

TEXAS TIMBER PRICE TRENDS

Tough Time for Timber Market

The timber market continued to be tough. Pulpwood stumpage price is the only bright-spot due to strong demand of paper products and shortage of mill residues.

However, all five timber stumpage products prices were lower than they were the same period a year ago. The depressed timber prices may continue for a while if the sluggish housing market and high fuel costs continue.

Statewide pine sawlog price averaged \$26.92/ton. This was 35.2% off a year ago. In Northeast Texas, average pine sawlog price was \$25.57/ton. Pine sawlog price averaged \$29.24/ton in Southeast Texas during the July/August period.

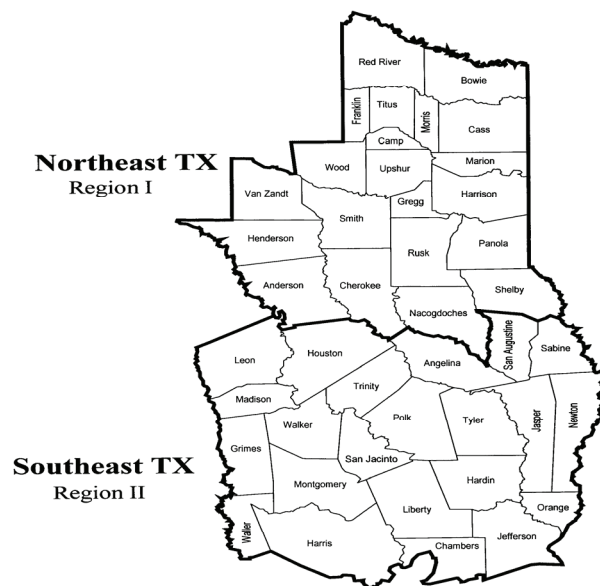
Pine pulpwood price averaged \$9.52/ton statewide. Compared to Southeast Texas, Northeast Texas had higher pine pulpwood prices at \$11.22/ton over the period.

Statewide small diameter pine sawlog (CNS) price held well at \$13.32/ton on average.

Average hardwood sawlog price was \$18.73/ton statewide. Northeast Texas had slightly higher price than that of Southeast Texas.

Hardwood pulpwood held better price than hardwood sawlogs. Statewide hardwood pulpwood price averaged \$9.75/ton during the period.

