

TEXAS TIMBER PRICE TRENDS

Market Overview*

Timber markets weakened in September/October due to the extended slump in the housing market and continued dry weather across Texas (sufficient timber supply under favorable logging conditions). Hardwood sawlogs were the only bright spot across the board due to demand from remodeling activities, oil industries and overseas. Fire damaged timber products were sold at discounted prices.

Pine sawlog prices averaged \$24.81 per ton, roughly the same level as the last period. This was 13 percent lower than the price a year ago and less than half of the recent peak price in 2007. The average pine sawlog price was \$25.11 per ton for Northeast Texas and \$24.64 per ton for Southeast Texas.

Statewide, pine pulpwood prices remained at roughly the same level as the last period, averaging \$5.43 per ton. This was 14 percent lower than the price a year ago.

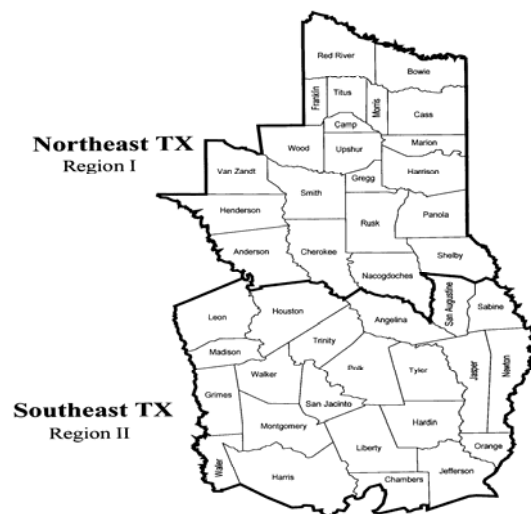
Small diameter sawlog (CNS) prices averaged \$8.02 per ton, 25 percent lower than the same period last year.

The average hardwood sawlog price was \$26.61 per ton, roughly the same level as the last period and the price a year ago.

The average hardwood pulpwood price was \$5.68 per ton, still 30 percent lower than the price a year ago.

*The average prices reported here represent statewide transactions of 106,460 tons of pine sawlogs, 472,424 tons of pine pulpwood, 97,682 tons of pine CNS, 32,628 tons of mixed hardwood sawlogs, and 83,446 tons of hardwood pulpwood during September/October 2011.

**Texas Timber Price Trends
Market Regions**

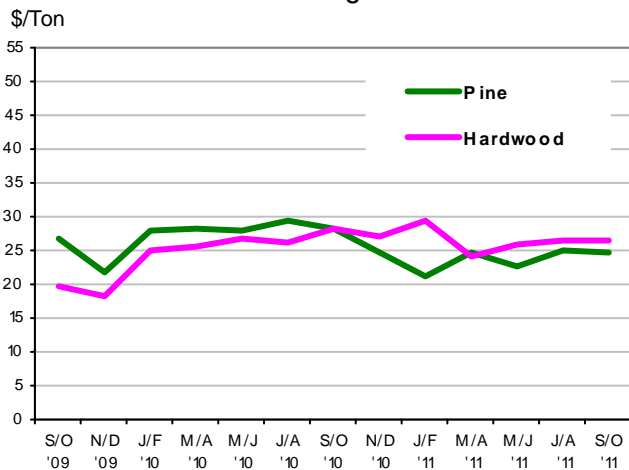


Stumpage Prices in Texas

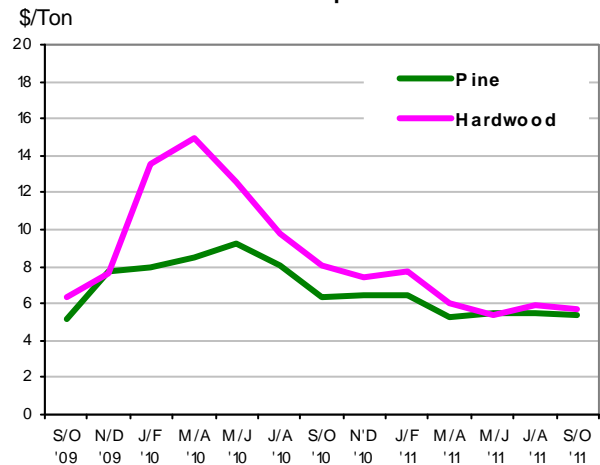
Product /Region	Average Price		Last Period			Year Ago			Report		
PINE											
Sawlogs	\$/ton	\$/MBF	\$/ton	\$/MBF	Chg		\$/ton	\$/MBF	Chg	Number	
Northeast TX	25.11	206.15	28.29	226.31	-11%	↓	26.51	220.55	-5%	↓	31
Southeast TX	24.64	197.15	24.15	183.54	2%	↑	30.23	241.82	-18%	↓	11
Statewide	24.81	200.37	24.91	191.05	0%	↓	28.36	231.35	-13%	↓	42
USFS	**	**	23.63	189.04	**		**	**	**	**	**
Pulpwood	\$/ton	\$/cord	\$/ton	\$/cord	Chg		\$/ton	\$/cord	Chg	Number	
Northeast TX	4.74	12.65	5.46	14.60	-13%	↓	6.86	18.52	-31%	↓	40
Southeast TX	5.61	15.15	5.50	14.84	2%	↑	6.10	16.48	-8%	↓	30
Statewide	5.43	14.63	5.49	14.80	-1%	↓	6.31	17.05	-14%	↓	70
USFS	**	**	3.22	8.69	**		**	**	**	**	**
Chip-N-Saw	\$/ton	\$/cord	\$/ton	\$/cord	Chg		\$/ton	\$/cord	Chg	Number	
Northeast TX	9.91	26.77	**	**	**		**	**	**	**	3
Southeast TX	7.99	21.58	8.99	24.28	-11%	↓	10.72	28.93	-25%	↓	8
Statewide	8.02	21.66	8.99	24.28	-11%	↓	10.75	29.04	-25%	↓	11
HARDWOOD											
Mixed Sawlogs	\$/ton	\$/MBF	\$/ton	\$/MBF	Chg		\$/ton	\$/MBF	Chg	Number	
Northeast TX	22.49	203.50	22.02	204.95	2%	↑	26.13	239.76	-14%	↓	43
Southeast TX	32.17	274.23	30.34	273.03	6%	↑	33.32	299.87	-3%	↓	15
Statewide	26.61	234.64	26.34	240.94	1%	↑	28.15	256.86	-5%	↓	58
USFS	**	**	5.12	46.04	**		**	**	**	**	**
Pulpwood	\$/ton	\$/cord	\$/ton	\$/cord	Chg		\$/ton	\$/cord	Chg	Number	
Northeast TX	6.60	19.23	7.43	21.11	-11%	↓	6.41	17.96	3%	↑	20
Southeast TX	5.24	14.67	5.58	15.61	-6%	↓	8.59	24.04	-39%	↓	19
Statewide	5.68	16.11	5.96	16.75	-5%	↓	8.06	22.56	-30%	↓	39
USFS	**	**	2.04	5.71	**		**	**	**	**	**

