

TEXAS TIMBER PRICE TRENDS

Market Overview*

U.S. housing starts declined in April after reaching the one million mark in March. Building permits for privately-owned units in April, however, increased by 14.3% compared to the previous month. Increase in building permits, often considered a barometer for future construction, indicates that the housing revival is likely to be sustained. A reporter noted that mills were full, and stumpage prices started dropping in East Texas.

Statewide pine sawlog prices averaged \$21.23, 16% below last period and 6% below the price a year ago. In Northeast Texas, the average pine sawlog price was \$26.60 per ton and it was \$20.35 per ton in Southeast Texas.

The statewide average pine pulpwood price increased to \$5.93 per ton. This was up 3% from the last period and up 4% from the price a year ago. In Northeast Texas, the average pine pulpwood price was \$6.59 per ton. It was \$5.48 in Southeast Texas.

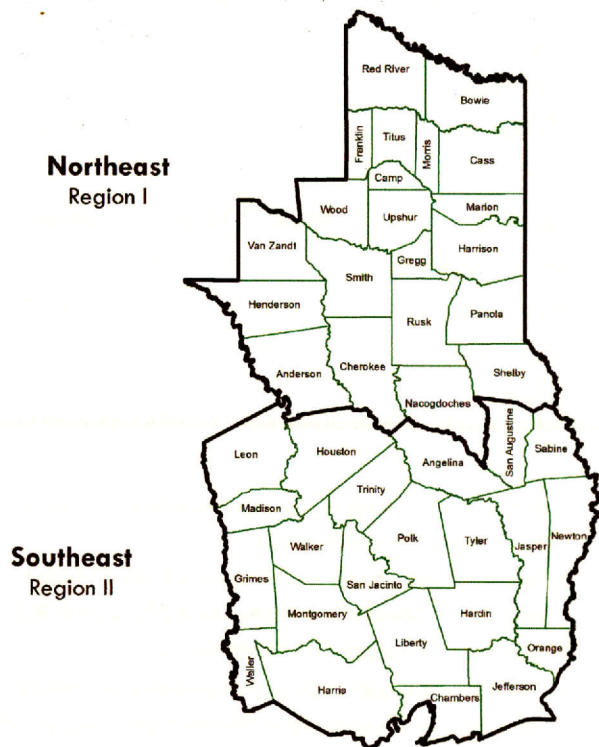
Small diameter pine sawlogs (CNS) averaged \$10.47 statewide, up 13% from the last period. It was down 28% from the price a year ago.

The average hardwood sawlog price was \$31.65 per ton, 4% higher than last period and 20% higher than the price reported a year ago. Of note, average hardwood sawlog price in Northeast Texas was 47% lower than in Southeast Texas.

The average hardwood pulpwood price dropped to \$7.37 per ton. This was 14% lower than the last period and about one-third lower than the price a year ago.

*The average prices reported here represent statewide transactions of 124,746 tons of pine sawlogs, 241,217 tons of pine pulpwood, 49,629 tons of pine CNS, 6,227 tons of mixed hardwood sawlogs, and 27,199 tons of hardwood pulpwood during March/April 2013.