**Texas Timber Price Trends
Market Regions**

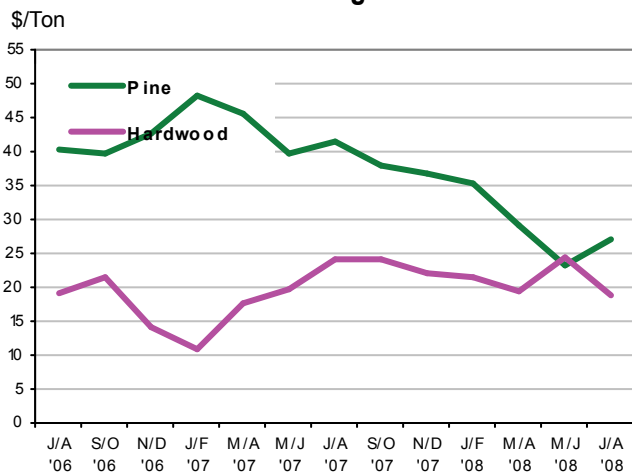


Stumpage Prices in Texas

| Product /Region | Average Price | | Last Period | | | Year Ago | | | Report | |
|----------------------|---------------|----------------|---------------|----------------|------------|---------------|----------------|------------|----------|-------------|
| PINE | | | | | | | | | | |
| Sawlogs | \$/ton | \$/MBF | \$/ton | \$/MBF | Chg | \$/ton | \$/MBF | Chg | # | tons |
| Northeast TX | 25.57 | 218.85 | 32.64 | 240.53 | -21.7% | ↓ 40.22 | 342.17 | -36.4% | ↓ 21 | 13,762 |
| Southeast TX | 29.24 | 233.92 | 21.85 | 167.93 | 33.8% | ↑ 42.42 | 312.55 | -31.1% | ↓ 11 | 8,009 |
| Statewide | 26.92 | 224.63 | 23.25 | 177.65 | 15.8% | ↑ 41.56 | 323.17 | -35.2% | ↓ 32 | 21,771 |
| USFS | 22.58 | 180.64 | 25.01 | 200.11 | -9.7% | ↓ 21.37 | 170.99 | 5.7% | ↑ 7 | 51,939 |
| Pulpwood | \$/ton | \$/cord | \$/ton | \$/cord | Chg | \$/ton | \$/cord | Chg | # | tons |
| Northeast TX | 11.22 | 30.12 | 10.54 | 28.35 | 6.5% | ↑ 13.45 | 36.00 | -16.6% | ↓ 33 | 95,201 |
| Southeast TX | 7.60 | 20.53 | 6.69 | 18.06 | 13.6% | ↑ 9.30 | 25.11 | -18.3% | ↓ 17 | 84,432 |
| Statewide | 9.52 | 25.63 | 8.00 | 21.58 | 19.0% | ↑ 12.30 | 33.00 | -22.6% | ↓ 50 | 179,634 |
| USFS | 5.73 | 15.47 | 4.96 | 13.4 | 15.5% | ↑ 2.05 | 5.54 | 179.5% | ↑ 9 | 43,223 |
| Chip-N-Saw | \$/ton | \$/cord | \$/ton | \$/cord | Chg | \$/ton | \$/cord | Chg | # | tons |
| Northeast TX | ** | ** | 13.52 | 36.51 | ** | 18.17 | 49.05 | ** | ** | ** |
| Southeast TX | 8.56 | 23.10 | 13.40 | 36.19 | -36.1% | ↓ 17.02 | 45.96 | -49.7% | ↓ 4 | 1,213 |
| Statewide | 13.32 | 49.98 | 13.40 | 36.19 | -0.6% | ↓ 17.22 | 46.49 | -22.6% | ↓ 6 | 2,836 |
| HARDWOOD | | | | | | | | | | |
| Mixed Sawlogs | \$/ton | \$/MBF | \$/ton | \$/MBF | Chg | \$/ton | \$/MBF | Chg | # | tons |
| Northeast TX | 19.07 | 163.19 | 19.67 | 183.79 | -3.1% | ↓ 26.55 | 212.52 | -28.2% | ↓ 12 | 12,163 |
| Southeast TX | 15.68 | 141.13 | 27.01 | 238.14 | -41.9% | ↓ 20.31 | 183.82 | -22.8% | ↓ 5 | 1,371 |
| Statewide | 18.73 | 161.05 | 24.29 | 218.71 | -22.9% | ↓ 24.13 | 202.21 | -22.4% | ↓ 17 | 13,534 |
| USFS | 4.41 | 39.70 | ** | ** | ** | 5.57 | 50.13 | ** | 3 | 532 |
| Pulpwood | \$/ton | \$/cord | \$/ton | \$/cord | Chg | \$/ton | \$/cord | Chg | # | tons |
| Northeast TX | 10.05 | 28.75 | 8.59 | 24.36 | 17.0% | ↑ 13.18 | 37.71 | -23.7% | ↓ 11 | 18,623 |
| Southeast TX | 3.00 | 8.40 | 4.20 | 11.76 | -28.6% | ↓ 4.32 | 11.95 | ** | 4 | 835 |
| Statewide | 9.75 | 27.86 | 5.49 | 15.42 | 77.6% | ↑ 10.67 | 30.24 | -8.6% | ↓ 15 | 19,458 |
| USFS | 2.12 | 5.94 | ** | ** | ** | 1.65 | 4.63 | ** | 4 | 1,516 |

1. Stumpage price statistics include gatewood sales. Stumpage prices for gatewood sales are estimated by subtracting cut-and-haul costs, other expenses, and profits provided by reporter.
2. Price is calculated from a specific conversion factor reported for each sale if available; otherwise, the average conversion factors listed on page 4 are used. MBF = Thousand Board Feet. The DOYLE LOG SCALE is used for board foot measurements.
3. Statewide data excludes U.S. Forest Service sales.
4. ** indicates insufficient sales to report price statistics (less than three sales).
5. Prices listed for previous periods may differ from previously published values because additional data have been received.
6. Price change in percentage is calculated based on price in ton.
7. Extreme outliers from reported data are detected and filtered out based on statistical methods.
8. Price changes are calculated based on price in ton.

