

TEXAS TIMBER PRICE TRENDS

Pine Pulpwood Price Reached Record High



Pine pulpwood prices reached record highs due to strong pulp and paper demand and lumber production curtailment. In contrast,

sawlog prices continued their downward movement in November/December. Mills curtailed production in response to the weakening housing market.

During November/December statewide average pine sawlog prices decreased to \$36.72/ton, a 4.3% drop for the period and a 14.1% drop year to year. In Northeast Texas, average pine sawlog prices declined 5.5% to \$35.60/ton during the period. Increasing pine sawlog prices were reported in Southeast Texas at \$46.74/ton, up 16.4% from the last period and up 12.7% from a year ago.

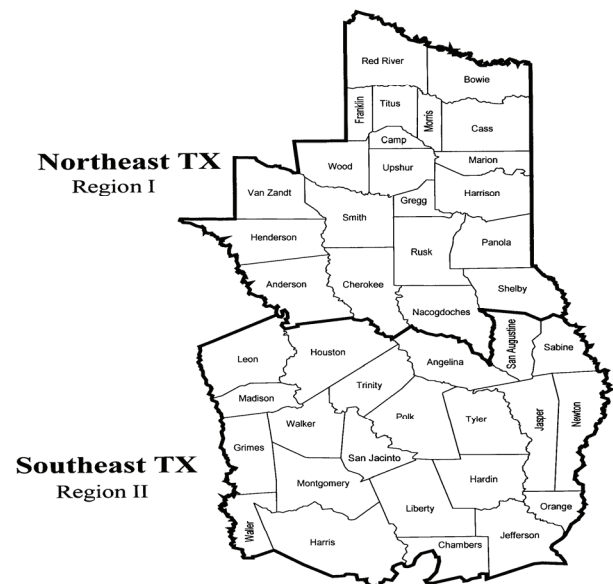
Statewide average pulpwood prices hit a record high at \$15.98/ton. This was a 32.9% increase from the last period and an 83% increase from a year ago. Pine pulpwood prices rose more dramatically in Southeast Texas than in Northeast with \$4.61/ton increase versus \$3.62/ton increase.

Small diameter pine sawlog prices reversed their decline of the last six months. Statewide pine Chip-N-Saw price was \$17.45/

ton, up 9.6% from the last period and up 12% year to year.

Hardwood markets also saw lower sawlog prices and higher pulpwood prices. On average, statewide hardwood sawlog prices declined by 7.9% to \$22/ton over the period. On the other hand, hardwood pulpwood prices were up 3.6% to \$11.53/ton during November/December. This was 78.8% higher than a year before.

