



MCES Timber Price Report

Extension Agricultural Economics Department
Extension Forestry Department

P. O. Box 5446
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May/June 1990

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

Rains continued in May but logging conditions steadily improved through June. Both pine and hardwood sawtimber stumpage prices have held steady or moved slightly lower. During June drier weather allowed for better logging conditions and most mills were moving toward normal log inventories. By late June, most mills were reporting satisfactory inventories and many were working on logging jobs that had been too wet to finish earlier this spring.

On the other hand, pine dimension lumber prices have fallen and upper grade oak lumber was reported sluggish. Reporters expect that continued lumber market pressure will cause stumpage prices to move lower in the next few months. Currently, however, pine buyers report that winter logging tracts are still the object of strong competition. One reporter said his company was only bidding on winter logging now. Many firms are beginning to work tracts they had purchased in the past but couldn't harvest because of wet conditions. Several foresters reported that they had noticed fewer timber sales being offered in June and that it's common for the timber market to slow this time of year. Several consultants commented that they were preparing sales for later this summer.

Delivered oak sawtimber prices in the Delta and River averaged \$317/MBF and ash prices averaged \$341/MBF. Although ash prices were high mill contacts report that ash is moving slowly in the market, presently. Poplar delivered prices held relatively firm in the Delta and River region with delivered log prices ranging from \$200-\$215/MBF.

Reported delivered pine sawtimber prices in the southeast averaged \$298/MBF compared with \$265/MBF in the southwest. Reported pine sawtimber stumpage prices averaged \$218/MBF in the southeast and \$210/MBF in the southwest.

Pulpwood

Pulpwood prices were steady to slightly lower during May/June. Most contacts were reporting increasing supplies of pulpwood as woods conditions improved and most dealers were on quota mid to late June.

Other Comments

Trends in pulpwood prices over the past year are depicted in the region charts with this issue.

A buyer in south central Mississippi reported that he's interested to buy spruce pine logs for a specialty market. If you have spruce pine logs to market and are south of I-20 contact Bob Daniels at 325-3150 for information.

Policy decisions regarding the spotted owl in the Pacific Northwest continue to cloud the future of the federal timber supply in that region. Increased limitations on harvesting in the west could present

opportunities for the southern timber industry but continued restrictions on U.S. timber management and harvesting will likely have a negative economic impact on the entire industry in the long run.

Anyone can receive the MCES Timber Price Report by contacting their County Agent or the Extension Forestry Department.

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DON'T FORGET TO CHECK THE TIMBER MARKET COMMENTS!

STANDING TIMBER

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	150-246	181	150-276	209	175-257	214	175-250	211
Chip-n-saw pine	35-57	44	30-43	37	-	-	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	65-178	123	70-125	96	75-90	83	100-150	123
Oak sawtimber	-	150*	-	-	-	-	200-300	251
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	8-15	11	6-24	11.75	9-19	13.75	-	15*
Hardwood pulpwood	3-15	7.75	3-14	7.50	4.75-12.00	9.00	5-13	8.50

DELIVERED PRICES⁵

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	235-250	241	180-265	243	225-300	278	-	-
Chip-n-saw pine	-	70	69-73	71	61-78	69.75	-	-
Poles (pine)	-	-	-	-	40-44/T	41.75/T*	-	-
Mixed hardwood sawtimber ²	170-200	186	170-200	190	173-210	191	115-200	149
Oak sawtimber	-	-	-	-	-	-	250-380	317
Other hardwood sawtimber	-	-	-	-	-	-	120-400	**
Pine pulpwood	34-40	38	37-48	39	36-38	37.50	-	47.00*
Hardwood pulpwood	31-43	35.25	28-44	35	30-42	35.25	32-38	35.00

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, 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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