



Mississippi Timber Price Report

Department of Agricultural Economics • Department of Forestry

Box 9681
Mississippi State, MS 39762
September/October 1997

MISSISSIPPI TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

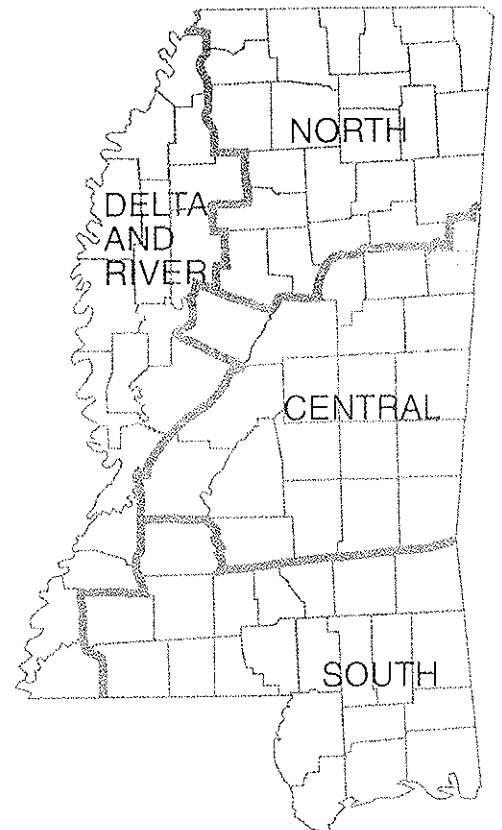
The Mississippi Timber Price Report is a bimonthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with the Cooperative Extension Service to provide an accurate picture of timber market activity.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

The timber market was very active during the September/October period. Timber buyers worked hard to bolster log inventories and prepare for the winter, wet season. Standing prices for pine sawtimber moved higher in every region as competition for good tracts intensified. Several reporters commented that "(pine sawtimber) prices are too high, but demand is good." Many consultants contacted reported being busy with bid openings and timber buyers were kept busy looking at tracts to buy. Many buyers and sellers were concentrating on "winter logging" tracts -- those sites with good timber that can be logged during wet weather -- and these sales helped push prices higher. There were several sales reported with very high prices reported for pine sawtimber in most regions. These were kept out of the reported averages, but are reported here to illustrate the nature of the competition in the market (all prices \$/MBF, Doyle):

North Mississippi:	\$593; \$614
Central Mississippi:	\$593; \$625; \$630

Record-pace production of Southern pine lumber is providing good demand for pine sawtimber stumpage. Southern pine lumber production has been exceeding last year's 15.2 billion board feet production pace for most of 1997.

On the hardwood side, mill buyers were also working to improve log inventories, so mills would have adequate winter supplies. Loggers continued to work in the bottomlands to harvest tracts already purchased through October. Mixed hardwood sawtimber prices increased in north Mississippi but fell or held steady elsewhere. Oak sawtimber was in good demand and prices rose in north and central Mississippi. One reporter in north Mississippi, noted that "quality oak brings a premium" on one sale and that "most anything will sell and buyers seem to be desperate." Reporters commented that the oak lumber and flooring markets were good, but prices and demand for other species were soft.

One reported standing price in the Delta for ash sawtimber was \$285/MBF, D.

Pulpwood

1997 has been a much better year in the pulp and paper industry than 1996. Demand for pulpwood has reflected that situation in Mississippi. Reporters commented that mills have been increasing their use of pine pulpwood this year. In September/October pine and hardwood standing pulpwood prices moved higher. Chip mills and pulpwood yards were buying to improve inventories for the winter and the market price followed the demand upward.

Nationwide statistics were showing paper and paperboard production about 5% higher than 1996.

Other Comments

Southern Pine Beetle (SPB) was not expected to be a problem this year in Mississippi, but SPB have been found on National Forest lands and on some private lands in Mississippi during the second half of the year. During September/October the U.S.F.S. reported 82 small (2-13 acre) salvage sales to clean up SPB. A few reporters noted some small "patches" that needed cutting due to SPB. Kemper County was reported to have had SPB problems also. Landowners are advised to monitor their forest land for signs of SPB.

The Mississippi Timber Price Report is now available on the World Wide Web. It can be accessed through the Mississippi State University Extension Service Homepage at <<http://www.ces.msstate.edu>>. Select "Agriculture and Natural Resources" then select "Forestry" and then "Timber Prices." Current price reports are available and other price data will be added soon.

Anyone can get copies of the Mississippi Timber Price Report from the local Extension office. The report is now available through the Cooperative Extension Service, County Computer Network to all County Extension Offices. For the latest timber prices, call your County Extension Office or to get on the mailing list, contact Extension Forestry at P.O. Box 9681, Mississippi State, MS 39762.

As always, your comments, pro and cons are welcome.

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DON'T FORGET TO CHECK THE TIMBER MARKET COMMENTS!

STANDING TIMBER¹

	<u>North</u>		<u>Central</u>		<u>South</u>		<u>Delta and River</u>	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	300-525	405**	380-550	416**	310-565	430**	350-485	405**
Chip-n-saw pine	40-100	70	-	85	63-102	87	-	-
Poles (pine)	-	-	-	-	-	600*	-	-
Mixed hardwood sawtimber ²	150-250	194	131-220	157	90-185	151	80-175	143
Oak sawtimber	255-400	280	280-350	331	-	-	225-550	352
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	26-45	32.50	18-45	34.25	18-50	27.50	18-27	21
Hardwood pulpwood	14-35	25	12-32	21	12-25	17.50	12-30	18

DELIVERED PRICES⁵

	<u>North</u>		<u>Central</u>		<u>South</u>		<u>Delta and River</u>	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	425-540	485	495-550	510	480-530	515	-	490
Chip-n-saw pine	-	92	82-115	98	85-120	101	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	180-255	240	210-268	247	220-275	240	190-290	236
Oak saw timber	290-380	350	310-400	375	288-370	357	350-500	426
Other hardwood sawtimber	-	-	-	-	-	-	-	-
Pine pulpwood	26-65	50	30-63	48	32-57	41	30-50	47
Hardwood pulpwood	28-70	36	30-45	35	27-43	34	27-59	37.50

¹Prices 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.

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

*Only one price reported.

**See Timber Market Comments.

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