

TEXAS TIMBER PRICE TRENDS

Market Overview*

Wet weather led to higher stumpage prices for hardwood (especially pulpwood) in East Texas during March/April 2012. Pine sawlog and pulpwood prices remained flat to slightly lower. Higher diesel costs put downward pressure on stumpage prices.

Pine sawlog prices averaged \$22.11 per ton, 6 percent lower than the last period. This was 11 percent below the price a year ago. In Northeast Texas, the average pine sawlog price was \$24.30 per ton. The average price was \$21.51 per ton in Southeast Texas.

The average pine pulpwood price dropped 7 percent to \$5.48 per ton from the last period. It was roughly the same level as this period one year ago.

Small diameter pine sawlogs (CNS) averaged \$13.51 per ton statewide. This was \$3.29 per ton or 32 percent higher than March/April 2011.

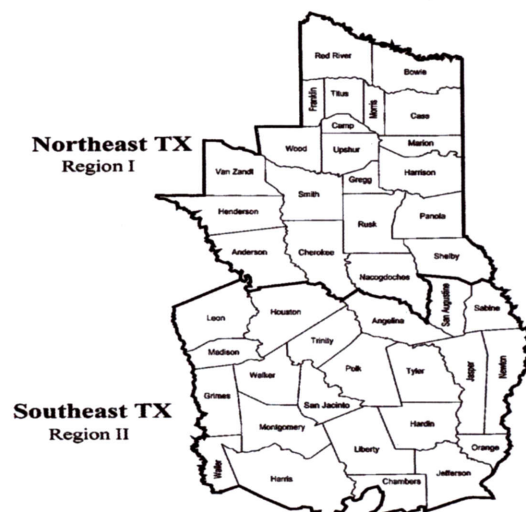
The average hardwood sawlog price was \$25.09 per ton, slightly higher than the last period.

The statewide average hardwood pulpwood priced increased 16 percent to \$9.09 per ton, roughly double the price a year ago.

A recent study by the USFS shows that since 2005, over 1,000 sawmills, 15 pulp mills, and almost 150 other primary mills in closed: one fifth of all mills in the U.S. forest sector. The remaining sawmills operated at 60% of their capacity between 2005-2009. An estimated 300,000 full-time mill jobs were lost over the past five years.

*The average prices reported here represent statewide transactions of 75,606 tons of pine sawlogs, 398,987 tons of pine pulpwood, 52,012 tons of pine CNS, 11,030 tons of mixed hardwood sawlogs, and 17,456 tons of hardwood pulpwood during March/April 2012.

**Texas Timber Price Trends
Market Regions**

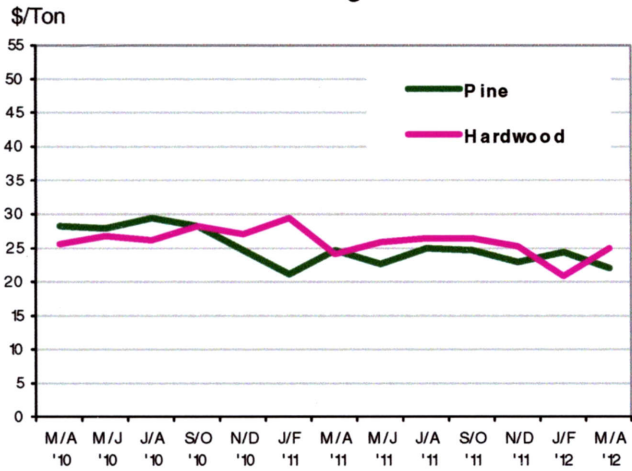


Stumpage Prices in Texas

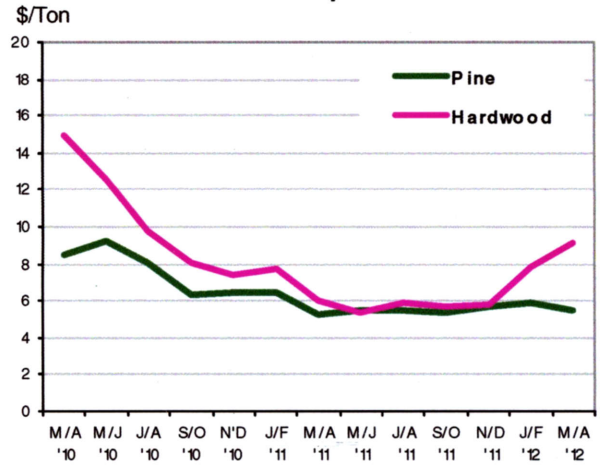
Product /Region	Average Price		Last Period			Year Ago			Report
PINE									
Sawlogs	\$/ton	\$/MBF	\$/ton	\$/MBF	Chg	\$/ton	\$/MBF	Chg	Number
Northeast TX	24.30	195.56	24.56	177.87	-1% ↓	26.90	223.90	-10% ↓	18
Southeast TX	21.51	167.31	21.88	152.83	-2% ↓	23.70	181.53	-9% ↓	10
Statewide	22.11	173.22	23.56	168.35	-6% ↓	24.77	194.88	-11% ↓	28
USFS	3.29	26.31	21.06	168.49	-84% ↓	23.37	186.94	-86% ↓	7
Pulpwood	\$/ton	\$/cord	\$/ton	\$/cord	Chg	\$/ton	\$/cord	Chg	Number
Northeast TX	5.09	13.62	5.20	13.95	-2% ↓	5.45	14.70	-7% ↓	33
Southeast TX	5.64	15.23	6.16	16.63	-8% ↓	5.54	14.96	2% ↑	33
Statewide	5.48	14.77	5.88	15.85	-7% ↓	5.51	14.88	-1% ↓	66
USFS	**	**	2.74	7.39	**	2.75	7.44	**	**
Chip-N-Saw	\$/ton	\$/cord	\$/ton	\$/cord	Chg	\$/ton	\$/cord	Chg	Number
Northeast TX	**	**	11.13	30.04	**	14.33	38.70	**	**
Southeast TX	13.51	36.48	8.66	23.38	56% ↑	10.05	27.14	34% ↑	9
Statewide	13.51	36.48	8.72	23.54	55% ↑	10.22	27.61	32% ↑	9
HARDWOOD									
Mixed Sawlogs	\$/ton	\$/MBF	\$/ton	\$/MBF	Chg	\$/ton	\$/MBF	Chg	Number
Northeast TX	23.34	217.61	21.66	194.91	8% ↑	21.30	194.58	10% ↑	9
Southeast TX	36.45	328.03	30.53	274.79	19% ↑	31.49	283.42	16% ↑	7
Statewide	25.09	232.76	24.06	216.52	4% ↑	24.19	220.03	4% ↑	16
USFS	**	**	2.72	24.49	**	4.12	37.06	**	**
Pulpwood	\$/ton	\$/cord	\$/ton	\$/cord	Chg	\$/ton	\$/cord	Chg	Number
Northeast TX	11.37	33.58	8.70	24.79	31% ↑	5.52	14.72	106% ↑	7
Southeast TX	8.63	24.16	7.07	19.79	22% ↑	4.24	11.86	104% ↑	10
Statewide	9.09	25.66	7.81	22.06	16% ↑	4.39	12.22	107% ↑	17
USFS	**	**	0.36	1.00	**	0.57	1.60	**	**

