



PRESS RELEASE Timber Mart - South

Daniel B. Warnell School of Forest Resources • The University of Georgia
Athens, Georgia 30602-2152

2nd Quarter 2001

For Immediate Release

Date: July 26, 2001

Contact: Tom Harris, (706) 542-2832

Writer: Sara S. Baldwin, (706) 542-4760

Pine Sawtimber Stumpage Prices Stable and Hardwood Prices Up

South-wide average pine sawtimber prices rose slightly in the 2nd quarter and most other major product prices increased, as well. Only pine pulpwood prices dropped another 3 percent so that hardwood pulpwood stumpage prices even exceeded pine pulpwood prices in some areas.

Product	Prices \$/ton		% chng
	2Q 01	1Q 01	
Pine Sawtimber	\$34.28	\$34.11	0.5%
Pine Chip-n-saw	\$23.31	\$22.53	3.5%
Pine Pulpwood	\$6.53	\$6.73	(3.0%)
Hardwood Sawtimber	\$18.70	\$17.66	5.9%
Hardwood Pulpwood	\$5.07	\$4.60	10.2%

Market drivers this quarter included wet logging conditions, an oversupply of small pine and widespread mill curtailment/closures. In Arkansas, wet weather meant higher oak and mixed hardwood sawtimber prices. Hardwood pulpwood prices had jumped in both Texas and Louisiana last quarter and this quarter Arkansas prices rose to the same levels, a more than 30 percent increase.

Mississippi and Alabama saw poor markets early in the quarter but prices rose as rains fell in June. Pine thinnings and beetle-damaged salvage kept pine pulpwood and chip-n-saw supply high and prices low in both states. In Florida, salvage from wildfire and beetle-infestation hurt pine prices. Hardwood pulpwood stumpage prices rose more than 10% in both Florida and Georgia but fell in North Carolina and Virginia. Reporters attributed the difference in markets to industry consolidation and mill closures.

In Tennessee, reporters saw poplar markets "die" and said lower prices for most products were the result of landowners not waiting for better markets. Beetle infestations continue to ravage Appalachian pine stands.

Taking a longer view, average stumpage prices have declined substantially from the peak prices of early 1998. Pine sawtimber stumpage prices have dropped 25 percent south-wide, 45 percent for pine pulpwood and 26 percent for hardwood pulpwood. Only hardwood sawtimber prices have increased over the three-year period.

Product	Prices \$/ton		% chng
	2Q 01	1Q 98	
Pine Sawtimber	\$34.28	\$45.87	(25.3%)
Pine Chip-n-saw	\$23.31	\$31.63	(26.3%)
Pine Pulpwood	\$6.53	\$12.20	(46.5%)
Hardwood Sawtimber	\$18.70	\$17.70	5.6%
Hardwood Pulpwood	\$5.07	\$6.87	(26.2%)

Most products have maintained prices above those of five years ago. Only pine pulpwood prices have declined, falling 21 percent since 2nd quarter 1996. For five-year graphs of southeastern average quarterly prices, see: www.forestry.uga.edu/warnell/tmart/prices.html

Timber Mart-South is a 25-year old price reporting service publishing quarterly reports used by private companies, consultants, landowners, and others to assess market prices in the Southern U.S. The University of Georgia, Warnell School of Forest Resources is under contract with the Frank Norris Foundation to compile and publish Timber Mart-South quarterly reports (706) 542-4756.