



# AGRI-MARKETING

EXTENSION MARKETING DEPARTMENT

August 1987

## MCES TIMBER PRICE REPORT

## 1. WHAT IS THIS REPORT?

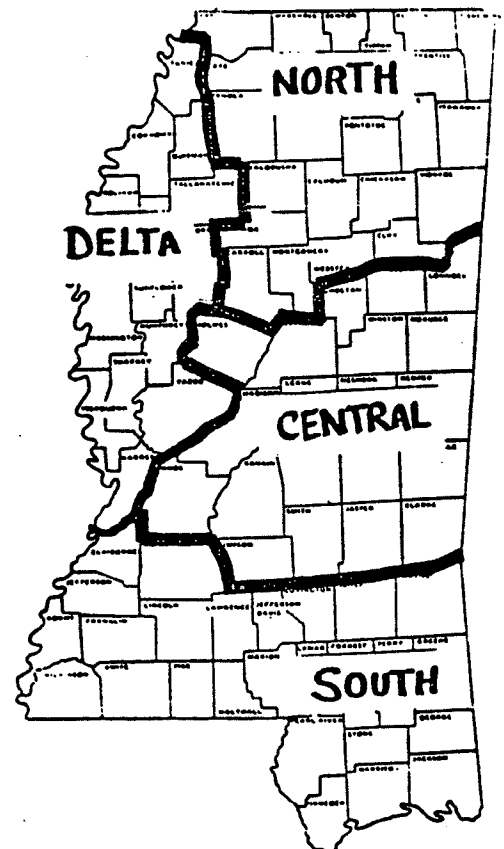
The MCES Timber Price Report is a monthly survey of stumpage and delivered timber prices in Mississippi. It is developed through the cooperation of public and private members of the forestry sector with MCES to provide an accurate picture of timber market activity. Mississippi is divided into four market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

In south Mississippi business remains good for most mills. Lumber demand seems to be strong and has stabilized after softening for some products. A few contacts report a very active pole market. A few timber sales with an unknown percentage of poles brought \$236/MBF to \$241/MBF. Other public land timber sales brought \$409 to \$432 per MBF for individually selected piling.

The hardwood market is holding strong. Oak and ash demand remains strong. Pine lumber demand remains good with lumber prices holding steady or trending slightly down.

In the southern reporting district pine log prices tended to be lower in the western section and higher in the east. During August, the average pine sawtimber delivered price for Southwest Mississippi was \$205. The average price for the southeast was \$240.

In the Delta delivered prices for ash ranged from \$235-\$300/MBF, averaging \$258/MBF. Cottonwood prices averaged \$120/MBF and poplar averaged \$166/MBF. Pecan, hickory, and hackberry averaged \$158/MBF.

In the Central district, one hardwood stumpage price for a 90 percent oak stand close to the mill brought \$160/MBF and a delivered price of \$250/MBF. Also, poplar delivered prices were \$160/MBF.

Graphs of monthly pine and hardwood pulpwood prices from August 1986 to August 1987 are included in this report. Current average prices are mixed but similar to those from August of a year ago.

	<u>North</u>		<u>Delta</u>		<u>Central</u>		<u>South</u>	
	<u>Aug</u> <u>1986</u>	<u>Aug.</u> <u>1987</u>	<u>Aug.</u> <u>1986</u>	<u>Aug.</u> <u>1987</u>	<u>Aug.</u> <u>1986</u>	<u>Aug.</u> <u>1987</u>	<u>Aug.</u> <u>1986</u>	<u>Aug.</u> <u>1987</u>
Delivered Pine	36.00	35.50	-	-	33.00	34.00	35.50	35.00
Standing Pine	9.50	9.00	-	-	7.75	9.00	9.50	13.25
Delivered Hardwood	28.00	30.00	30.00	32.00	26.50	29.00	27.00	27.00
Standing Hardwood	2.00	4.00	5.00	7.00	2.50	4.50	5.50	5.25

Pulpwood

Pulpwood prices reported were steady but several yards report increasing demand for both pine and hardwood. Pine pulpwood quotas remain but are becoming larger and many yards are "wide open" on hardwood.

Other Comments

Most mills contacted were optimistic that demand will remain strong through the fall.

Comments from users of the MCES Timber Price Report are welcome. If you see something you like or dislike let us know. Input from you will help make this report better. Send any suggestion to the authors at P. O. Box 5446, Mississippi State, MS 39762.

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AUGUST 1987

STANDING TIMBER

	North		Central		South		Delta	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	100-153	127	140-180	156	140-185	155	-	-
Chip-n-saw pine	-	-	25-33	29	26-27	26.50	-	-
Poles (pine)	-	-	-	-	-	-	-	-
Mixed hardwood sawtimber <sup>2</sup>	60-85	68	60-87	68	30-63	52	59-75	67
Oak sawtimber	60-121	87	90-110	100	-	-	134-175	156
Soft hardwood sawtimber <sup>3</sup>	-	-	-	-	-	-	-	-
Rare hardwood sawtimber <sup>4</sup>	-	-	160-170	165	-	-	-	-
Pine pulpwood	8-10	9	7-11	9	10-16.50	13.25	-	8*
Hardwood pulpwood	3-4.50	4	3-6	4.50	4-7	5.25	5-9.50	7.00

DELIVERED PRICES<sup>5</sup>

	North		Central		South		Delta	
	Low-High	Average	Low-High	Average	Low-High	Average	Low-High	Average
Pine sawtimber	195-225	210	195-250	225	180-265	223**	-	-
Chip-n-saw pine	-	-	53-54	54*	54-64	60	-	-
Poles (pine)	-	-	-	-	324-400	362	-	-
Mixed hardwood sawtimber <sup>2</sup>	140-160	151	140-160	152	140-200	168	120-185	156
Oak sawtimber	-	-	170-225	192	-	-	235-270	250
Other hardwood sawtimber	-	-	-	-	-	-	120-300	**
Pine pulpwood	32-39	35.50	30-44	34	33.50-37	35	38-40	39
Hardwood pulpwood	-	30*	27-30	29	26-30	27	39-33	32

<sup>1</sup>Prices reported are for timber market transactions during the previous 30-day period, sawtimber prices in \$/MBF Doyle, chip-n-saw and pulpwood prices in \$/cord.

<sup>2</sup>"Mixed Hardwoods" are mostly: Ash, 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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