



MCES Timber Price Report

Extension Agricultural Economics Department
Extension Forestry Department

P. O. Box 5446
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August 1989

MCES TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

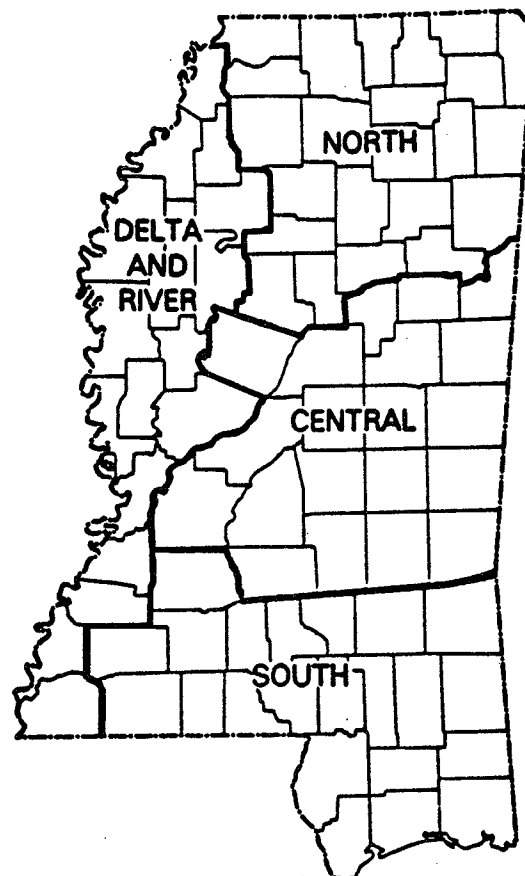
The MCES Timber Price Report is a monthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with MCES to provide an accurate picture of timber market activity. Mississippi is divided into four market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

Improved weather and good drying conditions during August have improved logging conditions and relieved much of the pressure mills were feeling because of log shortages. In some areas logging still is not 100 percent but log production is nearing full capacity. Some mills experienced work stoppages because of temporary log inventory lapses. A few mills reported having full inventories but most hardwood and pine mills are working hard to increase yard inventories. Some, especially hardwood mills, are beginning to build inventory for the winter months. Several reporters were anxious about having continued good weather to prevent log shortages this winter. Prices for stumpage have held strong because of mill demands to build inventories. Most reporters have indicated that about an average number of timber sales were on the market in August. Several mills have reported that logging activity is at full capacity now and that its hard to find a logger to cut a tract because they're all working. Reported delivered pine prices in the Southeast averaged \$273/MBF and prices in the Southwest averaged \$215/MBF. Reported standing prices averaged \$203/MBF in the Southeast and \$190/MBF in the Southwest.

Pulpwood

The pulpwood market is good. Demand for both pine and hardwood pulpwood was strong in August due to good logging weather and low mill inventories. Hardwood pulpwood and chips are in particular demand, so much so that in many places hardwood delivered prices have risen to match pine. In east central Mississippi some hardwood mills reported that prices for hardwood chip wood was beginning to rival sawlog prices.

Poles

Pole buyers continue to report that the market for poles is excellent and that landowners should consider selling poles when they make timber sales. The pole market has seen a new pole producer in Noxubee County. Shuqualak Lumber Company now has a new pole mill operating near Macon.

Other Comments

Several mills reported that pine beetle activity was increasing. Producers should be alerted to the possibility of beetle activity occurring in their timber stands.

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

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STANDING TIMBER

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	111-260	161	120-260	199	141-260	203**	-	175*
Chip-n-saw pine	31-48	24.60	31-47	35	-	33.50*	-	-
Poles (pine)	-	-	-	-	242-300	275	-	-
Mixed hardwood sawtimber ²	60-110	78.50	60-100	78	40-74	56	63-135	88
Oak sawtimber	100-130	118	90-130	109	100-231	143	160-180	170
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	8-22	11.25	6-15	10	8-25	12.75	6-8	7.50
Hardwood pulpwood	4-15	6	4-12.60	8.50	5-16	9	6-8	7.00

DELIVERED PRICES⁵

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	205-240	218	230-263	246	180-285	254**	-	-
Chip-n-saw pine	54-60	57.35	51-66	60.66	62-71	67.00	-	-
Poles (pine)	-	-	-	-	40-43/T	44/T**	-	-
Mixed hardwood sawtimber ²	175-200	185	150-170	162	140-180	158	110-180	146
Oak sawtimber	-	200*	180-200	190	-	-	245-255	251
Other hardwood sawtimber	-	-	-	-	-	-	120-375	-
Pine pulpwood	34-37	36	32-44	35.50	33-41	36.75	-	43.00*
Hardwood pulpwood	31-45	36.25	31-47	35.75	27-47	33.75	32-37	35.00

¹Prices 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.

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.

⁵Delivered prices are values given at the sawmill or pulpwood yard gate.

*Only one price reported.

**See Timber Market comments.

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