COOPERATIVE EXTENSION SERVICE Mississippi State UNIVERSITY

Mississippi Timber Price Report
Department of Agricultural Economics
Department of Forestry

Box 9681
Mississippi State, MS 39762

March/April 1997

MISSISSIPPI TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

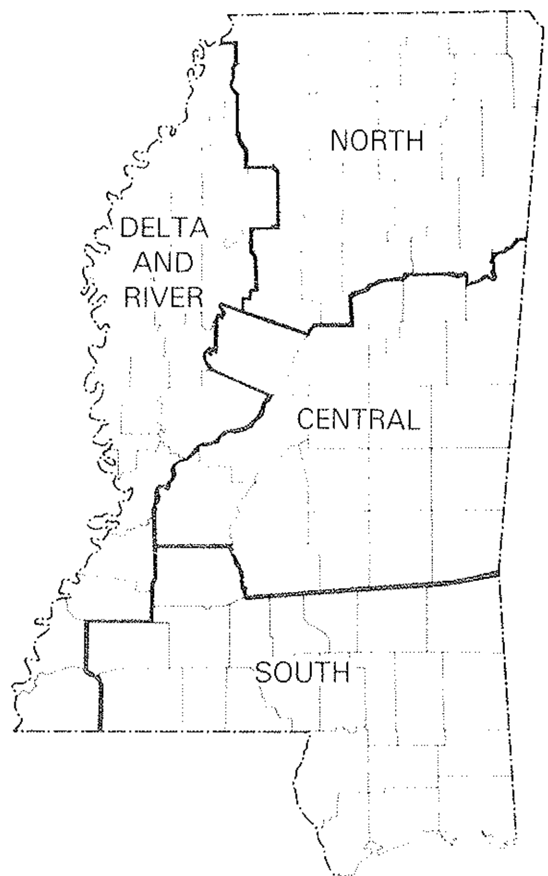
The Mississippi Timber Price Report is a bimonthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with the Cooperative Extension Service to provide an accurate picture of timber market activity.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

Competition for pine stumpage in March was strong with "winter" prices continuing until mid-April when log supply began to improve. By the end of the period, pine sawtimber stumpage prices began to get soft as lumber prices began to decline and log inventories improved with drier weather. Average standing pine sawtimber prices generally dropped some but prices levels were still good and most sales had 4-10 bidders. In every region of the state a few sale reports over $550/MBF, Doyle were reported, but these excessively high reports were not included in the average calculations. However, it does illustrate the continuing competition for good quality tracts.

Many pine mill reporters were relieved about improving log inventories, though were cautious. Most pine mills reported much improved log inventories compared with January/February. Many buyers commented that timber sales on the market had begun to "slack off," but didn't think it too unusual, because prices had begun to drop.

One consulting forester commented that the "winter market" was about over (by the end of April) and he was getting ready to put up a few tracts that were "summer only" timber.

Hardwood stumpage markets were steady to a bit improved. Several mills contacted reported being "ready to buy some timber." But log inventory conditions were variable. One mill contacted in north Mississippi had a good log inventory and was even putting some logs in water storage while others were low on logs. One reporter commented he was wanting to buy some hardwood tracts but they "are hard to buy."

The hardwood lumber market was active in March/April. One reporter commented that demand was chasing lumber supply and the market was good for the lumber available. Frame stock was reported "scarce" and "off species" like soft maple and hickory had moved up this spring.

Some hardwood standing prices for specific species reported were as follows:

Central Mississippi:	Sweetgum	90/MBF	
	Hickory	80/MBF	
	White Oak	160-240/MBF	
Delta/River:	White Oak	175/MBF (Delta)	300/MBF (River)
	Green Ash	285/MBF	
	Sweetgum	90-125/MBF	

No Southern Pine Beetle problems were reported. A regional SPB report released by the USFS, noted that SPB activity in the region was low. The SPB outlook for Mississippi is good. For those with World Wide Web access, SPB report can be found at http://www.fs.fed.us/research/4501/.

Pulpwood

The pulp market in the region has been unique this year. Earlier in January/February and into March/April the hardwood pulpwood demand was "unreal" according to industry publications. But by the end of April the supply had begun to catch up and pulpwood dealers were facing quotas. Many expected to the market to "get tight" very soon if they weren't on quota already.

Weak pulp markets were the culprit. US pulpwood consumption was down 5-8% since January. This drop in consumption and drier weather translated into softening pulpwood markets. Pulpwood stumpage prices in Mississippi moved lower statewide for pine but moved a bit higher for hardwood.

Other Comments

Anyone can get copies of the Mississippi Timber Price Report from the local Extension office. The report is now available through the Cooperative Extension Service, County Computer Network to all County Extension Offices. For the latest timber prices, call your County Extension Office or to get on the mailing list, contact Extension Forestry at P.O. 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	300-487	389	350-550	430	350-516	445	320-449	392
Chip-n-saw pine	67-90	72	60-100	74.50	70-90	78	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber[2]	150-250	179	170-203	189	125-215	152	70-210	138
Oak sawtimber	225-350	246	158-276	239	150-260	230	170-360	275
Soft hardwood sawtimber[3]	-	-	-	-	-	-	-	-
Rare hardwood sawtimber[4]	-	-	-	-	-	-	-	-
Pine pulpwood	26-42	33	21-30	26	20-40	28	15-25	21
Hardwood pulpwood	15-31	22.25	12-35	21.50	12-18	17.50	10-30	15

DELIVERED PRICES[5]

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	410-495	448	460-510	490	450-520	505	-	480
Chip-n-saw pine	-	-	79-100	89	90-100	95	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber[2]	150-240	228	200-260	225	225-265	235	150-285	220
Oak sawtimber	270-330	310	300-350	320	250-340	310	325-420	405
Other hardwood sawtimber	-	-	-	-	-	-	-	-
Pine pulpwood	25-52	45	40-60	44	30-55	40	45-61	47
Hardwood pulpwood	20-41	30	33-47	35	28-40	36	30-54	36

[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.

*Only one price reported.

**See Timber Market Comments.

Bob Daniels

Bob Daniels
Extension Forester
(601) 325-3150