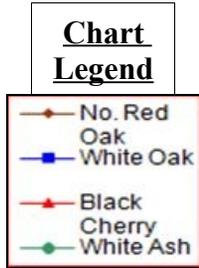




Pennsylvania Woodlands
TIMBER MARKET
REPORT

Third Quarter 2010
July-September



Pulpwood Stumpage...

Private and Other Public Pulpwood Stumpage

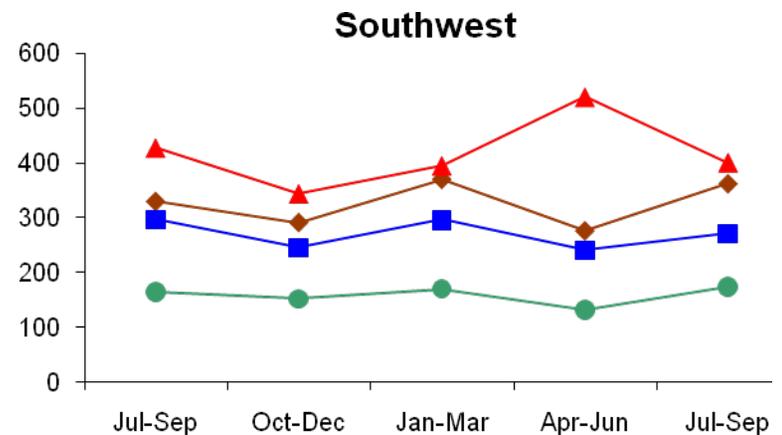
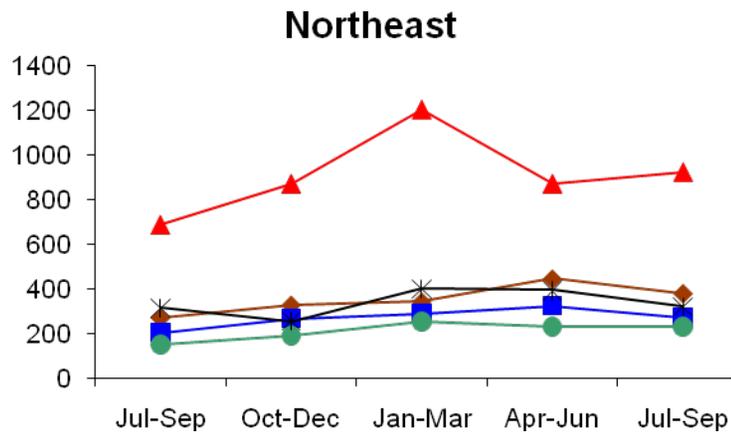
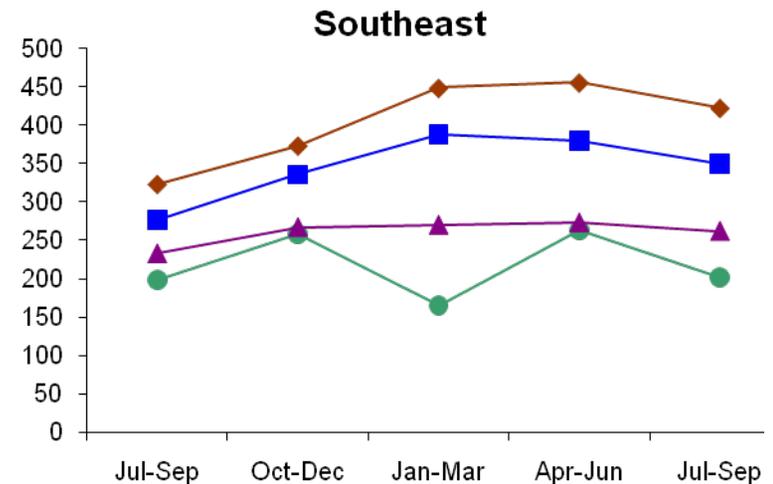
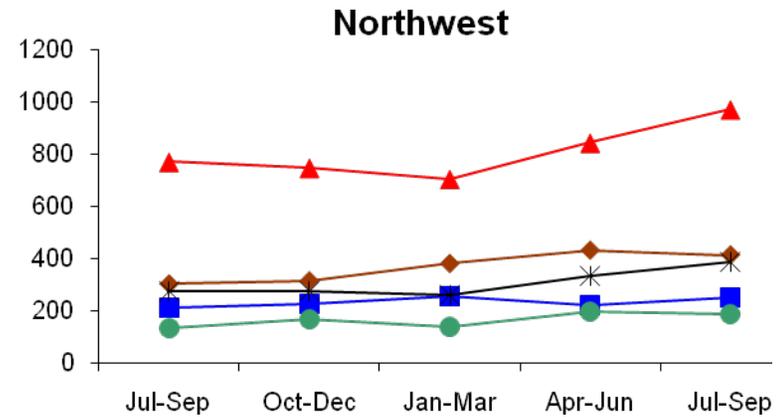
Region	Hardwood Pulp (\$/ton)				Softwood Pulp (\$/ton)			
	Low	Avg.	(n)#	High	Low	Avg.	(n)#	High
Northeast	1	2.85	5	4	*	2.25	2	*
Southeast		2.416667	3	4		^		1
Northwest		1.2758824	17	2.58		^		1
Southwest		2.055	6	2.33		^		1

