

MCES Timber Price Report

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MCES TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

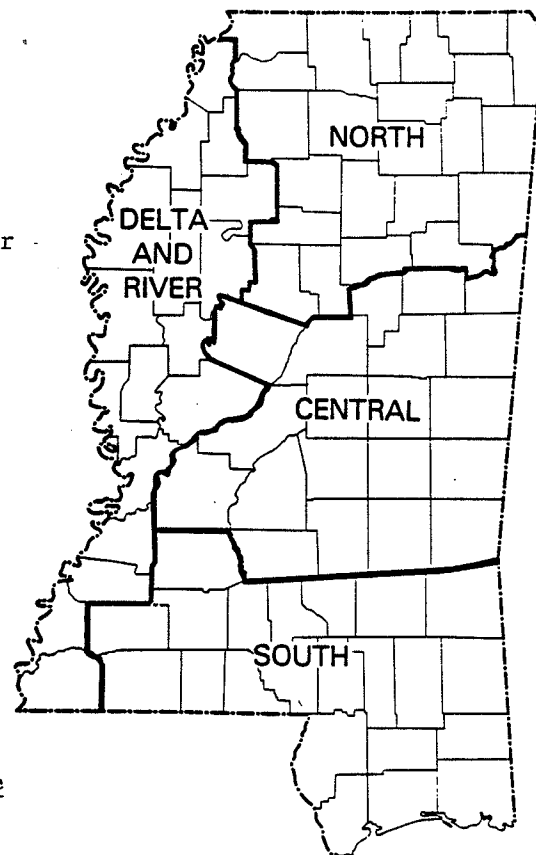
The MCES Timber Price Report is a monthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with MCES to provide an accurate picture of timber market activity. Mississippi is divided into four market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

Sawtimber

Most of the pine and hardwood mills reported that operations had been slowed by recent rains. In some areas of South Mississippi rains were extremely heavy and some mills were closed for several days. The wet conditions added to the already existing log shortage problems. Market prices have been dropping for lumber but short log supplies have held prices up for sawlogs in South Mississippi. Drier weather and better pine log supplies in North and Central Mississippi have caused pine sawtimber prices to slip slightly.

One standing pine sawtimber sale reported in South Mississippi approached \$250/MBF. Another reported timber sale in North Mississippi brought \$235/MBF for the pine sawtimber. Reported delivered pine prices averaged \$221/MBF in Southwest Mississippi and \$260/MBF in Southeast Mississippi. Pole buyers reported that business was "improving" and the market was "pretty good."

Pole buyers reminded us that some small poles can be harvested from chip-n-saw sized stands so landowners in Central and South Mississippi should consider selling poles when making timber sales.

Hardwood lumber prices were reported as either "dropping" or "oscillating." Hardwood sawlog prices, however, were steady to slightly higher. One reported standing oak sawtimber sale in the Delta and River area was about \$245/MBF. Inventory problems were not reported as frequently by hardwood mills as by pine mills. Wet weather and production slow downs were seen by one reporter as being helpful in working down over supplies in the hardwood (particularly oak) lumber market.

Pulpwood

Pulpwood markets are improving. In an industry where "quotas" usually govern sales more than prices, prices were up in some areas. Reported pine prices in the South were up \$2.50-3.50/cord and hardwood prices were up \$1/cord. With winter around the corner pulpwood orders are improving and the glut of the spring/summer drought seems to be ending.

Other Comments

See charts for sawlogs that are included in this month's report.

Anyone can receive the MCES Timber Price Report by contacting the authors at the address on the front page.

COMMENTS? We'd like to hear from you whether you're a forest landowner or in forest industry. Is this report useful to you? What's wrong with it? What's right with it? How do you use it? Has it helped you with a timber sale? Let us know your reaction to this report.

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SEPTEMBER 1988

STANDING TIMBER

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	110-168	137	140-180	160	140-214	183	-	-
Chip-n-saw pine	-	28.60*	25-28	26.50	35-45	41	-	-
Poles (pine)	-	-	-	-	-	300	-	-
Mixed hardwood sawtimber ²	50-95	74	58-100	71	50-105	73	40-90	68
Oak sawtimber	100-175	126**	90-175	134	-	-	150-180**	165
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	6-10.50	9.50	7-11	9.50	10-18	13.50	-	-
Hardwood pulpwood	2-5	3.50	3-6.50	4.75	6-14	8.25	5-6	5.75

DELIVERED PRICES⁵

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	176-200	190	175-240	212	200-265	243**	-	-
Chip-n-saw pine	-	54.60*	54.60-62	58	59-63	61.50	-	-
Poles (pine)	-	-	-	-	37-41/T**	38.50/T	-	-
Mixed hardwood sawtimber ²	150-175	161.50	150-165	155	140-165	150	135-180	157
Oak sawtimber	185-200	195	210-250	225	-	-	205-250	233
Other hardwood sawtimber	-	-	-	-	-	-	155-300	**
Pine pulpwood	33-37	35	30-34	32	32-37	34.50	23-40	36.50
Hardwood pulpwood	29-35.50	31.75	26-38	30.50	24-27	25.75	28-29	28.50

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, 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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