



Forest Resources

Market Notes • Technical Notes • Research Notes • Newsletters

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1998 Harvest of Forest Products

Mississippi's forest industry (including private landowners, independent harvesters, and company harvesting crews) harvested and delivered over \$1.3 billion worth of forest products to mills and other processors in 1998. The total value of Mississippi's 1998 timber harvest delivered to the first point of processing (such as a pulpwood yard or a sawmill) was \$1,361,746,041. This harvest value is 3.7 percent higher than 1997 and is another all-time record high harvest value for Mississippi. This continues Mississippi forestry's strong value increase in recent years. In 1998, Mississippi's timber harvest value was over \$1 billion for the sixth straight year. Timber was the second most valuable agricultural commodity in 1998. Poultry and eggs was the most valuable with a \$1.52 billion value, timber was second at \$1.36 billion and cotton was third at \$507 million. Mississippi's forest landowners collected another record \$1.09 billion for their standing timber in 1998. This is the second year that the standing value of Mississippi's timber harvest was over one billion dollars. The value of the logging and transportation sector was valued at \$270,849,716.

Severance tax collections on timber were \$4,252,804.52. This total is 1.5% lower than 1997. Twenty percent of the severance tax collections, or about \$850,561 were returned to the counties where the timber was harvested. Eighty percent or about \$3,402,244 went to the Forest Resource Development Program (FRDP) to provide cost share funds to private, non-industrial forest landowners for reforestation and other forest management practices.

The value of Mississippi's timber harvest increased 3.7 percent in 1998. The increase was due to increased harvest volumes in some categories but more due to steadily increasing prices for most products.

The harvest volume of pine sawlogs increased 1.5% and their value increased 5.4%. Pine pulpwood volume increased about 1% over 1997 volume but value increased 7.9%. Pine plywood log volume and value decreased 26.6% and 18.8% respectively due to the closing of Weyerhaeuser Company's plywood plant in Philadelphia in late 1997. The volume of pine poles increased 10.4% but their value increased only .3% due to lower pole prices.

Hardwood sawlogs increased in both volume and value in 1998. Hardwood pulpwood volume harvested, however, declined for the third straight year. In 1998, Mississippi's hardwood pulpwood volume declined by 10.6% and value decreased 9.2%. Hardwood veneer logs increased as did crosstie logs.

The value of Mississippi's timber harvest continued up in 1998 but only slightly. During 1998 good markets for pine lumber, plywood and other solid wood products were offset somewhat by soft pulp and paper markets.

Southern pine lumber production region wide was up slightly in 1998 to an all-time high production of 16.16 billion board feet. A 10-year high in housing starts during 1998 kept markets for Mississippi pine lumber and plywood strong. Hardwood lumber markets also benefitted from the housing boom and Mississippi's hardwood lumber, used for flooring and furniture, experienced good markets.

On the pulpwood side, markets were weak. Harvest volumes for pine and hardwood pulpwood were weak, also. The total pulpwood harvest volume for Mississippi in 1998 was 7.5 million cords, the third straight decrease since 1995. Nineteen ninety-eight's pulpwood harvest was the lowest since 1991. A weak global market for pulp and paper because of too much production capacity and recession in Japan kept Mississippi's pulpwood demand lower. Prices however held steady to a bit higher.

Mississippi's pine pole production increased about 10% in 1999, with much of this increase coming from east central Mississippi counties. Though production increased prices decreased and value of pole production remained about the same as 1997.

The market for Mississippi Christmas trees was good in 1998. The volume of trees produced in Mississippi remained about the same but prices increased. Price increases caused Christmas tree value to move up about 3.2% in 1998.

In general, prices for Mississippi's forest products moved higher in 1998. Pine sawtimber continued to be Mississippi's "high-valued" forest product. Standing prices for pine sawtimber ranged from \$430 to \$452/MBF, D depending on the region of the state. Prices increased 1 to nearly 8%. Standing prices for hardwood sawlogs also increased in 1998. The standing hardwood sawtimber prices average moved higher 14 to 27% depending on region. This increase was mostly due to increasing prices for oak sawtimber. Standing prices also increased for pine and hardwood pulpwood in 1998. Delivered prices for pine and hardwood sawlogs increased over 1997 prices but by smaller margins than standing timber. Pulpwood prices generally increased in 1998. Standing price increases were larger than delivered increases but the averages don't reflect the true picture. Pulpwood prices began 1998 high and trended lower all year due to an over capacity of pulp and paper production globally. Table 3 gives average prices for 1998 by product and region of the state.

Overall, 1998 was a good year for sawtimber and not so good for pulpwood. This is often the case since different economic activities drive demand for these products. Solid wood products markets follow construction activity and pulp and paper markets are related to consumer spending and manufacturing activity. Mississippi forest landowners should remain optimistic however, because the demand outlook for Mississippi's forest products remains bright. Landowners are encouraged to reforest after harvesting their timber because pine regeneration investments provide competitive returns on investment and they enhance the environment. Making your forestland productive is personally rewarding and is economic development that benefits the entire state.