Bureau of Forestry Pulpwood Stumpage

Region	Hardwood Pulp (\$/ton)				Softwood Pulp (\$/ton)			
	Low	Avg.	(n)#	High	Low	Avg.	(n)#	High
Northeast	0.58	1.4390909	11	3.47	0.65	1.465	10	3.21
Southeast	*	1.4525	2	*	*	1.2575	2	*
Northwest	0.35	1.312	20	2.16	0	1.1975	8	2.03
Southwest	1.06	1.488	5	1.73	1.06	1.23	8	1.84

^ No prices are reported for samples with only a single respondent.

* Ranges are not reported for samples with fewer than three respondents.



This Pennsylvania Woodlands' Timber Market Report gives the prices paid in the Commonwealth of Pennsylvania for stumpage (standing timber) and for logs delivered to sawmills during the months of July through September of 2010. Why four different regions?

The four regions, shown on the cover map, were designed to more accurately reflect the forest products in Pennsylvania. The markets within each of the four regions are unique. For example, the quality and quantity of black cherry produced in the Northwest usually surpasses that of the other three. The Timber Market Report's four regions were developed to take these types of differences into consideration while providing an accurate and easily understandable price report. It is important to note that counties in border areas may reflect the trends of all the regions on which they border.

What do the prices mean?

The Timber Market Report reflects the stumpage and mill prices observed over a three month time period. Due to the dramatic changes common among Pennsylvania's timber markets, past reports may not accurately describe the latest market conditions. A current report is the best guide to the current market status. It must be remembered that this report is based on a survey of loggers, sawmills, pulp and paper companies, consultant foresters, and public agencies. The report is intended to describe general trends in the market and ignore specific timber tract variation. In addition, there are many factors which can influence the price of timber found on a given tract of land. These factors include, but are not limited to:

Size, species, and quality of timber	total volume and volume per acre
Logging conditions	distance to the mill
Season of the year	current market conditions

Sawtimber Stumpage Prices: The sawtimber stumpage price found in this quarter's report are based on the average or mean price as determined from the survey information provided by loggers, sawmill operators, forestry consultants, the Bureau of Forestry, the Pennsylvania Game Commission, and the U. S. Forest Service. Along with the average price, the report includes a plus and minus column. These two columns represent the average price plus/minus one standard deviation. The standard deviation is a measure of the variability or dispersion of all the prices reported for a given species. A range of stumpage prices one standard deviation on either side of the average usually includes two-thirds of all the reported prices for that species. This does not represent the complete range of prices in the species, but it tends to eliminate the extreme values. It shows where the majority (two-thirds) of the reported prices lie.

Mill Prices: Mills report on a dollar per thousand board feet basis for the low, medium, high and veneer prices for logs delivered to the mill. The low, medium, and high categories correspond to the Forest Service log grades F3, F2, F1, respectively. The mill prices represent the average of all the prices reported by sawmills across the state plus those out-of-state mills that purchased Pennsylvania logs. Like stumpage prices, these figures are also broken down regionally. Occasionally, the mill prices by grade will appear to be out of order. This anomaly is caused by a limited number of responses in one of the categories. There are commonly fewer observations (the (n) columns), for mill prices since many mills do not report their mill prices because they supply their mills exclusively by purchasing their own stumpage.

Pulpwood Stumpage Prices: The pulpwood stumpage prices are reported in a manner similar to the sawtimber prices. The major difference is that pulp stumpage is split into two categories. The prices are calculated and reported separately because they represent two different types of forest products. The "Bureau of Forestry" category represents not just pulpwood, but firewood and some low-value sawtimber, too. The "Private and Other Public" category represents forest products specifically used for pulp products. This group includes prices reported by loggers, sawmills, forestry consultants, pulp and paper companies, the Pennsylvania Game Commission, and the U.S. Forest Service.

How do I convert log rules?

All sawtimber prices in this report are based on the International ¼" log rule. The conversion factors used to determine prices in Doyle and Scribner rules are shown below the sawtimber table. Conversion from one log rule to another is somewhat arbitrary in that the conversion factors vary with log size and form class. The conversion factors used to compile this report assume that the average log has a 13-inch diameter at the small end.