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.

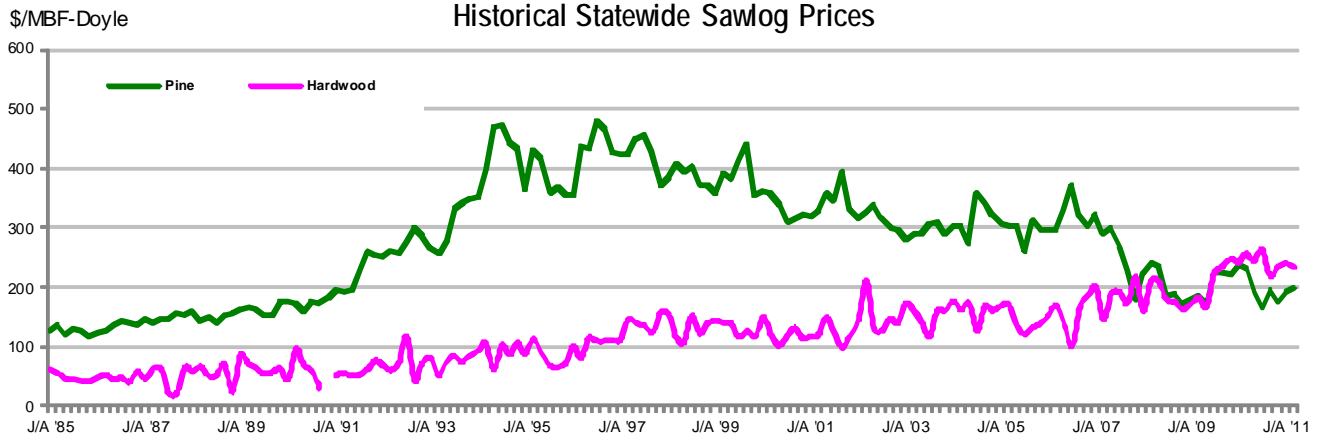
Sawlogs



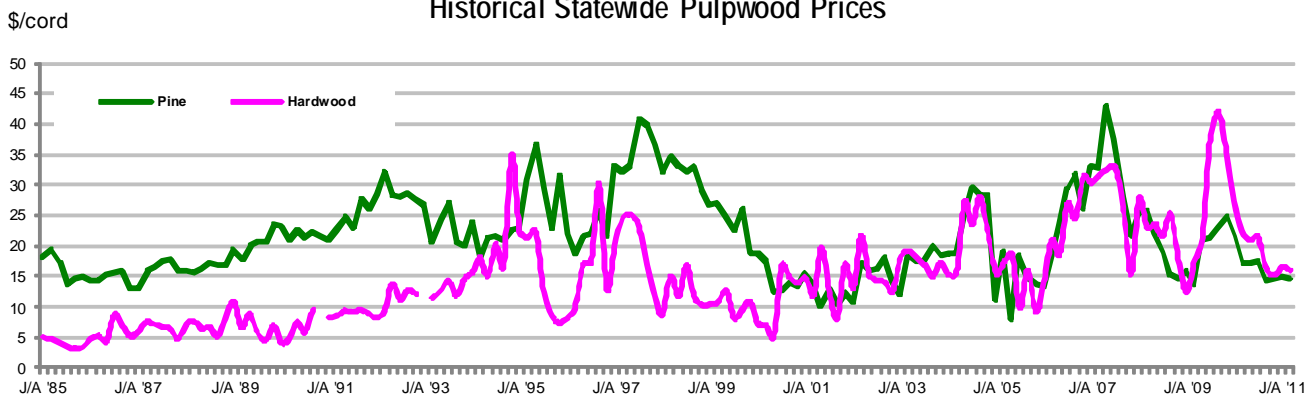
Pulpwood



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://txforestservice.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 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.