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.

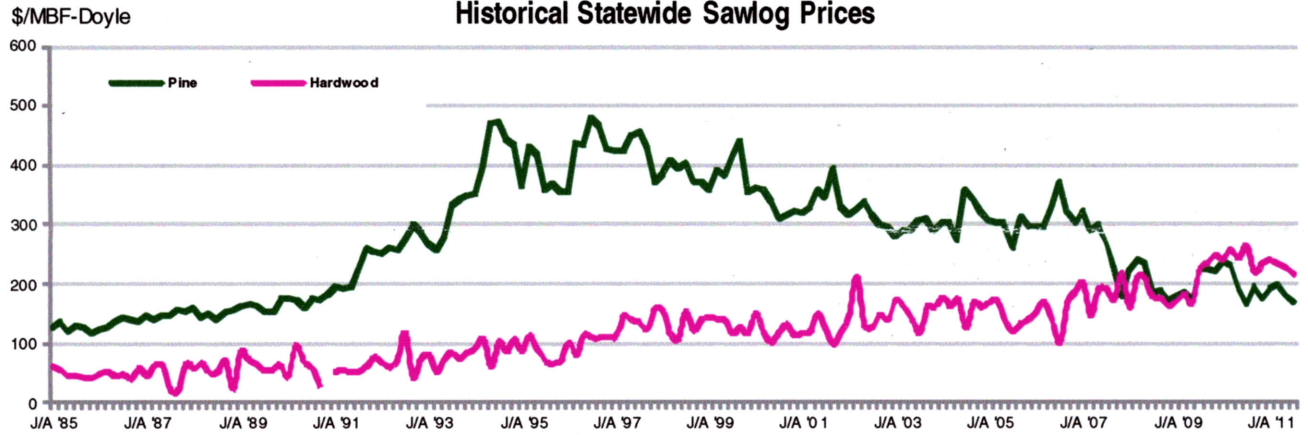
Sawlogs



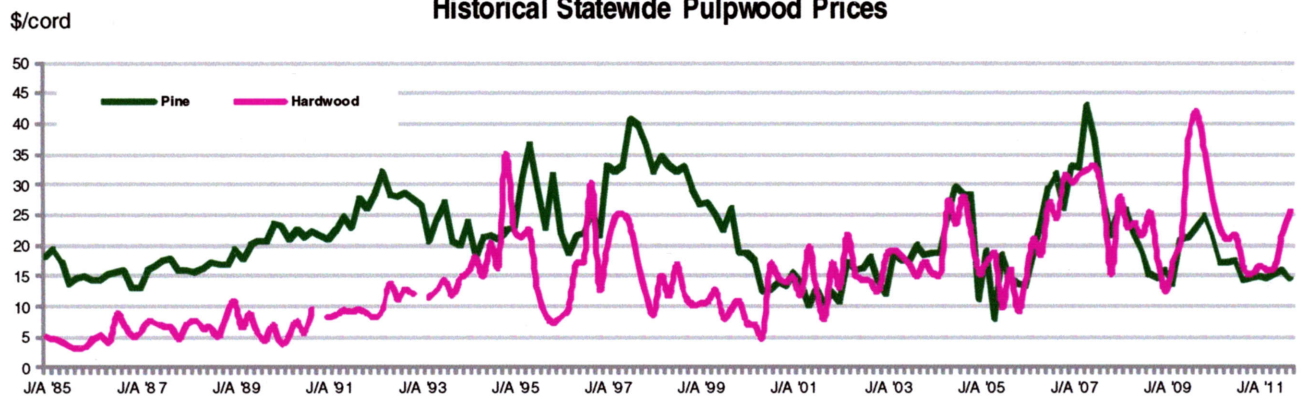
Pulpwood



Historical Statewide Sawlog Prices



Historical Statewide Pulpwood Prices



Note: 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://txforestservicetamu.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.