



PRESS RELEASE

Timber Mart - South

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1st Quarter 2003

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Hardwood High and Pulpwood Continued to Recover

South-wide average hardwood sawtimber stumpage prices increased to a record high this quarter while average pine sawtimber and chip-n-saw decreased, losing most of last quarter's gains. Average pulpwood stumpage prices, both hardwood and pine, increased again this quarter with pine up over 10 percent and hardwood within 10 cents-per-ton of record prices set in 1st Quarter 1998.

South-wide Average Stumpage Prices \$/ton					
	one quarter			year ago	
	1Q 03	4Q 02	prct	1Q 02	prcnt
Pine Sawtimber	\$36.56	\$37.03	-1.3%	\$36.31	+0.7%
Pine Chip-n-saw	\$22.16	\$23.00	-3.7%	\$23.50	-5.7%
Pine Pulpwood	\$7.06	\$6.38	+10.7%	\$6.24	+13.1%
Mixed Hardwood Sawtimber	\$19.58	\$19.30	+1.5%	\$18.68	+4.8%
Hardwood Pulpwood	\$6.76	\$5.46	+23.8%	\$5.06	+33.6%

Note: These 1st Quarter 2003 prices reflect the revised report updated April 29th 2003.

Wet and wintry weather affected harvest conditions again in the 1st Quarter. Precipitation over the region varied widely with Louisiana, Arkansas and Florida setting record lows in January. Rainfall then approached record highs in February along a corridor that ran from Louisiana north across Arkansas and then east from Tennessee to Virginia. A series of severe winter storms left significant snow accumulation in the Carolinas and Virginia with icy road conditions across the northern half of the South from Texas to Virginia. Overall conditions were drier this quarter than last and took some pressure off pine sawtimber prices.

Wood product production and price information also help explain changes in stumpage prices.

Framing lumber prices remained near 10-year lows and several pine sawmills closed until market conditions improve. Reporters said that many sawmills took temporary curtailments rather than increase prices paid for timber. Southern pine lumber production slowed 9 percent in the first two months of the year versus the record high pace of the same period in 2002 according to the Southern Forest Products Association (SFFPA.)

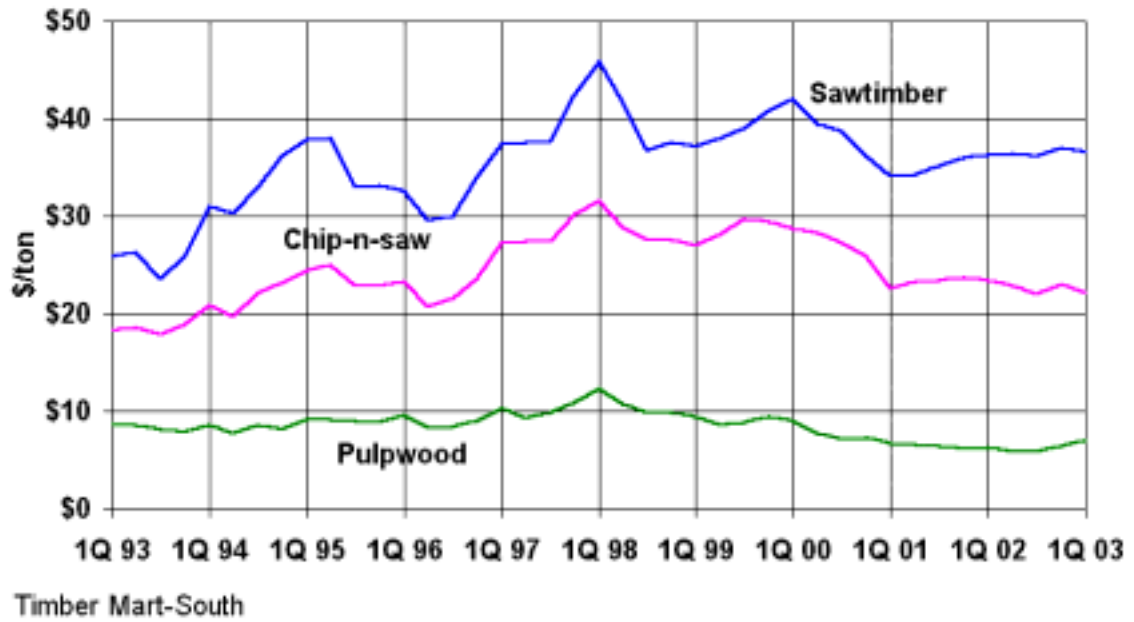
Pulpwood stumpage prices responded to a different market situation. Reporters said that pulp mills experienced short-term wood supply shortages and shipped pulpwood long distances or negotiated special contracts to meet immediate requirements. Some mills extended their procurement area, opening or re-opening satellite wood yards. Pulp production increased this quarter according to the American Forest and Paper Association (AF&PA) with U.S. wood pulp production (South-only data is not available) up 2 percent versus the same period in 2002. Wood pulp prices increased: up 18 percent this quarter over last and up 20 percent from low levels of a year ago.

Hardwood sawtimber stumpage prices have fewer accessible market indicators. Lumber, pallet, flooring, railroad ties, furniture, and panel production all impact hardwood demand. According to the Hardwood Market Report (HMR), the principal hardwood lumber products to watch are poplar, ash, red oak and white oak. In general, southern poplar lumber prices were up versus a year ago as were both red and white oak. Southern ash lumber prices did not change significantly over the past year.

For more information, please contact TMS at 706-542-4756 or visit our web site at www.TimberMart-South.com

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South-wide Pine Stumpage Prices quarterly averages over 10 years



South-wide Hardwood Stumpage Prices quarterly averages over 10 years

