



# Mississippi Timber Price Report

## Department of Agricultural Economics

## Department of Forestry

Box 9681  
Mississippi State, MS 39762

September/October, 1995

### MISSISSIPPI TIMBER PRICE REPORT

#### 1. WHAT IS THIS REPORT?

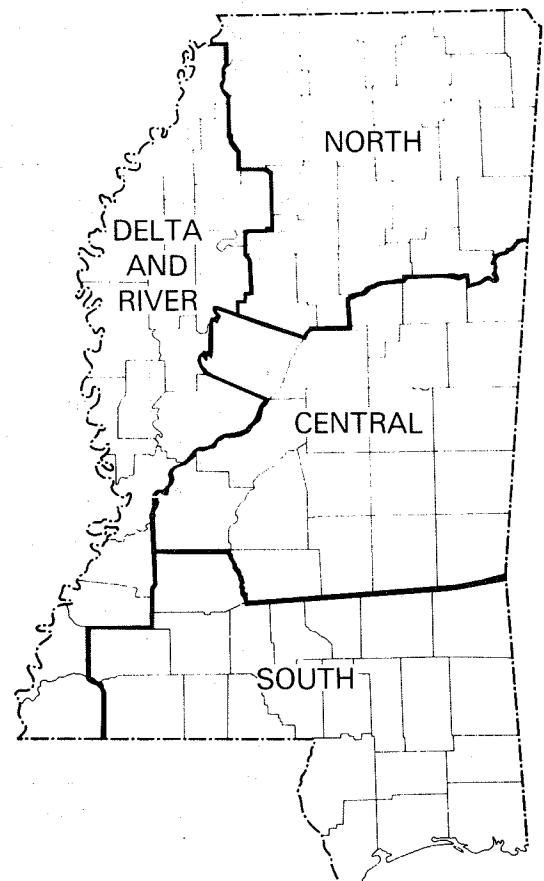
The Mississippi Timber Price Report is a bimonthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with the Cooperative Extension Service to provide an accurate picture of timber market activity.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

Southern pine beetle activity and dry weather were the major influences in the pine stumpage market during September and October. Southern pine beetle salvage cutting made pine logs and pulpwood plentiful and most mills had plenty of logs on hand. Some had even cut off delivery of salvage logs because of blue stain problems in the wood. Many reporters commented also that the pine lumber market is poor and that they had dropped their gate prices on logs.

Wood industry magazines have commented since mid-summer about the declining U.S. softwood lumber market and dry weather in September/October added to the oversupply situation. These factors added up to too much wood available to a sluggish lumber market and stumpage prices slipped in central and south Mississippi, but pine log prices remained steady in north Mississippi. Several reporters also commented about an influx of cheaper Canadian lumber undercutting southern pine lumber as far south as Mobile markets. These reporters mentioned that Canadian lumber imports were getting to be a trade problem again as they were in the late 80's.

Many reporters commented that offerings of timber for sale was slow to fair. Apparently, many landowners are holding their timber off the market until supply and demand are in better balance. Mills are being cautious about their timber purchases with a soft pine lumber market. They do not want to purchase stumpage high and get caught with low price lumber later.

In spite of generally lower prices, a few pine sales were reported in central and north Mississippi at over \$500/MBF, Doyle stumpage. And in south Mississippi a few reporters commented that plywood log sales were helping keep prices up, as lower lumber prices caused stumpage to sag. In addition, several reporters remarked that good winter logging tracts without beetles are still in demand and will bring good prices.

Southern pine beetle salvage operations were again in full swing in September/October. We had over 130 salvage sale reports from national forest and state lands during September/October. Several consultants also reported work on SPB tracts. Reporters noted that activity seemed to be heaviest in the ice storm damaged areas of north Mississippi, around Scott county in central Mississippi and southwestern part of the state.

A comment from our last report that "landowners near the National Forests should check their timber for SPB" brought a needed correction from the National Forest staff in Jackson. They reminded us that the National Forest has the most aggressive SPB salvage program in the state and that there hasn't been a single case they know of where SPB has spread onto private land from National Forest holdings. We didn't wish to convey that landowners near national forests were at risk; just that they and all forest landowners should be on the lookout for signs of beetle problems. Thanks to the U.S. Forest Service for the clarification.

