



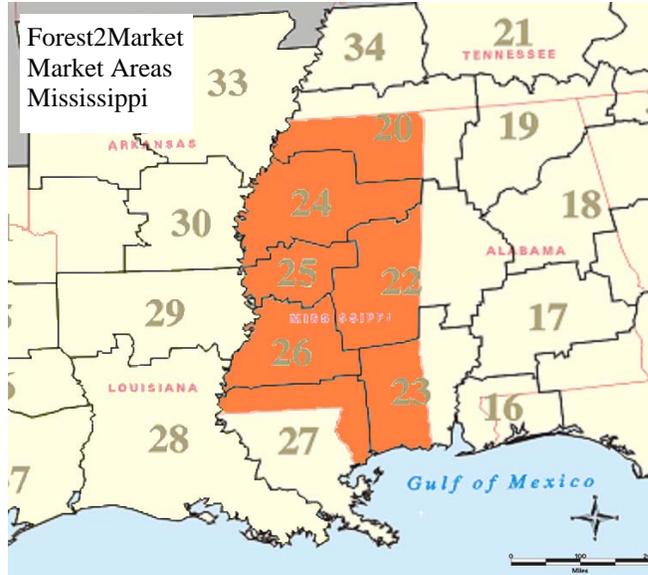
Forest2Market®
Solutions for the Forest and Wood Products Industries

Mississippi Timber Report

A PUBLICATION OF FOREST2MARKET®

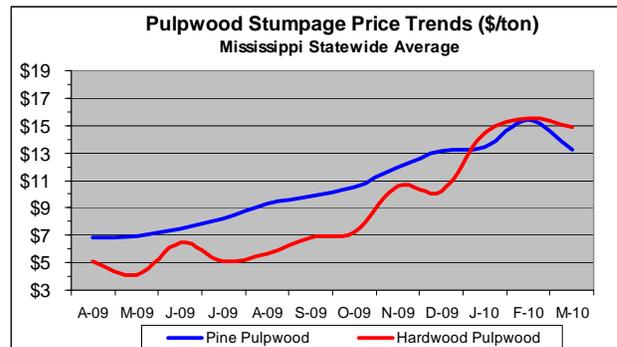
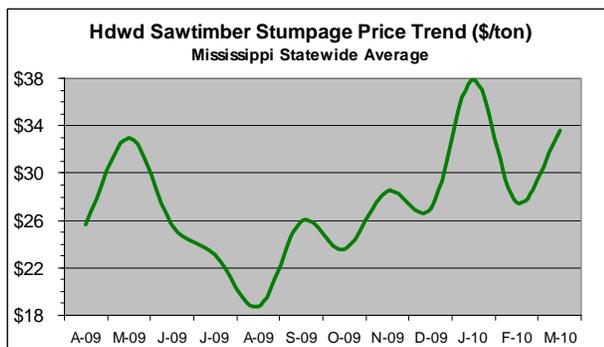
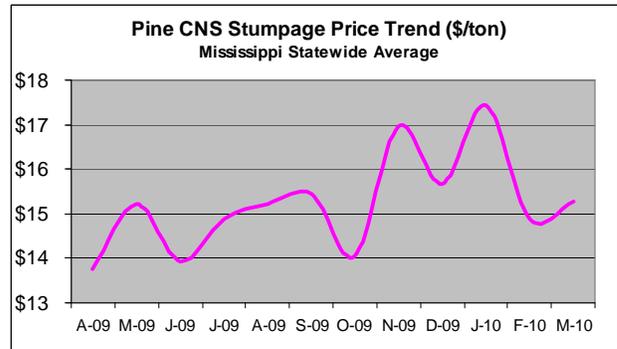
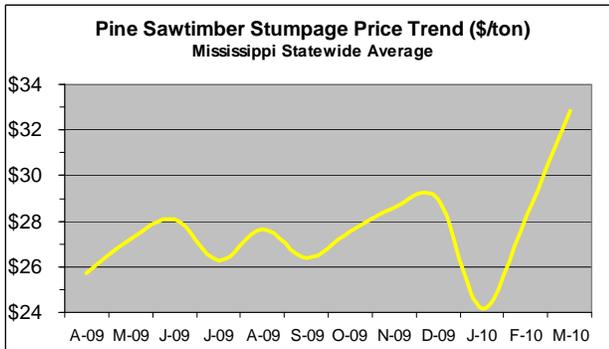
**1st Quarter
2010**

**Volume 7
Number 1**



Since many variables, such as raw material demand, mill inventories, buyer competition and weather, play key roles in determining local prices, we encourage you to subscribe to our continuously updated online price service at www.forest2market.com for prices that are specific to your local area.

MISSISSIPPI STUMPAGE PRICE TRENDS



MISSISSIPPI STUMPAGE PRICES



Pine

Global pulp demand remained strong which was coupled with an unusually wet winter causing pulpwood prices to continue going up. Pine sawtimber price was relatively flat this quarter with continued uncertainty as to what will happen to the housing market in the coming months. **Pine Pulpwood** increased \$2.53/ton to end the quarter at **\$14.39/ton** – a 21.4% increase. **Pine CNS** decreased \$0.47/ton to close the quarter at **\$15.50/ton** – a 3.0% decrease. **Pine Sawtimber** showed an upward trend increasing \$0.17 or 0.6% to end at **\$28.61/ton**.

Hardwood



Hardwood pulpwood experienced a similar price increase due to the same factors as pine. However, hardwood sawtimber had a much larger increase than pine with hardwood specialty markets seeing improvement. As a result, **Hardwood Pulpwood** increased this quarter \$5.62/ton to close at **\$15.12/ton**. **Low Grade Hardwood** increased \$2.70/ton to end at **\$24.14/ton**, and **High Grade Hardwood** increased \$3.89/ton to end at **\$35.70**. **Mixed Hardwood** ended the period at **\$32.39/ton**, \$6.09/ton more than last quarter.

U.S. SOUTH TIMBER MARKET OUTLOOK

PINE SAWTIMBER PRICES

Sawtimber prices continue to show signs of strength.

- Despite a two-week period in mid-March when lumber prices fell, the following two-week period reversed trend. The composite price for Southern Yellow Pine for the week of April 1 was more than \$340/mbf.
- Increases in the National Association of Realtors Pending Home Sales Index (+8.2 percent) and in the Mortgage Bankers Association's Mortgage Application Survey (+1.3 percent) suggest the homebuyer tax credits are having the desired effect on the housing market. Whether this trend will continue will depend upon whether the tax credit is extended beyond its April 30 contract/June 30 close deadline.

We continue to expect slow, steady growth in sawtimber prices throughout 2010.

PULPWOOD PRICES

We anticipate that pulpwood prices—especially hardwoods—will continue to be strong for the short-term. In the first quarter of 2010, we saw record prices in some areas, as growth in GDP strengthened paper demand at the same time wet weather impeded harvests in some areas. The combination of these two events forced mills to pay higher stumpage prices.

Trends in pulpwood prices show that a new level has been set in the US South, which indicates prices are unlikely to fall back to the lows experienced in early 2009.