Texas Timber Price Trends Market Regions

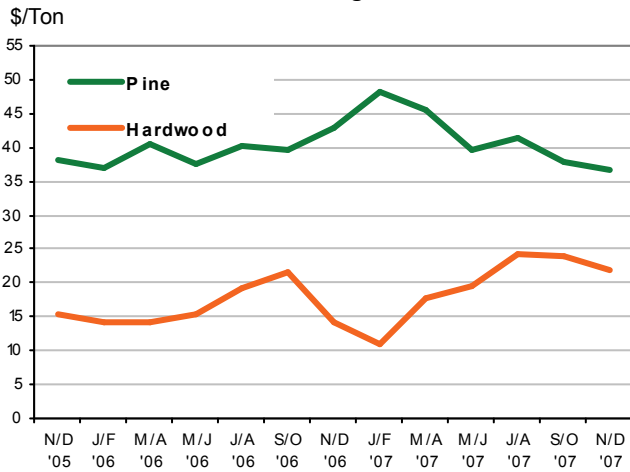


Stumpage Prices in Texas

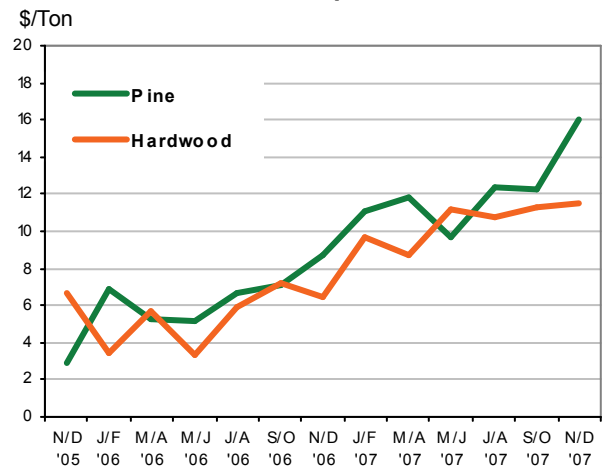
Product /Region	Average Price		Last Period			Year Ago			Report	
PINE										
Sawlogs	\$/ton	\$/MBF	\$/ton	\$/MBF	Chg	\$/ton	\$/MBF	Chg	#	tons
Northeast TX	35.60	299.73	37.66	312.66	-5.5% ↓	48.70	366.38	-26.9% ↓	33	39,374
Southeast TX	46.74	291.92	40.17	258.00	16.4% ↑	41.48	319.71	12.7% ↑	3	4,395
Statewide	36.72	298.71	38.35	294.84	-4.3% ↓	42.75	328.08	-14.1% ↓	36	43,769
USFS	26.31	210.47	**	**	**	**	**	**	3	58,138
Pulpwood	\$/ton	\$/cord	\$/ton	\$/cord	Chg	\$/ton	\$/cord	Chg		
Northeast TX	16.68	44.70	13.06	34.95	27.7% ↑	9.72	26.16	71.6% ↑	52	132,987
Southeast TX	15.08	40.71	10.47	28.27	44.0% ↑	6.38	17.21	136.4% ↑	18	102,801
Statewide	15.98	42.97	12.02	32.28	32.9% ↑	8.73	23.53	83.0% ↑	70	235,788
USFS	2.08	5.62	**	**	**	**	**	**	3	16,202
Chip-N-Saw	\$/ton	\$/cord	\$/ton	\$/cord	Chg	\$/ton	\$/cord	Chg		
Northeast TX	17.42	47.05	16.67	45.01	4.5% ↑	**	**	**	6	7,680
Southeast TX	17.49	47.21	15.76	42.54	11.0% ↑	15.54	41.97	12.5% ↑	4	4,148
Statewide	17.45	47.10	15.92	42.99	9.6% ↑	15.58	42.07	12.0% ↑	10	11,827
HARDWOOD										
Mixed Sawlogs	\$/ton	\$/MBF	\$/ton	\$/MBF	Chg	\$/ton	\$/MBF	Chg		
Northeast TX	21.72	189.22	24.49	145.01	-11.3% ↓	14.27	136.53	52.2% ↑	20	19,765
Southeast TX	23.81	198.53	19.58	171.44	21.6% ↑	13.00	120.99	83.2% ↑	4	2,974
Statewide	22.00	190.48	23.90	147.25	-7.9% ↓	14.24	136.11	54.5% ↑	24	22,739
USFS	**	**	**	**	**	**	**	**	**	**
Pulpwood	\$/ton	\$/cord	\$/ton	\$/cord	Chg	\$/ton	\$/cord	Chg		
Northeast TX	11.75	33.11	11.91	33.47	-1.3% ↓	6.67	18.57	76.2% ↑	16	29,025
Southeast TX	6.27	17.55	4.74	13.27	32.3% ↑	0.88	2.40	612.5% ↑	3	1,209
Statewide	11.53	32.48	11.13	31.27	3.6% ↑	6.45	17.92	78.8% ↑	19	30,234
USFS	1.71	4.80	**	**	**	**	**	**	3	4,036

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.

