MISSISSIPPI COOPERATIVE EXTENSION SERVICE

MCES

Mississippi State University, United States Department of Agriculture, Counties Cooperating

MCES Timber Price Report

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Extension Forestry Department

P. O. Box 5446
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June/July 1989

MCES TIMBER PRICE REPORT

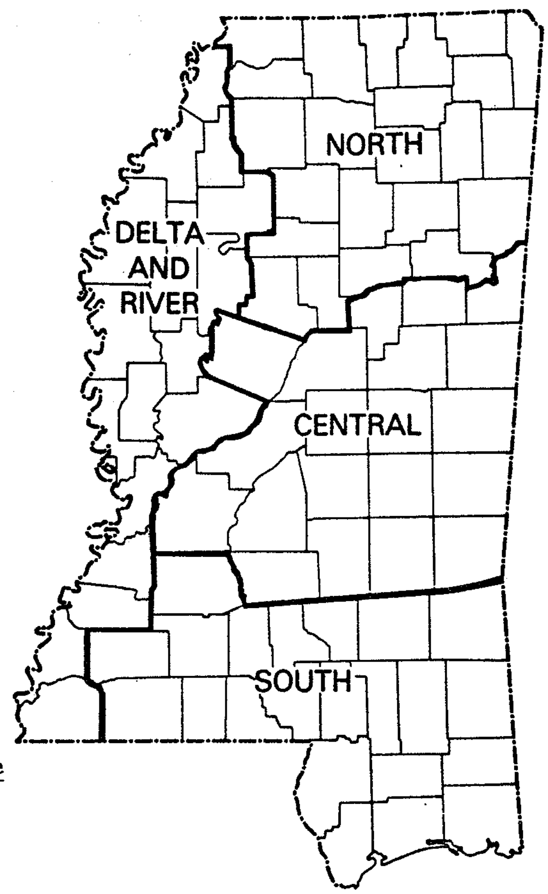
1. WHAT IS THIS REPORT?

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.

 Form 868 (20M-12-88)

3. TIMBER MARKET COMMENTS

Sawtimber

Wet weather continued to plague the timber industry during the months of June and July. Most of the reporting mills in the South have had to curtail their operations or close until log inventories were replaced. One reporter said that "I made it all winter without shutting down but I had to shut down three times in June." About 70 percent of the reporting mills in the South and River and Delta areas have lost operating time because of log shortages. The picture improved some in mid-July, but recently widespread heavy rains have curtailed logging operations again.

Price reports from both hardwood and pine mills were mixed. Some mills were paying a little more to get hill timber and some were paying more because logging costs are higher during bad weather conditions. Other mills reported no change in prices because loggers could not deliver regardless of prices. Some mills reported that they could not hold prices at the high levels because they were losing money.

Reported delivered pine sawtimber prices in the Southeast averaged \$271/MBF and prices in the Southwest averaged \$233/MBF. Reported standing pine prices averaged \$208/MBF in the Southeast and \$183/MBF in the Southwest. Several pine mills reported that the lumber market was firm or improving and plywood prices were strong. Average hardwood sawtimber prices were up a little compared to last month. Reported delivered oak prices averaged \$243/MBF in the Delta and River region up \$9 from the previous report. Poplar and ash prices were firm. Hardwood lumber prices were reported as "about the same" or "down a little."

Pulpwood

Not much movement was reported in pulpwood prices with hardwood and pine holding relatively steady. Graphs of monthly prices for standing and delivered pulpwood for each region for the past year are included in this issue.

Poles

The demand for poles was strong but pole timber was hard to find. In the South prices ranged from \$295-465/MBF for standing pole timber and \$36-43/ton for delivered poles. Poles over 45' were in the \$50-55/ton range.

MCES TIMBER PRICE REPORT

JUNE/JULY 1989

STANDING TIMBER

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	115-200	162	142-210	178	150-265	195**	-	-
Chip-n-saw pine	-	-	34-37	35.75	-	30	-	30*
Poles (pine)	-	-	-	-	295-465	374	-	-
Mixed hardwood sawtimber[2]	60-100	78	50-105	79	64-90	74	50-110	83
Oak sawtimber	100-140	123	100-160	128	100-145	118	130-200	170
Soft hardwood sawtimber[3]	-	-	-	-	90-95	93	-	-
Rare hardwood sawtimber[4]	-	-	-	-	-	-	-	-
Pine pulpwood	10-12	10.50	6-18	11.00	8-19	12.00	-	-
Hardwood pulpwood	4-8	5.25	5-8	6.25	5-11	7.50	6-7	6.25

DELIVERED PRICES[5]

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	200-265	237	200-300	227	200-275	248**	-	-
Chip-n-saw pine	-	-	-	61.50*	59-69	65.00	-	-
Poles (pine)	-	-	-	-	36-42/T	40/T**	-	-
Mixed hardwood sawtimber[2]	165-175	172	150-190	170	150-175	160	110-180	159
Oak sawtimber	-	200*	200-275	234	-	-	215-253	243
Other hardwood sawtimber	-	-	-	-	-	-	235-375**	-
Pine pulpwood	-	-	31-38	34.25	33-37	35.25	-	41.00*
Hardwood pulpwood	-	-	32-34	32.75	27-33	29.75	32-37	35.25

[1]Prices 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.

[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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