



Mississippi Timber Price Report

Department of Agricultural Economics • Department of Forestry
Box 9681
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September/October, 1999

MISSISSIPPI TIMBER PRICE REPORT

1. WHAT IS THIS REPORT?

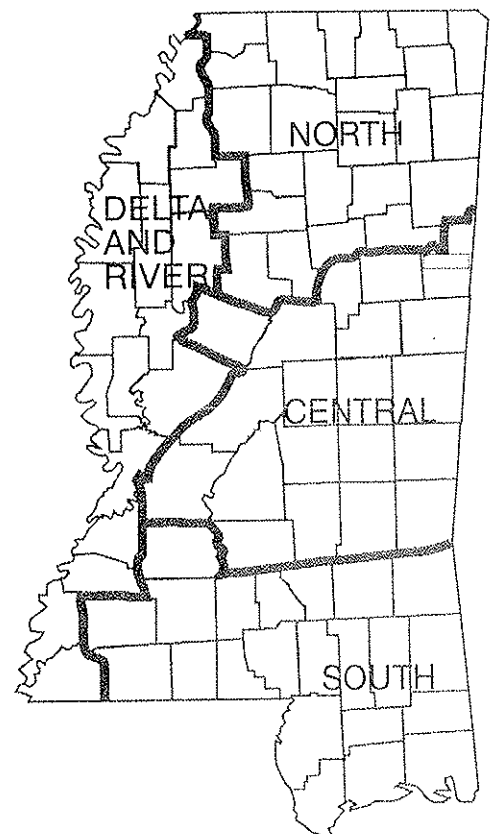
The Mississippi Timber Price Report is a bimonthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with the Mississippi State University Extension Service to provide an accurate picture of timber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

September/October started slowly with good harvesting conditions keeping plenty of pine and hardwood logs at most mills. But by the end of the period the pending winter months had the pace of timber trading on the increase in Mississippi.

The pine lumber market firmed up during September and began to improve from its July low. The hardwood lumber market also improved with red oak sales "strong" according to several mill contacts. These improvements were welcomed from the summer slowdowns seen in July.

Lumber market improvements were the stimulus needed to get timber buyers looking for stumpage. Several foresters reported that good tracts of timber were in demand in October, especially "winter logging" tracts. Some consultants that had been holding their client's timber off the market all year put tracts "on the block" as planned. Several reported good interest in their sales and 6 to 12 bidders on each sale offered.

One buyer commented that there was not much timber on the market in North Mississippi though compared with Central Mississippi. "There are very few timber perspectives in North Mississippi at this time", he said. "We've got buyers checking folks to see if they'd like to sell".

While buying interest was rising, logging conditions remained excellent. One reporter commented that "logging conditions are great. Sloughs in the Noxubee river are dry that haven't been dry in 40 years". These conditions allowed loggers to go to most places they needed to and mill log yards filled quickly. But interest for hardwood stumpage apparently remained firm with lumber markets steady and reports of lumber purchases overseas (Europe and Asia) picking up. One mill reporter remarked, "even white oak lumber is moving".

As a result of lumber market improvement, pine sawtimber prices moved higher statewide, except in the Delta and River region. Hardwood sawtimber prices also moved higher.

Pulpwood

The pulpwood market was reported as "improved" by many reporters in September/October especially on the pine side. Both the paperboard and market pulp segments of the pulp and paper industry (these form the bulk of Mississippi's P&P industry) saw slight improvements in September/October.

Pine pulpwood prices increased a bit statewide while hardwood pulpwood prices varied.

Other Comments

Very little Southern pine beetle activity was reported.

Would you like to receive Mississippi Timber Price Report (MTPR) information by E-mail? If you would like to receive a short version of the MTPR to your E-mail box send a message requesting this to the following address: bobd@ext.msstate.edu. We'll use your requests to create a distribution list to send this information to you.

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.ext.msstate.edu>>. Select "Agriculture and Natural Resources" then select "Forestry" and then "Timber Prices." Current price reports are available back to 1997 and other price data is being added.

Anyone can get copies of the Mississippi Timber Price Report from the local Extension office. For the latest timber prices, call your County Extension Office or to get on the mailing list, contact Extension Forestry at 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 TIMBER¹

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	381-512	454	433-550	476	437-509	469	350-450	430
Chip-n-saw pine	80-89	84	84-95	89	-	95	-	-
Poles (pine)	-	-	-	-	-	625*	-	-
Mixed hardwood sawtimber ²	170-250	205	180-270	192	145-270	177	135-199	178
Oak sawtimber	250-310	290	200-450	350	250-325	270	320-465	367
Soft hardwood sawtimber ³	-	-	-	-	-	-	-	-
Rare hardwood sawtimber ⁴	-	-	-	-	-	-	-	-
Pine pulpwood	22-35	28	18-50	26	20-29	24	11-27	21
Hardwood pulpwood	15-30	20	10-25	14	10-15	13	9-19	13

DELIVERED PRICES⁵

	North		Central		South		Delta and River	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	465-525	498	489-515	505	490-520	504	-	-
Chip-n-saw pine	-	-	89-120	104	91-125	112	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber ²	225-270	260	230-290	275	235-280	259	210-280	251
Oak sawtimber	325-398	370	370-420	395	330-400	350	332-440	425
Other hardwood sawtimber	-	-	-	-	-	-	-	-
Pine pulpwood	27-60	43	27-51	43	31-58	44	25-47	39
Hardwood pulpwood	28-51	31.25	24-40	32	24-47	33.50	26-36	32

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.

Mississippi weight conversion factors for shortwood pulpwood by law are: pine = 2.6 tons/cord.; mixed hardwood = 2.8 tons/cord.

There is no statutory weight conversion for sawlogs in Mississippi. Pine sawlog weight to lumber volume conversions vary by log diameter and range from 6.5 tons of logs/MBF of lumber to 12 or 13 tons/MBF. Most mills in Mississippi use weight conversion factors of 8 to 10 tons/MBF for southern pine. For hardwood logs (comprised mostly of oak and hickory), most mills use a conversion factor between 9 and 11 tons of logs/MBF of lumber. A mill's conversion factor will also vary according to the equipment configuration in the mill.

*Only one price reported.

**See Timber Market Comments.


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