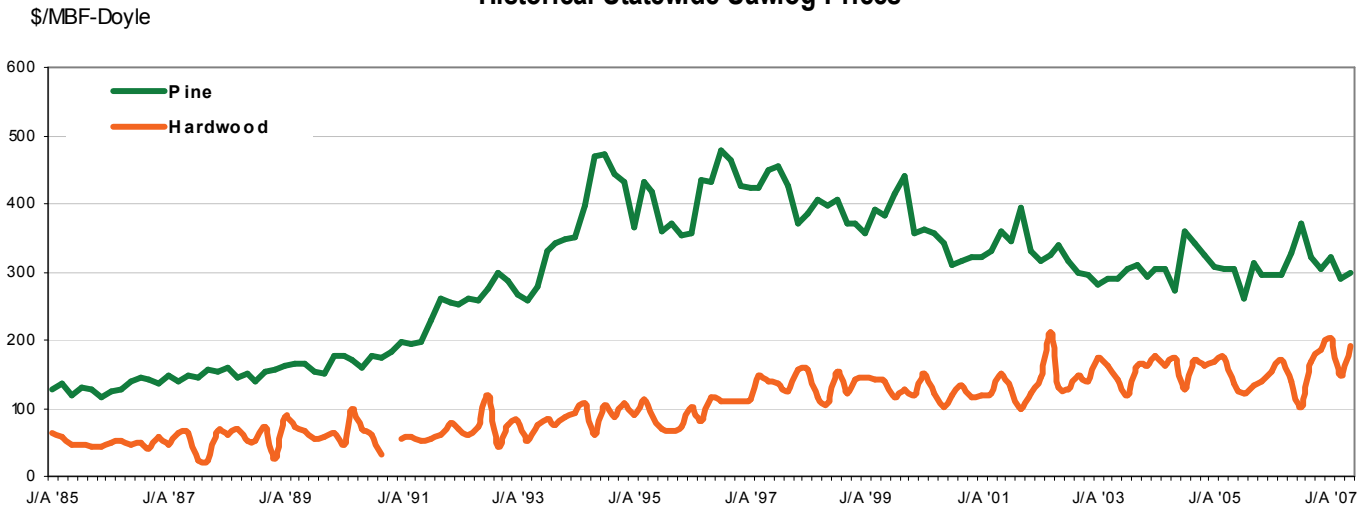
Sawlogs



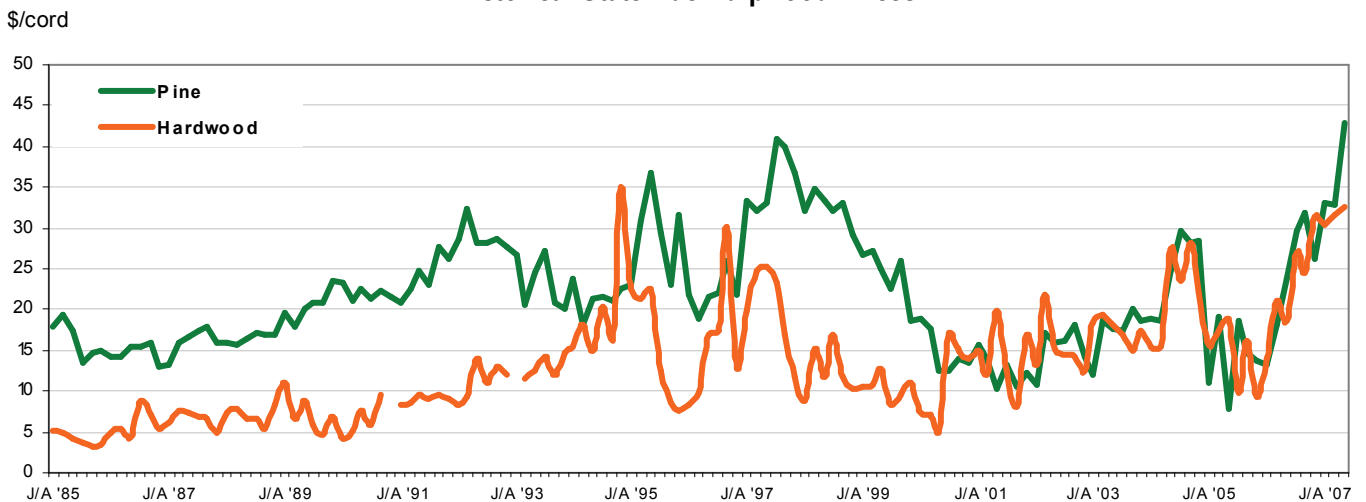
Pulpwood



Historical Statewide Sawlog Prices



Historical Statewide Pulpwood Prices



Note: Blank represents less than 3 sales are reported and there is no price statistics 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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