

# TEXAS TIMBER PRICE TRENDS

## Market Overview\*

Timber markets remained weak during September/October 2009. Pine sawlog prices went upward due to tightening log supplies caused by wet weather. Without significant signs of improvement in demand for lumber and pulp and paper, mills struggled to survive on a very thin margin.

The average pine sawlog price was up \$4.06 per ton — or 18% — from the last period, to \$26.87 per ton this period. This was still 12% lower than the price a year ago.

Statewide pine pulpwood stumpage prices averaged \$5.12 per ton, down 12% from the last period. This was roughly half of the price the same period last year.

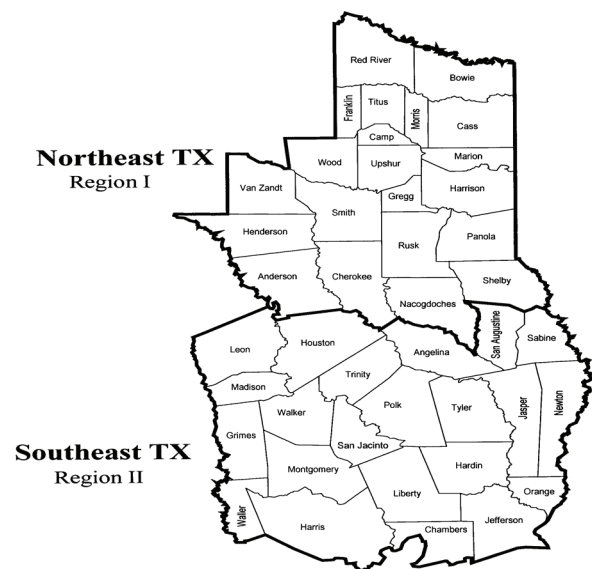
Small diameter pine sawlog (CNS) prices averaged \$13.91 per ton statewide, an 18 percent increase from the last period. This was 14 percent below the same period a year ago.

The average hardwood sawlog price was \$19.69 per ton in East Texas, increasing slightly from the last period but still 23 percent lower than this period one year ago.

Statewide average hardwood pulpwood stumpage price increased \$1.91 per ton to \$6.38 per ton.

\*The average prices reported here represent statewide transactions of 5,775 tons of pine sawlogs, 112,917 tons of pine pulpwood, 9,430 tons of pine CNS, 5,703 tons of hardwood sawlogs, and 5,752 tons of hardwood pulpwood during September/October 2009.

