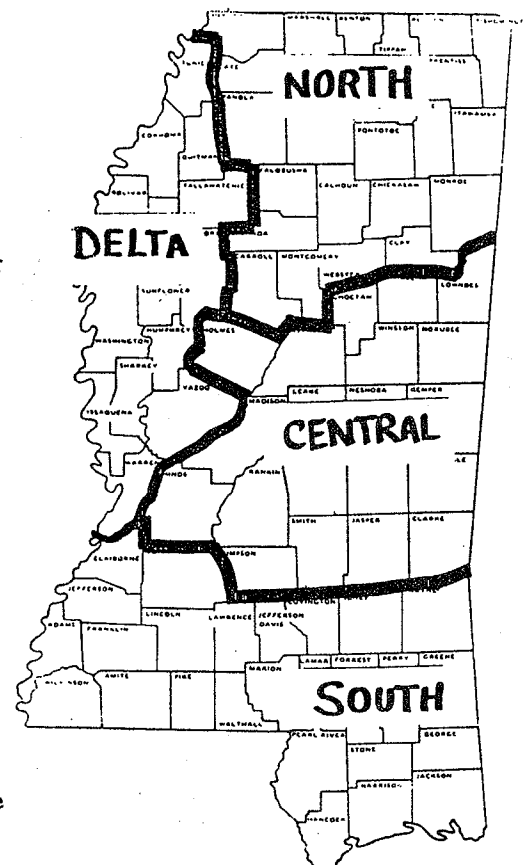
The MCES Timber Price Report is a monthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with MCES to provide an accurate picture of timber market activity. Mississippi is divided into four market 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 June the average pine sawtimber delivered prices for southwest and southeast Mississippi were \$193/MBF and \$210/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.

Recently, a mill contact commented that there were only a few prices reported for chip-n-saw. Chip-n-saw prices have been difficult to get since we began this report (particularly stumpage) and recently several mills have curtailed use of smaller, chip-n-saw wood. This is primarily due to extremely poor markets for lower grade studs. Since the quality of Canadian studs is high, grade 3 and 4 southern pine studs have not been selling well. Therefore, some mills have stopped taking low-quality logs and small logs. That makes C-N-S data harder to obtain.

Hardwood mills report demand for No. 1 and No. 2 common red oak lumber is still strong. Demand for red oak and ash continues to drive the market while some mills are limiting their purchase of such hardwood species as cottonwood, willow, elm, beech, hackberry and sweetgum. In some localized markets, however, sweetgum is used for core stock in pine plywood. Two mills reported difficulty in selling cypress lumber.

Mills across the state continue to report southern pine beetle activity, particularly in north and central Mississippi. Many salvage sales are being reported. Some mills and pulpwood yards have begun to limit the amount of SPB wood they will accept and some won't accept any SPB wood. Prices for southern pine beetle logs are still bringing \$40-50/MBF less than green logs.

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

Poplar	\$140-\$160/MBF	Cypress	\$115/MBF
Elm	\$140-160/MBF	Pecan	\$140/MBF
Ash	\$180-225/MBF	Walnut	\$200/MBF
Basswood	\$140/MBF	Cherry	\$200/MBF

While pulpwood demand is better than we saw in April and May, demand is still slow.

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.

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AUGUST 1986¹

STANDING TIMBER

	North		Central		South		Delta	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	95-160	121	100-170	134	123-180	150	-	-
Chip-n-saw pine	-	18*	-	23*	16-30	23*	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	35-81	56	40-60	50	42-66	58	60-90	75
Oak sawtimber	-	-	-	-	-	-	-	-
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	5-14.70	9.50	4-12	7.75	8.75-10	9.50	-	-
Hardwood pulpwood	-	2	1.50-6	2.50	4.25-8	5.50	-	5*

DELIVERED PRICES⁵

	North		Central		South		Delta	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	144-230	186**	180-240	217	173-230	200**	-	-
Chip-n-saw pine	-	-	51-66	58	55-58	56.50	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	125-155	141	130-140	134	130-160	138	115-140	128
Oak sawtimber	-	-	150-160	155	-	-	180-200	193
Other hardwood sawtimber	-	-	160-180**	-	-	-	140-225**	-
Pine pulpwood	33-38	36	30-37	33	35-36.50	35.50	-	-
Hardwood pulpwood	-	28**	25-30	26.50	26.50-28	27	26-32	30

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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