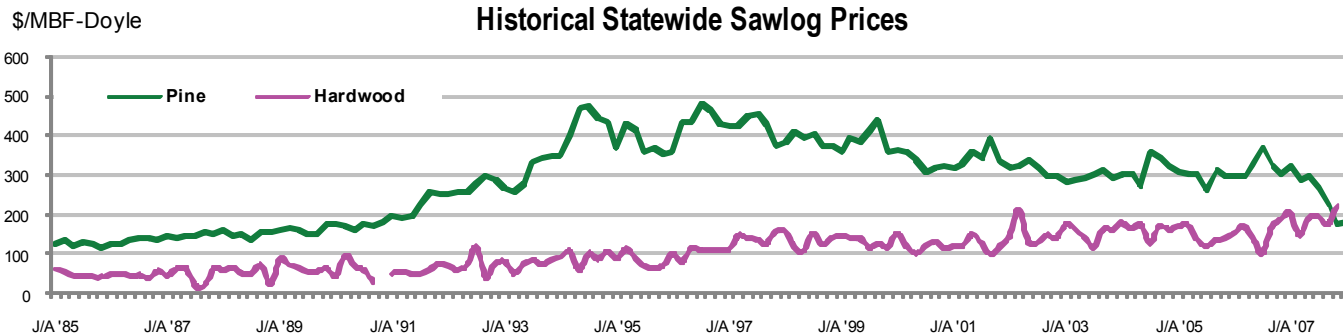
Sawlogs



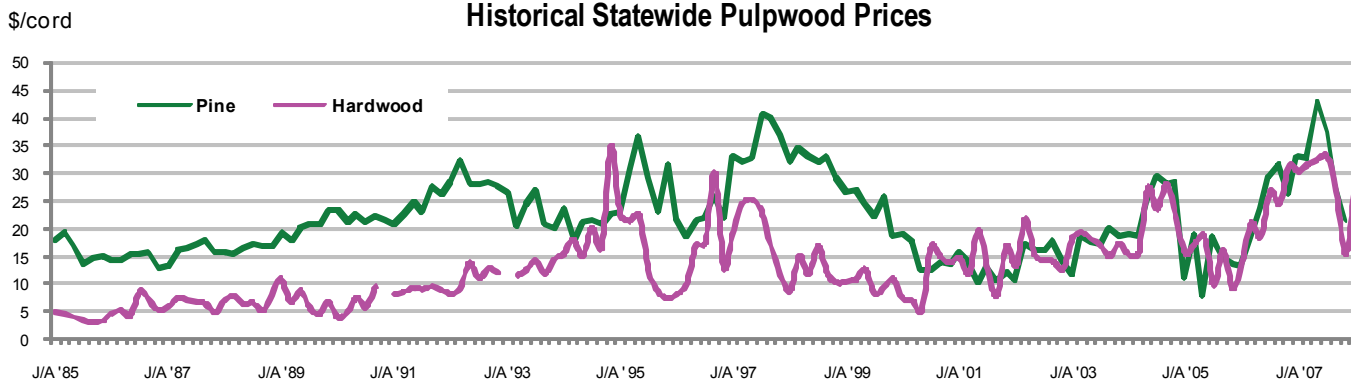
Pulpwood



Historical Statewide Sawlog Prices



Historical Statewide Pulpwood Prices



Note: A gap in the chart means less than 3 sales were reported and no price statistics were compiled.
 For chart data, please go to <http://texasforests.tamu.edu/timberpricetrends>.



Texas Timber Price Trends is a bi-monthly publication reporting average prices paid for standing timber in Texas.

This report is intended only as a guide to general price levels. Individuals inter-

ested in buying and selling timber can use this report to monitor market trends and get a general idea of what timber is worth. However, it should not be used to judge the fair market value of a specific timber sale, which may vary considerably due to many factors.

HOW ARE AVERAGE PRICES CALCULATED?

Data published in this report are from actual timber sales as reported by as many as 60 cooperators active in the East Texas timber market. Reporters include forest product companies, logging contractors, consulting foresters, family forest landowners, financial institutions, and federal agencies.

The prices are volume weighted average prices. The price per ton for each product category is as reported or using a specific conversion factor provided by the reporters. When a specific conversion factor for each sale is not available, an average conversion factor listed here is used instead.

VOLUME CONVERSION FACTORS

Sawlogs & Chip-N-Saw

Pine— 8 tons=1 MBF-Doyle

Pine CNS— 2.7 tons= 1 Cord

Hardwood— 9 tons= 1 MBF-Doyle

Pulpwood

Pine— 2.7 tons=1 Cord

Hardwood— 2.8 tons= 1 Cord

This publication is also available on the Texas Forest Service website at:

<http://texasforestservicetamu.edu/timberpricetrends>

WANT TO BE A REPORTER?

If you are active in the East Texas timber market, please consider becoming a cooperating price reporter. You will receive report forms bi-monthly with a self-return envelope. In addition, you will receive a hard copy of the report in exchange for your price information.

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