**Texas Timber Price Trends  
Market Regions**

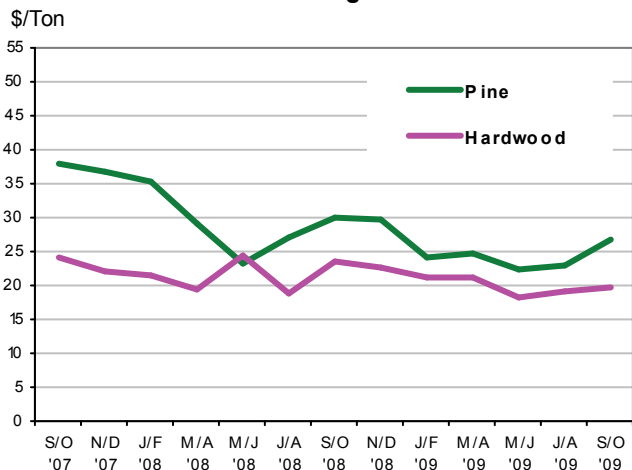


## Stumpage Prices in Texas

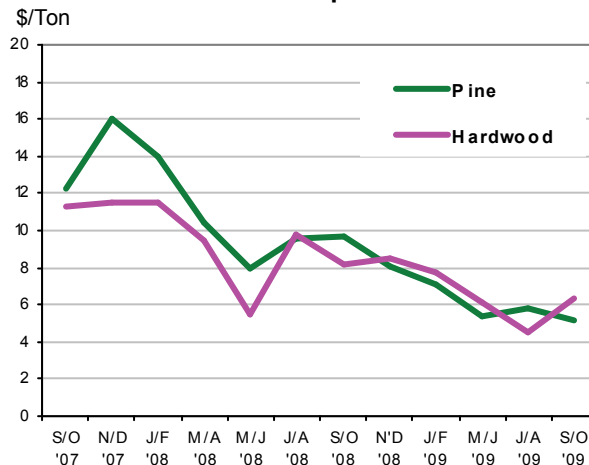
Product /Region	Average Price		Last Period			Year Ago			Report	
<b>PINE</b>										
<b>Sawlogs</b>	<b>\$/ton</b>	<b>\$/MBF</b>	<b>\$/ton</b>	<b>\$/MBF</b>	<b>Chg</b>		<b>\$/ton</b>	<b>\$/MBF</b>	<b>Chg</b>	<b>Number</b>
Northeast TX	26.77	214.17	24.38	189.36	10%	↑	37.85	283.75	-29%	↓ 18
Southeast TX	**	**	22.66	177.50	**		28.58	224.18	**	**
Statewide	26.87	184.79	22.81	178.54	18%	↑	30.53	237.13	-12%	↓ 19
USFS	**	**	**	**	**		**	**	**	**
<b>Pulpwood</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>Chg</b>		<b>\$/ton</b>	<b>\$/cord</b>	<b>Chg</b>	<b>Number</b>
Northeast TX	5.02	13.47	4.93	13.25	2%	↑	11.27	30.19	-55%	↓ 19
Southeast TX	5.18	13.97	6.07	16.39	-15%	↓	9.40	25.37	-45%	↓ 11
Statewide	5.12	13.79	5.85	15.80	-12%	↓	9.96	26.83	-49%	↓ 30
USFS	**	**	**	**	**		**	**	**	**
<b>Chip-N-Saw</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>Chg</b>		<b>\$/ton</b>	<b>\$/cord</b>	<b>Chg</b>	<b>Number</b>
Northeast TX	**	**	**	**	**		14.93	40.31	**	**
Southeast TX	**	**	11.80	31.85	**		16.18	43.67	**	**
Statewide	13.91	37.55	11.80	31.85	18%	↑	16.16	43.64	11%	↑ 3
<b>HARDWOOD</b>										
<b>Mixed Sawlogs</b>	<b>\$/ton</b>	<b>\$/MBF</b>	<b>\$/ton</b>	<b>\$/MBF</b>	<b>Chg</b>		<b>\$/ton</b>	<b>\$/MBF</b>	<b>Chg</b>	<b>Number</b>
Northeast TX	19.69	183.72	20.99	188.91	-6%	↓	21.93	197.32	-10%	↓ 31
Southeast TX	**	**	17.53	157.81	**		30.52	274.65	**	**
Statewide	19.69	183.72	19.07	171.64	3%	↑	25.51	229.61	-23%	↓ 31
USFS	**	**	**	**	**		**	**	**	**
<b>Pulpwood</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>\$/ton</b>	<b>\$/cord</b>	<b>Chg</b>		<b>\$/ton</b>	<b>\$/cord</b>	<b>Chg</b>	<b>Number</b>
Northeast TX	6.38	17.87	5.65	15.81	13%	↑	9.09	25.59	-30%	↓ 17
Southeast TX	**	**	4.29	12.02	**		6.81	19.07	**	**
Statewide	6.38	17.87	4.47	12.52	43%	↑	7.61	21.35	-16%	↓ 17
USFS	**	**	**	**	**		**	**	**	**

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

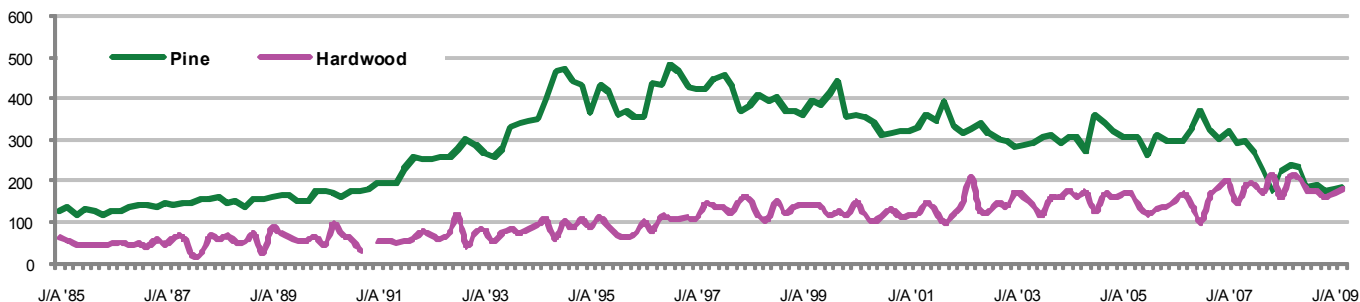


Pulpwood



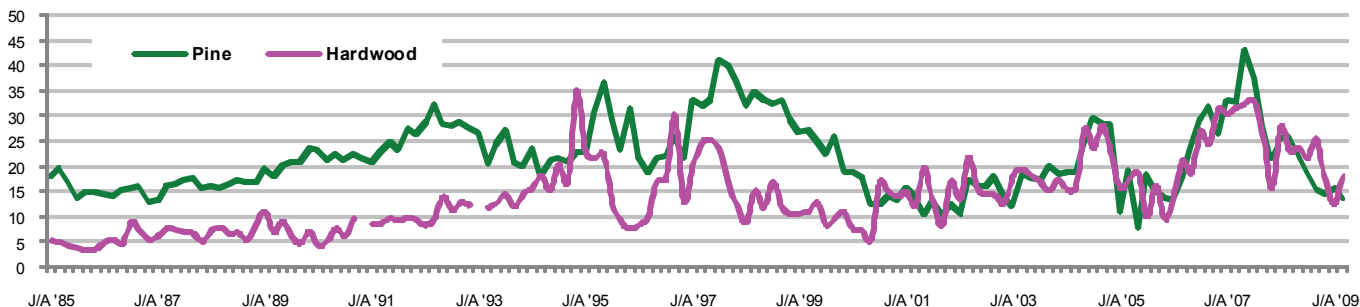
Historical Statewide Sawlog Prices

\$/MBF-Doyle



Historical Statewide Pulpwood Prices

\$/cord



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://txforestservicetamu.edu/main/article.aspx?id=145>.



*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://txforestservice.tamu.edu/main/article.aspx?id=145>

**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.