Table 4 shows harvested volumes of forest products for Mississippi counties within the Mississippi Timber Price Report regions.

For more information on timber marketing procedures and timber prices, contact your County Extension Service or the Mississippi State University Department of Forestry, Box 9681, Mississippi State, MS 39762.

Sincerely,



Dr. Bob Daniels

Extension Forester

Table 1. Estimated Value of the 1998 Timber Harvest

PRODUCT	UNIT	PRICE/UNIT ¹		VOLUME	VALUE	
		STANDING	DELIVERED		STANDING	DELIVERED
		---DOLLARS---			---DOLLARS---	
SAWLOGS - PINE	MBF,D	2/		1,201,456	557,706,439	627,912,294
- HARDWOOD	MBF,D	2/		567,965	149,078,281	189,868,026
PULPWOOD - PINE	Cords	3/		4,357,196	143,500,609	209,587,369
- HARDWOOD	Cords	3/		3,173,432	64,960,495	113,002,696
POLES - PINE	MBF,D	495 ⁴	589 ^{4/}	66,854	33,092,730	39,377,006
PLYWOOD LOGS - PINE ¹¹	MBF,D	370 ^{4/}	463 ^{4/}	307,925	113,932,250	142,569,275
HARDWOOD VENEER LOGS ¹¹	MBF,D	672.50 ⁵	772.50 ⁵	29,391	19,765,448	22,704,548
CROSSTIES - HARDWOOD	MBF,D	184.50	--	19,624	3,620,628	--
	Tie ^{6/}	--	17.50 ^{5/}	439,704	--	7,694,820
STUMPWOOD	Tons	5 ^{5/}	63 ^{5/}	18,889	94,445	1,190,007
TURPENTINE GUM	Barrel	--	100 ^{5/}	0	0	0
CHRISTMAS TREES ⁷	Tree ⁸	21 ⁹	32 ¹⁰	245,000	5,145,000	7,840,000
TOTAL VALUE					\$1,090,896,325	\$1,361,746,041

¹Regional product prices taken from the Mississippi Timber Price Report, except where otherwise noted.

²Sawlog Prices by Region, \$/MBF, Doyle

³Pulpwood Prices by Region, \$/Cord

Region ^a	Standing		Delivered		Region ^a	Standing		Delivered	
	Pine	Hardwood ^b	Pine	Hardwood ^b		Pine	Hardwood	Pine	Hardwood
North	424	268	496.25	344.25	North	33	21	46.25	37
Central	447	303	509.25	371.75	Central	32.75	20.50	47.25	35.25
South	452	243	516	324	South	33.75	20.50	49.75	34.75
Delta/River	430	304	516	373	Delta/River	22.75	19.25	41	35.25

^aRegions are those defined in the *Mississippi Timber Price Report*

^bHardwood sawlog average prices were calculated using mixed hardwood and oak sawtimber prices from the *Mississippi Timber Price Report*. The hardwood sawlog average prices are based on the assumption that Mississippi's hardwood sawmills cut 70% oak and 30% other species primarily yellow poplar, and sweetgum in 1997. Therefore, the hardwood sawlog average price for each region was calculated using the following formula: Regional hardwood sawlog prices = .7 [average regional oak price] + .3 [average regional mixed hardwood price].

⁴Prices from Timber Mart South.

⁵Price estimates by consultation with industry contacts.

⁶Calculated as 44.63 board feet per 7" x 9" x 8.5' tie.

⁷Estimate in cooperation with the LA-MS Christmas Tree Association and individual growers.

⁸The average Christmas tree is assumed to be 6 to 8 feet tall.

⁹Standing price is the estimated average wholesale Christmas tree price to growers.

¹⁰Delivered price is the estimated average price paid for a "choose and cut" Christmas tree.

¹¹Plywood and hardwood veneer log volumes estimated by veneer mill survey and consultation with industry contacts.

Table 2. Comparison of 1997 and 1998 Harvest Volume and Value by Product

PRODUCT/UNIT	1997		1998			
	VOLUME	VALUE *	VOLUME	%CHANGE	VALUE *	%CHANGE
Pine Sawlogs, MBF,D	1,183,915	595,818,653	1,201,456	1.5	627,912,294	5.4
Hardwood Sawlogs, MBF,D	501,432	149,024,466	567,965	13.3	189,868,026	27.4
Pine Pulpwood, Cords	4,315,689	194,197,189	4,357,196	1.0	209,587,369	7.9
Hardwood Pulpwood, Cords	3,550,640	124,441,410	3,173,432	-10.6	113,002,696	-9.2
Plywood Logs, MBF,D	369,427	175,477,825	307,925	-16.6	142,569,275	-18.8
Poles, MBF,D	60,556	39,240,288	66,854	10.4	39,377,006	0.3
Hardwood Veneer Logs, MBF,D	26,634	20,108,670	29,391	10.4	22,704,548	12.9
Crossties, Delivered, Ties	354,470	6,114,608	416,609	17.5	7,694,820	25.8
Stumpwood, Tons	20,631	1,299,753	18,889	-8.4	1,190,007	-8.4
Turpentine Gum, Barrels	0	0	0	0.0	0	0.0
Christmas Trees, Tree	245,000	7,595,000	245,000	0.0	7,840,000	3.2
TOTAL		1,313,317,862			1,361,746,041	3.7

*Value in dollars delivered to the first point of processing.

