

# MCES Timber Price Report

**Agriculture Economics Department  
Extension Forestry Department**

P. O. Box 5446  
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September 1989

## MCES TIMBER PRICE REPORT

### 1. WHAT IS THIS REPORT?

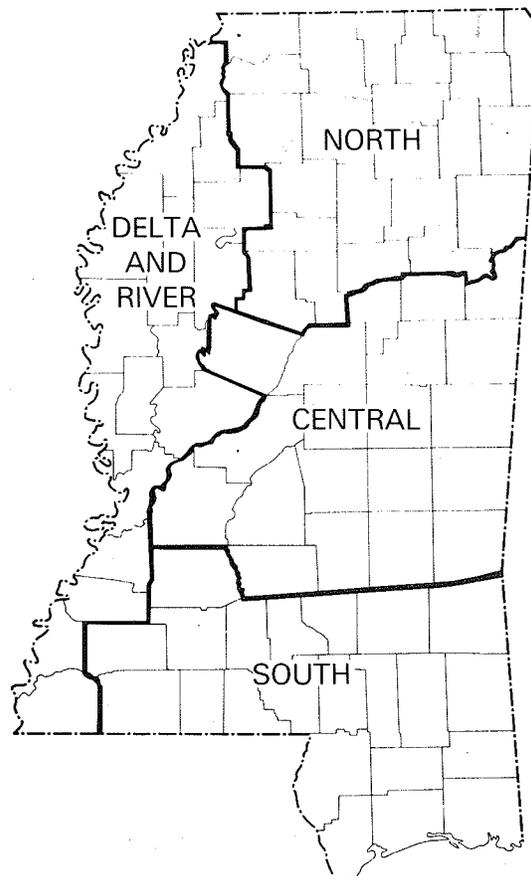
The MCES Timber Price Report is a monthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with MCES to provide an accurate picture of timber market activity. Mississippi is divided into four market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

Weather conditions continue to have an important affect on the timber market. Drier weather in August and September has helped sawmills begin to build log inventories but late September rains slowed progress. Most mills are continuing to build inventory for winter but several reporters commented that they are not "gaining on the mill" as fast as they would like. Others reported a need for more loggers. One forester commented that he was having a problem finding loggers to cut the timber he has purchased.

Several reporters commented that competition among timber buyers for "winter logging" sites is "fierce." Because of the rainy year we've had, many mills have cut the "winter logging" tracts in their inventory and are seeking others to replace them. Early fall is always a busy time in the timber business and this year is no exception. This activity level will continue until the winter rains limit logging.

Reported delivered pine sawtimber prices averaged 273/MBF in the southeast and 228/MBF in the southwest. Standing prices reported to us averaged 215/MBF in the southeast and 219/MBF in the southwest. This is the first time we've noted the standing price in southwest has moved above the southeast.

#### Pulpwood

Pulpwood demand is good. Pulp mills are building inventory for winter. Pulpwood dealers report that both pine and hardwood pulpwood are in demand. This is particularly true for hardwood. Prices for pulpwood are holding steady from last month.

#### Poles

Several pole buyers restated the strong market demand for poles. The aftermath of Hurricane Hugo in South Carolina has created an additional demand for poles. Buyers continue trying to let landowners know that there are good opportunities to sell poles when making a timber sale. Small poles can even be sold from chip-n-saw stands we're told. Pole prices are good and one reporter predicted they would rise in the near future because of Hugo.

#### Other Comments

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

This issue contains sawtimber graphics showing price trends for the past year.

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SEPTEMBER 1989

STANDING TIMBER

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	145-180	154	160-219	187	160-255	217**	-	-
Chip-n-saw pine	30-37	35	29-39	32.50	-	33.00*	-	-
Poles (pine)	-	-	-	-	305-325	310	-	-
Mixed hardwood sawtimber <sup>2</sup>	73-100	83	68-100	78	40-95	71	60-75	69
Oak sawtimber	90-208	152	95-185	140	80-125	105	135-220	166
Soft hardwood sawtimber <sup>3</sup>	-	-	-	-	-	-	70-95	80
Rare hardwood sawtimber <sup>4</sup>	-	-	-	-	-	-	-	-
Pine pulpwood	8-13	10	8-13.50	10.25	5.50-18.00	13.00	6-8	6.50
Hardwood pulpwood	3-8.5	5.50	4-15	8.25	4-16	9.75	-	8.00*

DELIVERED PRICES<sup>5</sup>

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	210-240	230	237-283	252	180-285	246**	-	-
Chip-n-saw pine	60-61.50	60.75	52-64.20	56	61-70	66.75	-	-
Poles (pine)	-	-	-	-	41-45/T	43/T**	-	-
Mixed hardwood sawtimber <sup>2</sup>	170-185	177	165-200	171.50	150-180	164	135-170	148
Oak sawtimber	-	190*	-	180*	-	-	225-255	244
Other hardwood sawtimber	-	-	-	-	-	-	120-400**	-
Pine pulpwood	34-42	37.75	33-44.20	36.75	35-41	37.00	-	43.00*
Hardwood pulpwood	31-41	35	31-47	37.25	27-47	35.50	36-37	36.75

<sup>1</sup>Prices 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.

<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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