Texas Timber Price Trends Market Regions

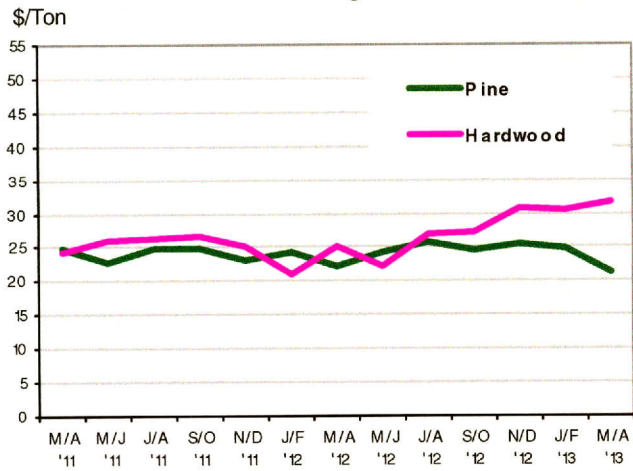


Stumpage Prices in Texas

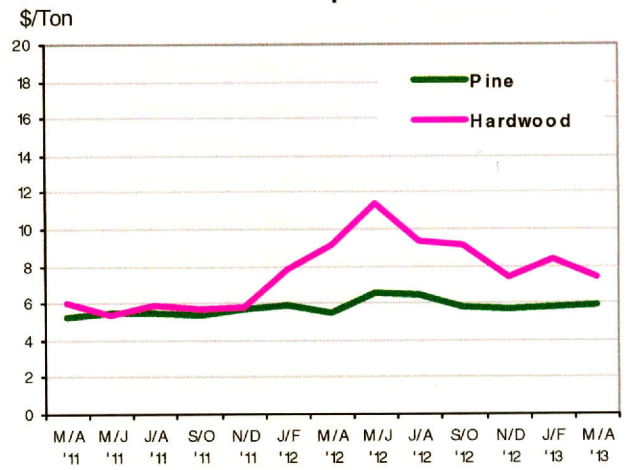
Product /Region	Average Price		Last Period			Year Ago			Report	
PINE										
Sawlogs	\$/Ton	\$/MBF	\$/Ton	\$/MBF	Chg	\$/Ton	\$/MBF	Chg	Number	
Northeast TX	26.60	212.77	28.48	227.82	-7% ↓	24.70	198.70	7% ↑	23	
Southeast TX	20.35	162.83	22.46	179.71	-10% ↓	21.92	170.80	-8% ↓	11	
Statewide	21.23	169.82	24.71	197.68	-16% ↓	22.50	176.53	-6% ↓	34	
USFS	**	**	**	**	**	**	**	**	**	**
Pulpwood	\$/Ton	\$/Cord	\$/Ton	\$/Cord	Chg	\$/Ton	\$/Cord	Chg	Number	
Northeast TX	6.59	17.80	6.14	16.57	7% ↑	4.77	12.82	28% ↑	36	
Southeast TX	5.48	14.79	5.59	15.09	-2% ↓	6.13	16.55	-12% ↓	28	
Statewide	5.93	16.01	5.77	15.57	3% ↑	5.71	15.41	4% ↑	64	
USFS	**	**	**	**	**	**	**	**	**	**
Chip-N-Saw	\$/Ton	\$/Cord	\$/Ton	\$/Cord	Chg	\$/Ton	\$/Cord	Chg	Number	
Northeast TX	**	**	**	**	**	10.13	27.35	**	**	
Southeast TX	10.47	28.27	9.10	24.56	13% ↑	13.39	36.16	-28% ↓	7	
Statewide	10.47	28.27	9.16	24.73	13% ↑	13.38	36.13	-28% ↓	8	
HARDWOOD										
Mixed Sawlogs	\$/Ton	\$/MBF	\$/Ton	\$/MBF	Chg	\$/Ton	\$/MBF	Chg	Number	
Northeast TX	26.34	237.09	25.67	231.06	3% ↑	23.61	219.40	10% ↑	7	
Southeast TX	38.61	347.51	40.75	366.77	-6% ↓	36.45	328.03	6% ↑	8	
Statewide	31.65	284.81	30.41	273.66	4% ↑	25.19	233.16	20% ↑	15	
USFS	**	**	**	**	**	**	**	**	**	**
Pulpwood	\$/Ton	\$/Cord	\$/Ton	\$/Cord	Chg	\$/Ton	\$/Cord	Chg	Number	
Northeast TX	9.59	26.86	10.52	29.45	-10% ↓	10.40	29.81	-8% ↓	8	
Southeast TX	6.37	17.83	6.37	17.83	0% =	9.71	27.18	-52% ↓	8	
Statewide	7.37	20.64	8.42	23.58	-14% ↓	9.79	27.48	-33% ↓	16	
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.

