TEXAS TIMBER PRICE TRENDS

Market Overview*

Extremely wet and cold weather in East Texas drove up stumpage prices in the first period of 2010. Logging activities were limited, causing a shortage in sawlog and pulpwood supply. Other factors may also have played a role. Lumber prices have seen constant increase since the last quarter of 2009. A reporter commented that the pulpwood market felt upward pricing pressure from the Biomass Crop Assistance Program (BCAP) funded by the Farm Service Agency (FSA).

Statewide pine sawlog prices averaged \$28.06 per ton. In Northeast Texas, the average pine sawlog price was \$24.70 per ton. The average price was \$30.44 per ton in Southeast Texas.

The average pine pulpwood price increased slightly to \$7.97 per ton. This is 13% higher than the price a year ago.

Small diameter pine sawlog (CNS) prices averaged \$14.45 per ton, a 15 percent increase from the last period.

The average hardwood sawlog price increased to \$25.05 per ton, roughly the same level as a year ago.

Reported hardwood pulpwood price increased significantly for both the northeast and southeast Texas regions. Statewide, the average hardwood pulpwood price was \$13.51 per ton. A reporter commented "... high hardwood prices. (It's) too wet to find much to log though...".

The average prices reported here represent statewide transactions of 24,072 tons of pine sawlogs, 331,629 tons of pine pulpwood, 52,882 tons of pine CNS, 7,820 tons of mixed hardwood sawlogs, and 16,541 tons of hardwood pulpwood during January/February 2010.

Texas Timber Price Trends Market Regions



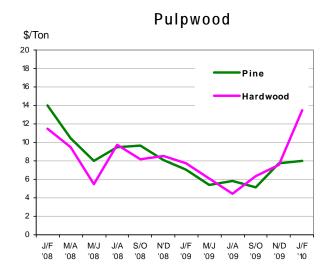


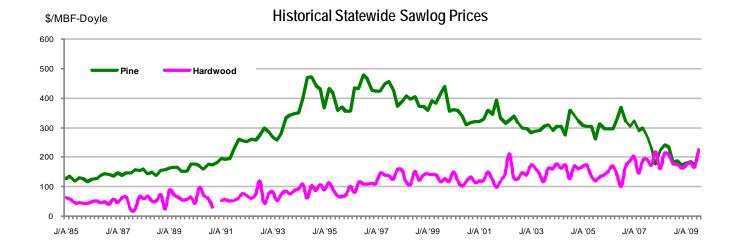
Stumpage Prices in Texas

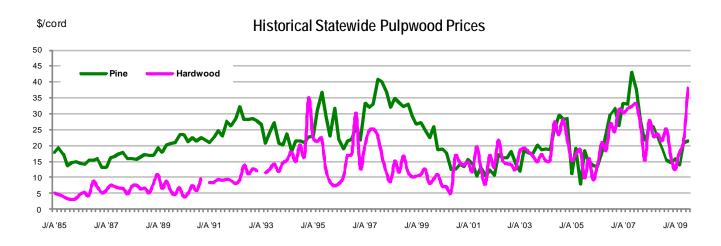
Product /Region	Average Price		Last Period				Year Ago			Report	
PINE											
Sawlogs	\$/ton	\$/MBF	\$/ton	\$/MBF	Chg		\$/ton	\$/MBF	Chg		Number
Northeast TX	24.70	197.63	24.39	196.22	1%	\uparrow	29.83	203.27	-17%	\downarrow	25
Southeast TX	30.44	242.97	20.64	165.14	47%	\uparrow	23.17	180.70	31%	\uparrow	11
Statewide	28.06	224.17	21.65	173.47	30%	\uparrow	24.25	184.81	16%	\uparrow	36
USFS	**	**	**	**	**		**	**	**		**
Pulpwood	\$/ton	\$/cord	\$/ton	\$/cord	Chg		\$/ton	\$/cord	Chg		Number
Northeast TX	6.14	16.52	5.72	15.41	7%	\uparrow	7.57	20.14	-19%	\downarrow	46
Southeast TX	9.36	25.26	8.64	23.32	8%	\uparrow	6.86	18.52	36%	\uparrow	40
Statewide	7.97	21.49	7.73	20.87	3%	\uparrow	7.05	18.95	13%	1	86
USFS	**	**	**	**	**		**	**	**		**
Chip-N-Saw	\$/ton	\$/cord	\$/ton	\$/cord	Chg		\$/ton	\$/cord	Chg		Number
Northeast TX	**	**	**	**	**		13.36	36.08	**		**
Southeast TX	14.47	39.08	12.57	33.93	15%	\uparrow	16.22	43.80	-11%	\downarrow	9
Statewide	14.45	39.01	12.55	33.89	15%	1	16.21	43.76	-11%	\downarrow	10
HARDWOOD											
Mixed Sawlogs	\$/ton	\$/MBF	\$/ton	\$/MBF	Chg		\$/ton	\$/MBF	Chg		Number
Northeast TX	25.10	225.89	17.91	163.75	40%	\uparrow	24.64	209.03	2%	1	21
Southeast TX	24.63	221.66	22.93	206.41	7%	\uparrow	24.87	223.84	-1%	\downarrow	4
Statewide	25.05	225.42	18.27	166.84	37%	\uparrow	24.70	212.67	1%	1	25
USFS	**	**	**	**	**		**	**	**		**
Pulpwood	\$/ton	\$/cord	\$/ton	\$/cord	Chg		\$/ton	\$/cord	Chg		Number
Northeast TX	13.44	38.33	8.13	22.76	65%	\uparrow	8.88	24.85	51%	1	21
Southeast TX	13.56	37.96	7.28	20.52	86%	\uparrow	7.61	21.30	78%	1	16
Statewide	13.51	38.10	7.59	21.35	78%	\uparrow	8.24	23.08	64%	\uparrow	37
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.









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



Texas Timber Price Trends is a bimonthly 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.