Table 3. 1997 Versus 1998 Major Product Price Comparison by Region

PRODUCT/UNIT	REGION	1997		1998			
		STANDING	DELIVERED	STANDING	%CHANGE	DELIVERED	%CHANGE
Pine Sawtimber, MBF,D	North	396.50	454.00	424.00	6.9	496.25	9.3
	Central	420.00	496.25	447.00	6.4	509.25	2.6
	South	447.00	515.00	452.00	1.1	516.00	0.2
	Delta/River	398.50	480.00	430.00	7.9	516.00	7.5
Hardwood Sawtimber, MBF,D	North	225.50	298.25	268.00	18.8	344.25	15.4
	Central	246.25	312.00	303.00	23.0	371.75	19.2
	South	191.50	302.50	243.00	26.9	324.00	7.1
	Delta/River	265.75	350.00	304.00	14.4	373.00	6.6
Pine Pulpwood, Cords	North	32.50	47.75	33.00	1.5	46.25	-3.1
	Central	29.00	46.75	32.75	12.9	47.75	2.1
	South	28.50	42.00	33.75	18.4	49.75	18.5
	Delta/River	21.50	46.50	22.75	5.8	41.00	-11.8
Hardwood Pulpwood, Cords	North	23.00	33.50	21.00	-8.7	37.00	10.4
	Central	20.00	35.00	20.50	2.5	35.25	0.7
	South	17.75	35.50	20.50	15.5	34.75	-2.1
	Delta/River	15.00	36.75	19.25	28.3	35.25	-4.1

*Hardwood Sawtimber price averages are as shown in footnote 2b of Table 1

Table 4. 1998 Harvested Timber Volumes by County and Product

COUNTY	PINE LUMBER		HARDWOOD LUMBER		PINE SAWLOGS		HARDWOOD SAWLOGS		PINE PULPWOOD		HARDWOOD PULPWOOD		PINE POLES		STUMPWOOD		TURPENTINE		CROSSTIES		OTHER		PINE LOGS		HARDWOOD LOGS			
	MBM	MBM	MBF D	MBF D	MBF D	MBF D	MBF D	MBF D	CORDS	CORDS	CORDS	CORDS	C CU FT	TONS	TONS	BARRELS	BARRELS	MBF D	MBF D	MBF/CORDS	MBF/CORDS	TONS	TONS	TONS	TONS			
DELTA/RIVER REGION																												
ADAMS	1648.00		0.00		10168.00		15084.00		8876.90		45703.55		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
BOLIVAR	0.00		636.00		474.00		8896.00		32.33		15568.31		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
CLABORNE	784.00		0.00		4020.89		23717.08		21224.70		46202.80		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
COAHONIA	0.00		852.00		452.21		177.33		4750.46		3322.53		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
HUMPHREYS	0.00		0.00		0.00		2441.33		27.60		10280.84		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
ISSAQUEBENA	0.00		0.00		7.00		14342.66		261.56		35233.95		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
JEFFERSON	893.33		697.33		30508.00		8686.17		50352.86		67370.53		178.61		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
LEFLORE	0.00		282.66		296.00		2920.00		193.33		6971.06		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
QUITMAN	0.00		0.00		8.00		582.66		0.00		22.20		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
SHARKEY	0.00		0.00		0.00		718.66		30.20		6757.95		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
SUNFLOWER	0.00		0.00		3.00		113.33		20.00		1807.91		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
TALAHATCHIE	0.00		217.33		1517.00		2022.66		2986.66		18811.73		43.33		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
TUNICA	0.00		126.66		0.00		1920.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
WARREN	141.33		1278.66		1410.89		41322.12		5115.83		62146.17		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
WASHINGTON	0.00		0.00		316.00		4614.66		43.33		11502.97		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
WALKERSON	1165.33		2185.33		25521.00		13854.66		54878.83		83219.20		110.55		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
YAZZO	0.00		0.00		3481.27		17341.33		5913.80		44749.51		0.00		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
TOTAL	4631.99		6275.97		78183.26		158754.65		154708.39		459677.21		332.49		0.00		0.00		0.00		0.00		0.00		0.00		0.00	
GRAND TOTAL	28,076.86		23,424.39		1,494,781.28		579,788.22		4,357,196.08		3,173,154.89		66,853.88		18,889.40		0.00		18,593.25		1,030.65		0.00		0.00		777.22	