



PRESS RELEASE Timber Mart - South

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Poor Pine Markets Continue

Pine sawtimber stumpage prices fell further this quarter. Markets were poor with lumber prices, in some cases, "too low for mills to profitably buy sawtimber." Pine pulpwood and chip-n-saw also remained low.

Salvage operations following December's ice storms in Arkansas and Texas forests meant pine pulpwood and, to some extent, chip-n-saw markets were glutted. Both states and part of Louisiana saw 10-year low prices for pulpwood with chip-n-saw and sawtimber well below 10-year averages.

Reporters said Mississippi and Alabama markets almost shut down along the coastal plain blaming low lumber prices, pine bark beetle, and CRP thinning. Alabama average pine pulpwood hit a 10-year low with chip-n-saw below 10-year averages. On the other hand, in Mississippi, pine sawtimber prices went higher, especially on better sites.

Reports show a concern that the logging community is "at its breaking point" and will not survive the poor market conditions in Georgia and Florida. Pine bark beetle infestations plagued an already depressed pine pulpwood market and Georgia pine pulpwood stumpage prices hit a 10-year low.

Pine markets were poor in North Carolina, as well, with pine bark beetles flooding the market with pine pulpwood and pine plylogs. A reporter in South Carolina cited poor markets and tight quotas for all pine products. The only firm markets in Tennessee were for hardwood sawtimber. Virginia sawtimber markets were up for the quarter but lower than last year with pulpwood markets fair.

Hardwood sawtimber stumpage prices varied widely over the region. Heavy rainfall in the western states of the region drove up hardwood prices as bottomlands became too wet to log. Texas, especially, saw continued higher prices for mixed hardwood sawtimber and pulpwood. Mississippi oak sawtimber reached all time high prices.

Drier weather in the eastern states lowered mixed hardwood sawtimber prices but the localized demand for hardwood pulpwood kept some markets moving. North Carolina markets for yellow poplar were good, and fair for hardwood chips. Oak, especially red oak, is still in demand.

Southeastern Average Stumpage Prices					
	Prices \$/ton			year ago	
	1Q.01	4Q.00	1Q.00	up/dn	prcnt
Pine Sawtimber	\$34.11	\$36.21	\$42.00	(\$7.89)	(19%)
Pine Chip-n-saw	\$22.53	\$25.88	\$28.71	(\$6.18)	(22%)
Pine Pulpwood	\$6.73	\$7.22	\$9.06	(\$2.33)	(26%)
Hardwood Sawtimber	\$17.66	\$18.55	\$17.26	\$0.40	2%
Hardwood Pulpwood	\$4.60	\$4.03	\$4.41	\$0.19	4%

For trends, see ten-year graphs of southeastern average quarterly prices at:

www.forestry.uga.edu/warnell/tmart/prices.html

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