Box 9681
Mississippi State, MS 39762

March/April, 2000

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

Weather continued to be the dominating factor in the timber market for March/April. According to weather records at Jackson, the state had a rainfall deficient of about 19 inches from February 1999 to February 2000. These conditions make timber available and easy to harvest and mills tend to buy only what they can manufacture and sell quickly.

Many reporters called the market sluggish and mentioned that rain would be a positive development for the market. Many consultants were holding larger and high-quality tracts off the market and concentrating on plantation thinning and ACleanup sales@ (smaller tracts or tracts with scattered timber or low volumes per acre). What sales were being made tended to be sawtimber tracts of both pine and hardwood with low pulpwood volumes.

Standing pine sawtimber price averages eased a bit as mills adjusted their offerings to reflect a soft lumber market. Southern pine lumber prices have been eroding since late March. Some market watchers attribute the slide to the beginning if a new AQuota year@ for Canadian lumber imports. Two negative factors on the horizon for Mississippi=s lumber industry are forest industry company reorganizations in the wake of a few major buyouts, lately and the pending expiration of the Softwood Lumber Agreement in April 2001 concerning Canadian lumber imports.

On the hardwood side, lumber demand in the South has been reported good. Mills are having little problem with log supply and oak and ash lumber demand leads the way. Many lumber producers described the lumber market this winter as good. Some mills reported some pick up in export sales of oak and that this could affect domestic prices soon. Overall, the outlook for hardwood lumber sales this year in North America is for a little slowdown but still a good year.

Average standing oak saw timber prices during March/April held steady and ranged from $265 to 355/MBF,Doyle, statewide.

Pulpwood

The pulpwood market remains stuck in a downward trend. There is too much fiber available now and mills are using less than they did 5 years ago because of the adjustments in the global paper industry. AIt=s a buyers market for pulpwood these days@ remarked one reporter and he=s right. Consultants commented that getting pine plantations thinned has been a challenge in some areas of the state.

Pine pulpwood standing prices were lower in March/April and ranged from $18 to $22.50 per cord (or $7 to $9 per ton). Hardwood standing pulpwood prices also moved lower and ranged for $11 to $14 per cord (or $4 to $5 per ton).

Other Comments

Reporters mentioned some Southern pine beetle activity in a few eastern-most counties like Tishomingo, Monroe and Lauderdale but generally across the state SPB activity was scattered at worst. Many foresters reported Ips beetle activity, especially in south Mississippi and drought-related tree mortality, statewide.

Would you like to receive Mississippi Timber Price Report (MTPR) information by E-mail? If you would like to receive a short version of the MTPR to your E-mail box send a message requesting this to the following address: bobd@ext.msstate.edu. We=ll use your requests to create a distribution list to send this information to you.

The Mississippi Timber Price Report is now available on the World Wide Web. It can be accessed through the Mississippi State University Extension Service Homepage at <http://www.ext.msstate.edu>. Select AAgriculture and Natural Resources@ then select AForestry@ and then ATimber Prices.@ Current price reports are available back to 1997 and other price data is being added.

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 TIMBER[1]

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	370-511	440	400-495	455	380-495	454	356-460	440
Chip-n-saw pine	79-85	81	64-92	82	80-92	85	-	-
Poles (pine)	-	-	-	-	500-590	546	-	-
Mixed hardwood sawtimber[2]	155-200	178	150-238	181	128-220	161	130-179	168
Oak sawtimber	190-315	297	260-365	340	242-350	265	320-440	355
Soft hardwood sawtimber[3]	-	-	-	-	-	-	-	
Rare hardwood sawtimber[4]	-	-	-	-	-	-	-	-
Pine pulpwood	19-31	22.50	17-28	20.25	16-27	21.50	10-22	18
Hardwood pulpwood	10-20	14	8-16	12	5-15	11	8-17	11

DELIVERED PRICES[5]

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	470-510	492	475-515	505	480-510	500	-	-
Chip-n-saw pine	-	-	80-110	100	85-106	102	-	-
Poles (pine)	-	-	-	-		-	-	-
Mixed hardwood sawtimber[2]	220-270	255	250-288	268	235-280	256	210-285	259
Oak sawtimber	335-400	370	375-425	400	335-410	352	350-450	430
Other hardwood sawtimber	-	-	-	-	-	-	-	-
Pine pulpwood	30-50	41	28-45	43	30-55	41	25-50	40
Hardwood pulpwood	25-41	31	24-42	32	26-47	31	23-37	30

[1]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.

[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.

[5]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.

Bob Daniels

(601) 325-3150