MISSISSIPPI COOPERATIVE EXTENSION SERVICE
Mississippi State University, United States Department of Agriculture, Counties Cooperating

MCES

MCES Timber Price Report

Agriculture Economics Department
Extension Forestry Department

P. O. Box 5446
Mississippi State, MS 39762

March/April 1992

MCES TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

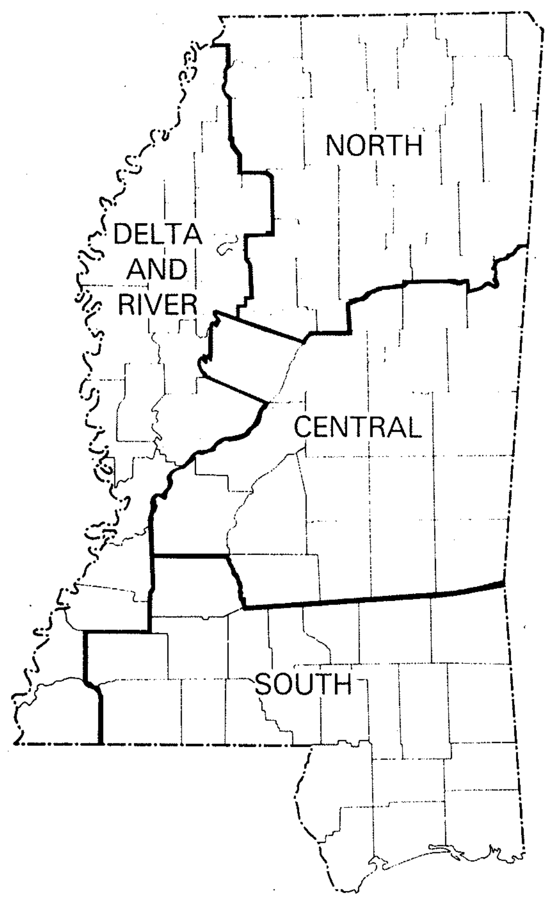
The MCES Timber Price Report is a bimonthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with MCES to provide an accurate picture of timber market activity. Mississippi is divided into four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



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3. TIMBER MARKET COMMENTS

Sawtimber

Prices reported for standing pine sawtimber were the highest ever since this report originated over 6 years ago. Delivered prices were up but did not keep pace with stumpage prices. Two factors that favorably affected prices were continued improved market conditions for pine lumber and low inventories at the mills early in March. Several reporters said they were "looking at an empty yard." Others reported log inventories as "adequate." Most reported that for lumber "the market was good." Beetle damaged spots were again reported by several mills with some "heavy spots" in the South. Apparently areas with beetles were harder to detect, resulting in larger areas having to be cut where concentrations were found. By later in April, dry weather had helped log inventories at the mills in central and north regions, and stumpage prices were beginning to ease. Many reporters commented that there were "lots of timber to look at" indicating that the number of sales on the market had increased. Standing pine prices reported for Southeast Mississippi averaged $255/MBF and $283/MBF in the Southwest—one of the few times that Southwest prices reported averaged more than Southeast. Reported delivered pine sawtimber prices for the Southeast averaged $307/MBF compared to $281/MBF for the Southwest.

Hardwood sawtimber prices were up slightly in most regions, but not as much as pine. The demand for oak lumber was up in the March/April period and oak log prices were up sharply in the Delta and River area with delivered prices averaging $285/MBF and stumpage averaging $234/MBF. In the Delta area some reporters said that gum and poplar lumber was moving better but prices had not changed. Export demand is a plus factor for mills that have developed foreign markets. Several mills reported "just staying ahead" as frequent rains resulted in continued low log inventories, especially in the southern part of the state.

Pulpwood

Both pine and hardwood prices remained relatively stable compared to the last reporting period. The range in delivered prices has not changed much for several months. The low range in stumpage prices often occurs when pulpwood is a definite by-product of a larger timber sale where price emphasis is placed on the sawtimber bid.

Other

Standing chip-n-saw prices reported showed little change. However, delivered prices were up slightly statewide. Reported pole prices were up, and demand was reported as "good" for poles.

Other Comments

This issue contains graphs of delivered and standing sawtimber prices for each area for the preceding two years.

For comments about the MCES Timber Price Report or to get on the mailing list to receive this report, contact your local county Extension office or Extension Agricultural Economics or Extension Forestry at P. O. Box 5446, Mississippi State, MS 39762.

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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	159-294	234	207-330	255	188-340	269	210-230	221
Chip-n-saw pine	-	55*	40-50	45.25	45-55	49.50	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber[2]	66-150	105.50	80-120	89	72-95	82	70-120	101
Oak sawtimber	140-163	149	-	175*	-	-	200-282	234
Soft hardwood sawtimber[3]	-	-	-	-	-	-	-	-
Rare hardwood sawtimber[4]	-	-	-	-	-	-	-	-
Pine pulpwood	12-30	20.50	12-48	20	10-23	15	10-18	15
Hardwood pulpwood	5-30	11	8-20	10.50	5-12.50	8.25	2-18	7.25

DELIVERED PRICES[5]

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	250-280	268	260-320	288	265-325	281	-	-
Chip-n-saw pine	-	-	56-82	69	67-78	72.75	-	-
Poles (pine)	-	-	-	-	-	44/T*	-	-
Mixed hardwood sawtimber[2]	180-220	194	147-185	175	180-200	181	150-220	169
Oak sawtimber	-	230	-	-	-	-	240-300	285
Other hardwood sawtimber	-	-	-	-	-	-	145-320**	-
Pine pulpwood	31-52	45	32-51	44	38-40	38.50	-	46*
Hardwood pulpwood	30-46	38	30-45	36	30-35	33	38-45	40.75

[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.

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