

MCES Timber Price Report

**Extension Agricultural Economics Department
Extension Forestry Department**

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MCES TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

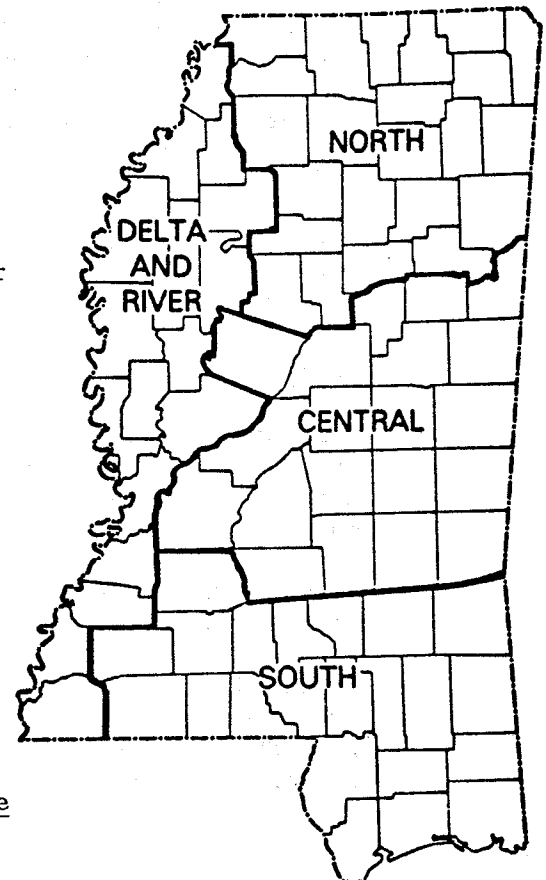
The MCES Timber Price Report is a monthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with MCES to provide an accurate picture of timber market activity. Mississippi is divided into four market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

Frequent rains and wet logging conditions continued to curtail mill operations during February. Rainfall generally increased as you moved southward through the state. Several mills, because of low log inventories, were operating on a limited schedule, and have used idle time to make needed replacements or repairs. Many mills, both pine and hardwood were operating with only a one to two-day supply of logs on hand.

Pine lumber markets were often described as "holding about the same as last month." One mill operator in the south indicated that "we cannot continue paying high log prices with lumber prices declining or holding at such a low level." Pine sawtimber prices remained strong. Individual sales on winter logging jobs continued to bring high competition and prices. One sale in central Mississippi brought \$290/MBF and another in north Mississippi was reported at \$243/MBF. In the southwest delivered prices averaged \$238/MBF and in the southeast reported prices averaged \$267/MBF.

Hardwood sawtimber prices remained strong but supplies were not readily available due to poor logging conditions. Hardwood sawtimber prices showed no appreciable change from last month. Good grade oak prices were strong with one special sale of standing timber in the Delta River area going for well over \$300/MBF. Delivered oak prices in the Delta and River area generally ranged from \$180-\$250/MBF. Ash sales were often in the \$300/MBF range. Other delivered hardwood prices ranged from \$128-\$200/MBF in the Delta with an average of \$155-\$159/MBF. A large number of sales fell in the \$135-\$155/MBF range. Beech, gum, and elm prices have held on the low side of the range. Lowland softwoods such as cypress and willow are especially difficult to harvest in wet weather. One mill operator stated that "lumber from these species is easier to move now than in dry weather because it takes all that's available to meet the demand."

Pulpwood

Pine and hardwood pulpwood demand continues to be strong relative to last spring and summer, though prices have remained steady. Landowners in north Mississippi with hardwood pulpwood to sell should check their local market.

Anyone can receive the MCES Timber Price Report by contacting your county agent or the authors.

COMMENTS? We'd like to hear from you whether you're a forest landowner or in forest industry. Is this report useful to you? What's wrong with it? What's right with it? How do you use it? Has it helped you with a timber sale? Let us know your reaction to this report.

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FEBRUARY 1989

STANDING TIMBER

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	130-244	166	140-208	179	168-265	212	135-175	157
Chip-n-saw pine	-	29*	35-39	37	-	-	-	-
Poles (pine)	-	-	-	-	325-400	361	-	-
Mixed hardwood sawtimber ²	65-97	81	65-100	78	40-90	63	40-85	72
Oak sawtimber	80-120	103	95-160	135	100-120	107	90-200	152
Soft hardwood sawtimber ³	-	-	-	-	75-110	95	60-80	75
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	5-10	9	7-20	11.75	11-18	13.75	-	11*
Hardwood pulpwood	4-8.50	5.75**	3-10	5.50	4.50-9.00	7.50	5-6	5.50

DELIVERED PRICES⁵

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	182-250	221	200-265	236	200-280	251	-	-
Chip-n-saw pine	-	61*	59-66	62	59-70	64.75	-	-
Poles (pine)	-	-	-	-	36-42/T	38/T	-	-
Mixed hardwood sawtimber ²	156-180	164	155-180	167	140-170	153	128-200	155
Oak sawtimber	-	200*	170-250	223	-	-	180-250	222
Other hardwood sawtimber	-	-	-	-	-	-	135-375**	
Pine pulpwood	34-43	36	32-40	34	35-37	35.75	-	43.00*
Hardwood pulpwood	30-40	33	29-39	33	26-33	29.00	31-38	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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