



# PRESS RELEASE .....Timber Mart - South

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## Pine Sawtimber Up, Pine Pulpwood and Hardwood Prices Down

South-wide, timber markets remained relatively stable in the 4<sup>th</sup> Quarter. Average pine sawtimber and chip-n-saw stumpage prices increased slightly while pine pulpwood stumpage prices fell further, continuing the decline begun in the 4<sup>th</sup> Quarter 1999. The demand for hardwood eased, and average hardwood sawtimber and pulpwood stumpage prices decreased this quarter.

In spite of unusually wet weather in East Texas pine stumpage prices declined. The best markets were for pine and hardwood logs on good ground. Hardwood pulpwood markets improved in Northern Texas and Louisiana. In Average pine pulpwood stumpage prices increased in Arkansas in spite of continued salvage from last winter's ice storm. As in most markets, many mills closed for two to four weeks of holiday downtime.

Pine pulpwood stumpage prices remained stable but hardwood stumpage prices dropped in Alabama as the Coosa Pines mill cut pine consumption by half and stopped taking hardwood. Reports of problems with sawtimber markets blamed low lumber prices for shrinking manufacturing margins and anticipated further sawmill shutdowns. Pine sawtimber prices increased in the central South while hardwood stumpage prices generally decreased. One reporter said that hardwood inventories were filling up. Georgia hardwood pulpwood markets remained good, bucking the trend, and quotas for pine pulpwood eased. Mississippi reporters made few comments this quarter. Tennessee hardwood markets improved due to low mill inventories and an insufficient supply of sawlogs.

Average prices declined in Florida for both pine and hardwood. On average, pine and hardwood

pulpwood prices increased in South Carolina but western counties were badly hurt with pine bark beetle infestation. Consultants offered few sales in North Carolina, due to poor market conditions, but sawtimber stumpage prices increased. In Virginia, most markets were poor and pine stumpage prices declined.

Comparison with average prices in the 4<sup>th</sup> Quarter 2000 shows that pine pulpwood stumpage prices declined 14% in 2001. Over the year, hardwood pulpwood stumpage increased 28%. These changes reflect a loss in price premium for pine over hardwood pulpwood in most markets.

Southeastern Average Stumpage Prices					
	Prices \$/ton			year ago	
	4Q 01	3Q 01	4Q 00	up/dn	prcnt
<b>Pine Sawtimber</b>	\$35.95	\$35.19	\$36.21	-\$0.26	-0.7%
<b>Pine Chip-n-saw</b>	\$23.72	\$23.44	\$25.88	-\$2.16	-8.4%
<b>Pine Pulpwood</b>	\$6.20	\$6.40	\$7.22	-\$1.02	-14.1%
<b>Hardwood Sawtimber</b>	\$18.61	\$19.03	\$18.55	+\$0.06	+0.3%
<b>Hardwood Pulpwood</b>	\$5.16	\$5.20	\$4.03	+\$1.13	+28.0%

For charts showing five-year trends in pine and hardwood stumpage prices, please visit our web site at [www.TimberMart-South.com](http://www.TimberMart-South.com)

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