



## Mississippi Timber Price Report

Department of Agricultural Economics • Department of Forestry

Box 9681  
Mississippi State, MS 39762

January/February, 2000

### MISSISSIPPI TIMBER PRICE REPORT

#### 1. WHAT IS THIS REPORT?

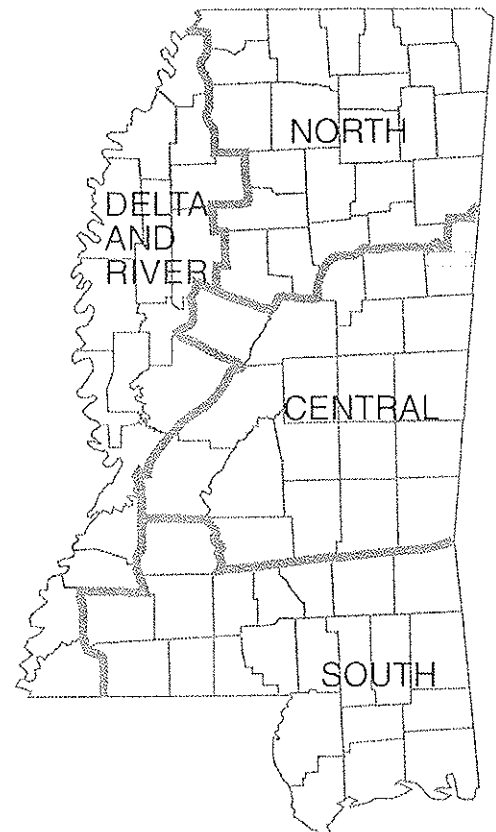
The Mississippi Timber Price Report is a bimonthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with the Mississippi State University Extension Service to provide an accurate picture of timber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

The unusually dry winter continues to hamper the timber market in January/February. Most of the state is 6 to 8 inches behind in rainfall and the Mississippi Forestry Commission has had a statewide ban on burning several times since the year began. Dry weather has meant logging conditions more like July than January and February. Dry conditions have made logging easy in most areas of the state and log markets are generally oversupplied.

Several reporters commented that logging conditions were so dry that harvesting was still possible in the swamps of central and south Mississippi. That is very unusual for winter months. One reporter commented that "what wood markets need more than anything is a week or two of rain".

Many loggers are on quota at a time when mills normally want all the wood they can get. Most reporters commented that log yards are full or nearly so. However, in north Mississippi one reporter commented that (log) inventory was "turning over" and timber was more in demand than further south.

One reporter commented that a "wave of timber sales" came on the market after the first of the year, but since then many consultants have held their clients' timber off the market.

The pine lumber market has held steady through January/February with prices about where they were a year ago. Overall, the pine lumber market was marking time anticipating buying by treaters and the end of the "quota year". The Canadian lumber import agreement sets a quota level for imports of Canadian softwood lumber to the U.S. each year. The "quota year" begins in April, so many mills are being cautious with their production anticipating an rush of Canadian lumber to the U.S. market as the new "quota year" begins in April.

Standing pine saw timber prices moved lower in January/February because of all the wood available currently. Average prices ranged from \$442 to 470/MBF, Doyle. While these prices are a bit lower than what we've seen recently, they remain good.

On the hardwood side, many mills had full log supplies and had loggers on quota. Average standing oak saw timber prices moved lower as did mixed hardwood saw timber, but hardwood lumber markets have been reported "strong". The hardwood lumber market has reportedly improved on the strength of sales for furniture, flooring and more exports. Demand for industrial lumber and timbers is also good.

Average standing oak saw timber prices during January/February ranged from \$268 to 354/MBF, Doyle, statewide. Reporters in north Mississippi reported red oak saw timber markets improving.

#### Pulpwood

Markets for pulpwood were reported improving by contacts statewide but prices remained weak. Both pine and hardwood pulpwood average prices moved lower in January/February. Several reporters commented however that pulpwood was beginning to move better and that pulp mill demand was improving.

Pulp and Paper magazine featured an "outlook" report in the January issue. The headline says, "North American (Pulp and Paper) Industry Outlook Bright Over Next Two Years". It is optimistic that the market for fiber will improve this year and beyond. It reports that the shutdowns and slowing of production in the last two years are having positive effects on the market and that supply and demand are coming more into balance. This should improve Mississippi's pulpwood markets later this year.

#### Other Comments

No significant Southern Pine Beetle activity was reported in January/February. An Alabama Forestry Commission report, however, notes that the AFC SPB flights noted 5,276 spots at the end of 1999. The AFC

states in their report, "Based on the start of 2000 if control measures are not intensified the state will have major SPB populations and problems this year." See web page at [ [http://www.forestry.state.al.us/southern\\_pine\\_beetle\\_alert.htm](http://www.forestry.state.al.us/southern_pine_beetle_alert.htm).] Landowners are advised to keep an eye on your timber as the spring progresses for signs of SPB.

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](mailto: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 "Agriculture and Natural Resources" then select "Forestry" and then "Timber 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.

MISSISSIPPI TIMBER PRICE REPORT  
January/February 2000  
DONT FORGET TO CHECK THE TIMBER MARKET COMMENTS!

STANDING TIMBER<sup>1</sup>

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	375-511	445	411-515	470	426-500	469	360-475	442
Chip-n-saw pine	81-87	85	82-92	86	85-98	90	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber <sup>2</sup>	165-255	185	165-252	175	140-240	167	145-195	171
Oak sawtimber	255-325	303	225-385	330	235-360	268	325-450	354
Soft hardwood sawtimber <sup>3</sup>	-	-	-	-	-	-	-	-
Rare hardwood sawtimber <sup>4</sup>	-	-	-	-	-	-	-	-
Pine pulpwood	20-35	25	18-35	20	20-28	23	12-25	20
Hardwood pulpwood	12-25	15	10-22	12	10-17	13	10-18	13

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	470-520	495	480-515	503	485-510	500	-	-
Chip-n-saw pine	-	-	85-115	101	85-115	108	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber <sup>2</sup>	22-275	262	245-280	265	230-285	261	200-300	256
Oak sawtimber	330-400	375	360-410	391	325-400	354	350-450	429
Other hardwood sawtimber	-	-	-	-	-	-	-	-
Pine pulpwood	25-58	41	25-48	42	32-55	41.50	23-49	39.25
Hardwood pulpwood	25-45	30	24-42	31	25-45	32	22-35	31

<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.

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.

  
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