

MCES Timber Price Report

Extension Agricultural Economics Department
Extension Forestry Department

February 1988

MCES TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

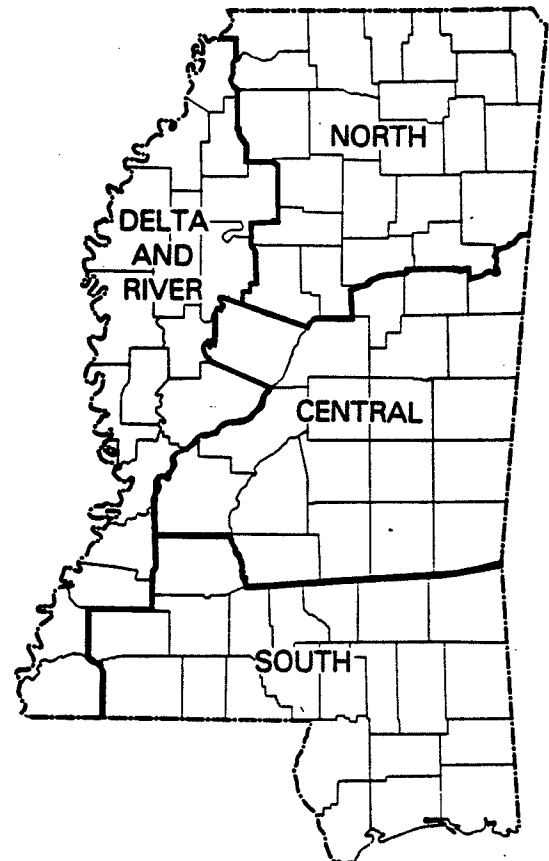
The MCES Timber Price Report is a monthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with MCES to provide an accurate picture of timber market activity. Mississippi is divided into four market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

Log inventory comments were mixed in February. Several mills reported having an abundance of logs on hand and a need to saw down their inventory. However, a few mills reported that inventories were depleted and wet weather logging problems would slow down their operations.

Nearly all hardwood mills reported that the market was holding strong. Several commented that the past month was one of the best months on record. Hardwood mills reported that the price of No. 1 common red oak lumber remained lower after last month's drop. Oak and ash markets are strong with delivered prices for oak reaching as high as \$300/MBF and ash up to \$330/MBF.

Pine lumber markets were often reported as "very good." Pine sawtimber prices were up \$8-\$10/MBF in south Mississippi. Delivered pine prices for southwest Mississippi averaged \$207/MBF and southeast Mississippi prices averaged \$254/MBF.

Pulpwood

Both pine and hardwood pulpwood prices were relatively level in February with demand remaining sluggish. Some mills reported that pulpwood inventories remained saturated. Sellers should call yards to see if purchases are being made at this time.

Other Comments

In some areas pole timber was reported as "hard to find." Timber growers should take note of the delivered price range of \$325-\$378. Some selected standing pole prices in the \$350 range were reported.

Beginning with this issue we have redrawn our map of the Delta market region into a Delta and River region that includes the Mississippi River counties. Although the new market region is large and not without delineation problems, it better represents reporting mills located outside the Delta region that were previously included in the Delta region reports.

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STANDING TIMBER

	North		Central		South		Delta	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	115-172	137.50	133-180	161	145-220	180	-	-
Chip-n-saw pine	-	-	22.50-32.50	27.30	-	-	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	65-90	75	55-70	59**	50-66	56	40-90	76
Oak sawtimber	90-125	112	93-115	105**	-	-	150-200	173
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	8-10	9	7-11	8.75	9-15	11.75	-	8.00*
Hardwood pulpwood	2-4.50	3	2-5	3.50	4-10.50	7.50	3-7	5.00

DELIVERED PRICES⁵

	North		Central		South		Delta	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	200-235	217	180-250	230	180-266	232**	-	-
Chip-n-saw pine	-	-	54-57	55	59.75-70.25	64.75	-	-
Poles (pine)	-	-	-	-	324-378	338	-	-
Mixed hardwood sawtimber ²	156-165	161	130-150	142**	145-165	151	130-170	151
Oak sawtimber	-	175*	160-200	190**	-	-	213-300	257
Other hardwood sawtimber	-	-	160-210	**	-	-	120-330	**
Pine pulpwood	31-40	34	31-35	33	34-38	35.50	-	40*
Hardwood pulpwood	27-36	29	26-32	28.25	26-30	27.00	30-32	31.50

¹Prices reported are for timber market transactions during the previous 60-day period, sawtimber prices in \$/MBF Doyle, chip-n-saw and pulpwood prices in \$/cord.

²"Mixed Hardwoods" are mostly: 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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