



# MCES Timber Price Report

Agriculture Economics Department  
Extension Forestry Department

P. O. Box 5446  
Mississippi State, MS 39762

January/February, 1991

## MCES TIMBER PRICE REPORT

### 1. WHAT IS THIS REPORT?

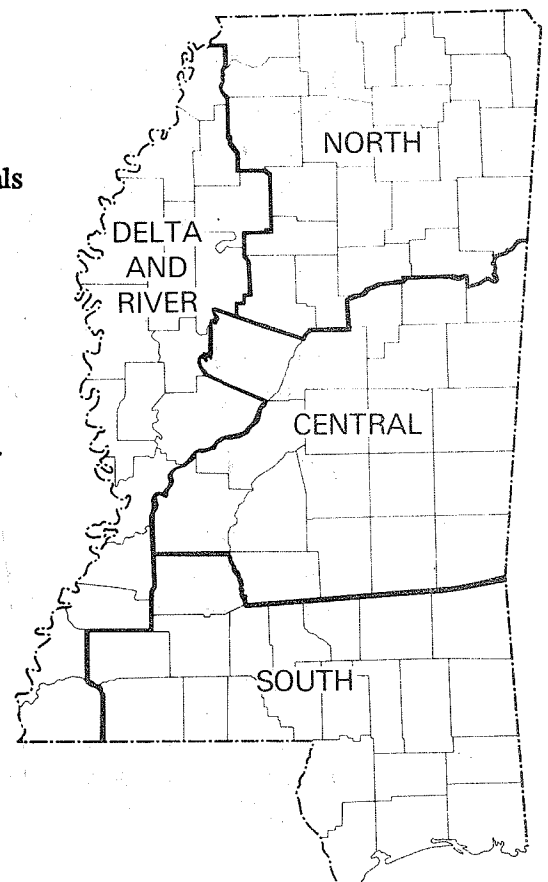
The MCES Timber Price Report is a bimonthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with MCES to provide an accurate picture of timber market activity. Mississippi is divided into four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

Poor logging conditions, sluggish lumber markets and high stumpage prices best describe comments about the timber market during January-February.

Most reporters commented that activity was slow at this time as it usually is in winter months. When asked about the number of sales being offered most replied "fair" or "fewer than usual." Logging conditions are generally poor statewide though conditions tend to get better as you go north in the state. One hardwood buyer said the wet weather conditions since December have been "as bad as I've ever seen." Logging conditions were reported particularly poor along the major rivers.

Most hardwood mills report ample supplies of logs. A few were not purchasing logs and working down log inventories because of lumber inventories still on hand. Most reporters mentioned the sluggish hardwood lumber market, remarking that many companies are just not buying lumber and what lumber is moving brings low prices.

Standing hardwood prices reported have generally held up since last report, though less timber is moving. Less timber on the market means premiums are paid for stands that can be readily harvested ("winter logging").

Several pine mills reported being low on logs and some mills have cut back operations because of the poor lumber market or a build up of lumber inventory. This report shows average prices for pine sawtimber lower but many foresters still think stumpage prices are too high compared to prices for pine lumber. However, on sealed-bid sales foresters report good competition for pine and hardwood tracts. One reporter remarked that "even though most of us feel prices are higher than they should be it seems there's always someone who'll put in something extra to keep the prices (on bid sales) up."

Average pine stumpage prices in the South were fairly consistent. Prices in the Southeast were \$190/MBF compared to \$194/MBF in the Southwest. Reported delivered prices in the Southeast averaged \$277/MBF compared to \$257/MBF in the Southwest.

Pulpwood

Pine pulpwood remains in good demand while hardwood pulpwood is "very hard to move." Prices remained steady with a few regions showing slight movements. Most reporters commented that pine pulpwood orders were fair but hardwood quotas were small.

Other Comments

For those who keep the MCES Price Report on file please note that the November-December issue had an error in the date of the report. It read November/December 1991 however, it should have been 1990. Please correct your file copy.

This issue contains graphics showing average standing and delivered pulpwood prices over the past two years. Please note the change from monthly price charts to bimonthly price charts which allows us to show two-year trends.

Spread the word! If you have a friend who owns forestland, tell him or her about the *MCES Timber Price Report*. Many landowners are not aware of this timber price reference, so help educate your fellow landowners. Anyone can receive the report by contacting their county Extension agent or Extension forester.

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DON'T FORGET TO CHECK THE TIMBER MARKET COMMENTS!

STANDING TIMBER<sup>1</sup>

	<u>North</u>		<u>Central</u>		<u>South</u>		<u>Delta and River</u>	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	123-226	167	171-207	186	148-240	192	125-200	158
Chip-n-saw pine	34-46	40	27-39	34	-	45*	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber <sup>2</sup>	60-120	91	65-150	93	78-120	83	64-117	85
Oak sawtimber	90-140	115	-	-	-	-	125-210	171
Soft hardwood sawtimber <sup>3</sup>	-	-	-	-	-	-	-	-
Rare hardwood sawtimber <sup>4</sup>	-	-	-	-	-	-	-	-
Pine pulpwood	8-17	12.75	8-22	14	6.25-22	13.00	12	12
Hardwood pulpwood	4-10	5.25	5-7	5.50	5-10	7.75	4-7	5.25

DELIVERED PRICES<sup>5</sup>

	<u>North</u>		<u>Central</u>		<u>South</u>		<u>Delta and River</u>	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	210-250	232	240-270	255	245-290	269	-	-
Chip-n-saw pine	67-70	68	65-70	68	62-71	67.75	-	-
Poles (pine)	-	-	-	-	-	38/T	-	-
Mixed hardwood sawtimber <sup>2</sup>	175-195	182.50	140-210	161	173-190	180	130-175	150
Oak sawtimber	-	-	-	-	-	-	175-250	235
Other hardwood sawtimber	-	-	-	-	-	-	150-250	-
Pine pulpwood	37-52	44.75	38-51	45	36-39	37.50	-	50*
Hardwood pulpwood	35-39	37	30-43	35	30-35	33.00	-	38

<sup>1</sup>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.

<sup>2</sup>"Mixed Hardwoods" are mostly: Low-grade Oak, Beech, Cottonwood, Willow, Elm, Gums, Locust, Hackberry, Magnolia, Pecan, Hickory, Sycamore, Tupelo and Birch.

<sup>3</sup>"Soft Hardwoods" are mostly: Cottonwood, Willow, Poplar and Gum.

<sup>4</sup>"Rare Hardwoods" are mostly: Walnut, Cherry, Royal Paulownia, Persimmon, some species and grades of Cypress, certain prime grades of Cherrybark and White Oaks.

<sup>5</sup>Delivered prices are values given at the sawmill or pulpwood yard gate.

\*Only one price reported.

\*\*See Timber Market Comments.

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