Prices for SPB timber in areas where conditions are epidemic were reported down 30-40% by one contact in north Mississippi. Another gave the following range for pine sawtimber in SPB tracts in north Mississippi: \$224-\$280/MBF, Doyle.

On the hardwood side, the situation wasn't much rosier. Most mills contacted had plenty of logs on hand and reported that the lumber market was down and still dropping. Oak, ash and poplar markets were all reported down. A few mills had low log inventories, but wanted them that way.

In north Mississippi some mills were beginning to stock logs for the winter in the latter part of October. Hardwood sawtimber prices were steady to a bit higher as mills began getting ready for the wet season.

#### Pulpwood

Pulpwood demand was good during September/October. Pine pulpwood was moving well in spite of the SPB situation, but the hardwood pulpwood situation was a bit tighter. Many dealers reported hardwood pulpwood quotas in late October. It was expected that rains that usually increase in the fall would erase those quotas soon. Prices held steady statewide.

One reporter commented that hardwood pulpwood stumpage prices in the "Tennessee-Tombigbee Corridor" were being pushed higher by competition from Alabama, and that it was a different market than the rest of north Mississippi.

#### Other Comments

This report contains graphs of average pulpwood prices over the past two years.

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 Agricultural Economics at P.O. Box 9755 or Extension Forestry at P.O. Box 9681, Mississippi State, MS 39762.

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

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DON'T FORGET TO CHECK THE TIMBER MARKET COMMENTS!

STANDING TIMBER<sup>1</sup>

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	264-400	311**	275-430	357**	219-532	335	225-350	265
Chip-n-saw pine	42-54	49	48-77	54	55-77	65	-	-
Poles (pine)	-	-	-	-	400-550	510	-	-
Mixed hardwood sawtimber <sup>2</sup>	130-165	147.50	130-180	152	90-200	139	135-150	143
Oak sawtimber	180-320	232	220-285	238	200-259	220	262-350	291
Soft hardwood sawtimber <sup>3</sup>	-	-	-	-	57-140	114	-	-
Rare hardwood sawtimber <sup>4</sup>	-	-	-	-	-	-	-	-
Pine pulpwood	22-35	27.50	14-40	22.25	12-40	21.50	20-30	25.00
Hardwood pulpwood	12-30	16.50**	10-32	16.50	8-31	15.75	10-15	12.25

DELIVERED PRICES<sup>5</sup>

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	375-415	380	375-425	410	400-475	440	-	-
Chip-n-saw pine	-	-	72-91	87	98-104	103	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber <sup>2</sup>	160-228	210	205-250	231	135-275	221	125-250	177
Oak sawtimber	290-325	305	300-350	330	363-450	400	300-450	391
Other hardwood sawtimber	-	-	-	-	-	-	-	-
Pine pulpwood	40-73	47	32-49	45.50	47-49	47.75	-	49*
Hardwood pulpwood	29-41	38	29-43	40	36-42	38.75	43-44	43.50

<sup>1</sup>Prices 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.

<sup>2</sup>"Mixed Hardwoods" are mostly: Low-grade Oak, Beech, Cottonwood, Willow, Elm, Gums, Locust, Hackberry, Magnolia, Pecan, Hickory, Sycamore, Tupelo and Birch.

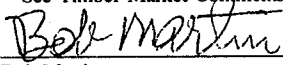
<sup>3</sup>"Soft Hardwoods" are mostly: Cottonwood, Willow, Poplar and Gum.


<sup>4</sup>"Rare Hardwoods" are mostly: Walnut, Cherry, Royal Paulownia, Persimmon, some species and grades of Cypress, certain prime grades of Cherrybark and White Oaks.

<sup>5</sup>Delivered prices are values given at the sawmill or pulpwood yard gate.

\*Only one price reported.

\*\*See Timber Market Comments.

  
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