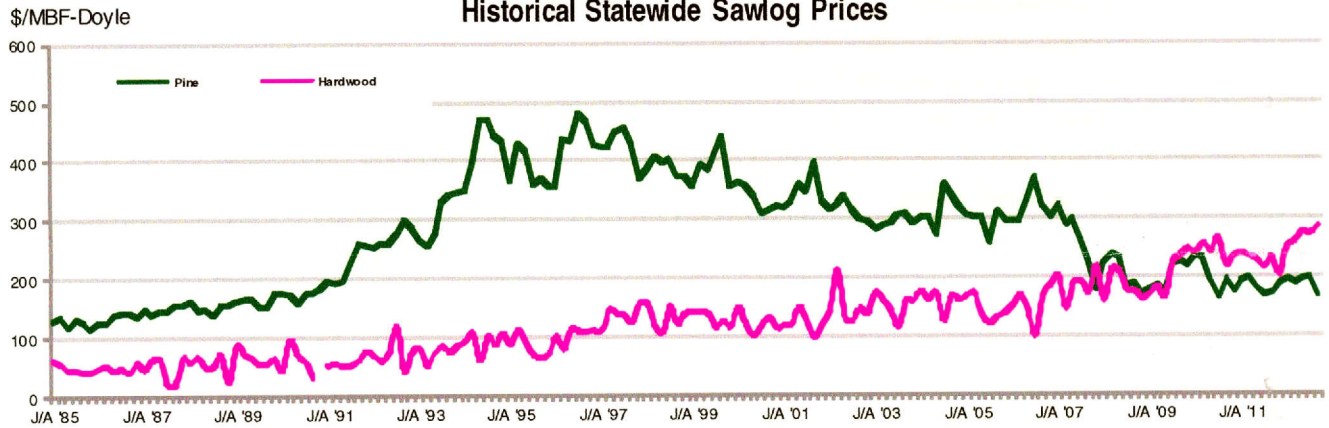
Sawlogs



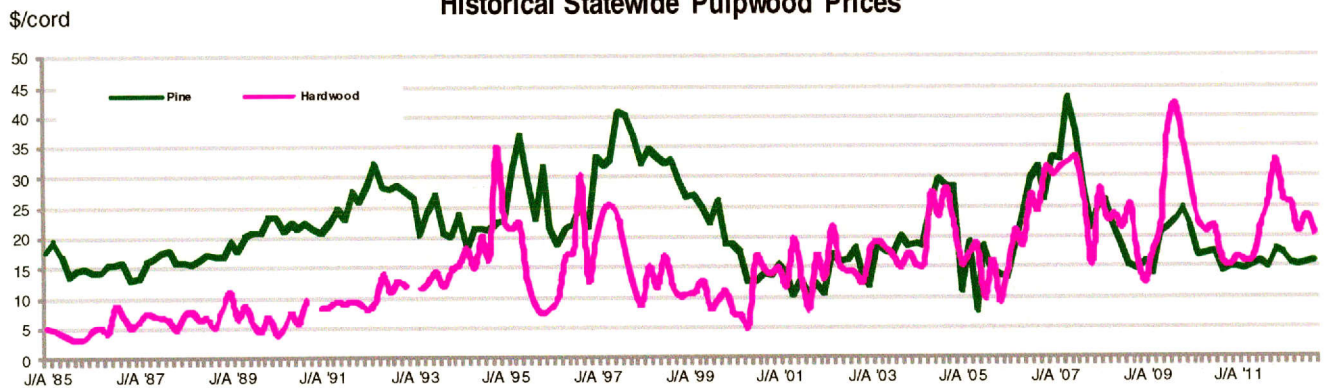
Pulpwood



Historical Statewide Sawlog Prices



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://tfsweb.tamu.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 A&M Forest Service website at:

<http://tfsweb.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.