Comments:

What some thought was an upswing in the market during the summer was not sustained. For most species and regions, prices either dropped or remained steady this quarter. What is probably keeping prices from dropping more is the need for mills to maintain production by rebuilding inventories. There is also less demand for higher grade lumber at present which also keeps average prices down. One piece of good news: by next quarter we should have a new and exciting TMR website.

Mike Jacobson, Ph.D.
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Kyle Kovach
Extension Associate

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Pennsylvania Woodlands

TIMBER MARKET REPORT

July-September 2010

Stumpage Prices					Mill Prices							
Species	Minus	Avg	Plus	(n)#	Low	(n)#	Med	(n)#	High	(n)#	Veneer	
	(1 St.Dev)		(1 St.Dev)		F3+		F2+		F1+		Avg	(n)#
NORTHEAST					<i>(\$ per M B F International 1/4")</i>							
Northern Red Oak	223	383	467	(12)	0	(0)	380	(1)	0	(0)	0	(0)
White Oak	183	273	405	(11)	0	(0)	400	(1)	0	(0)	0	(0)
Mixed Oak	186	274	346	(12)	0	(0)	390	(1)	0	(0)	0	(0)
Black Cherry	771	925	1637	(9)	0	(0)	0	(0)	0	(0)	0	(0)
White Ash	189	232	321	(10)	0	(0)	340	(1)	0	(0)	0	(0)
Hard Maple	248	322	556	(7)	0	(0)	0	(0)	0	(0)	0	(0)
Soft Maple	194	264	350	(17)	0	(0)	500	(1)	0	(0)	0	(0)
Yellow-Poplar	172	216	252	(8)	0	(0)	300	(1)	0	(0)	0	(0)
Misc. Hardwoods	68	107	204	(6)	0	(0)	0	(0)	0	(0)		
White Pine	38	66	94	(6)	0	(0)	0	(0)	0	(0)		
Hemlock	0	45	122	(7)	0	(0)	0	(0)	0	(0)		
SOUTHEAST												
Northern Red Oak	310	423	536	(17)	0	(0)	0	(0)	0	(0)	0	(0)
White Oak	277	350	423	(17)	0	(0)	0	(0)	0	(0)	0	(0)
Mixed Oak	250	335	420	(16)	0	(0)	0	(0)	0	(0)	0	(0)
Black Cherry	378	605	832	(5)	0	(0)	0	(0)	0	(0)	0	(0)
White Ash	166	202	238	(8)	0	(0)	0	(0)	0	(0)	0	(0)
Hard Maple	335	417	499	(4)	0	(0)	0	(0)	0	(0)	0	(0)
Soft Maple	167	217	267	(11)	0	(0)	0	(0)	0	(0)	0	(0)
Yellow-poplar	223	263	303	(12)	0	(0)	0	(0)	0	(0)	0	(0)
Misc. Hardwoods	152	182	212	(15)	0	(0)	0	(0)	0	(0)		
White Pine	74	117	160	(5)	0	(0)	0	(0)	0	(0)		
Hemlock	78	110	142	(4)	0	(0)	0	(0)	0	(0)		
NORTHWEST												
Northern Red Oak	303	413	523	(31)	140	(2)	317	(2)	486	(2)	697	(8)
White Oak	144	248	352	(24)	132	(2)	291	(2)	435	(2)	697	(4)
Mixed Oak	123	219	315	(24)	140	(2)	262	(2)	398	(2)	649	(1)
Black Cherry	537	970	1403	(45)	192	(2)	486	(2)	0	(0)	2073	(7)
White Ash	109	188	267	(36)	132	(2)	218	(2)	295	(2)	324	(2)
Hard Maple	267	385	503	(24)	154	(2)	328	(2)	538	(2)	1145	(5)
Soft Maple	126	224	322	(48)	132	(2)	254	(2)	376	(2)	0	(0)
Yellow-poplar	72	165	258	(17)	125	(2)	170	(2)	228	(2)	236	(1)
Misc. Hardwoods	20	62	104	(24)	110	(2)	129	(2)	154	(2)		
White Pine	2	37	76	(3)	103	(1)	103	(1)	103	(1)		
Hemlock	0	40	78	(11)	88	(1)	88	(1)	88	(1)		
SOUTHWEST												
Northern Red Oak	230	362	494	(19)	129	(2)	372	(2)	559	(2)	863	(1)
White Oak	178	272	366	(19)	129	(2)	330	(2)	516	(2)	690	(1)
Mixed Oak	140	225	310	(18)	108	(1)	216	(1)	259	(1)	0	(0)
Black Cherry	255	401	547	(14)	142	(2)	416	(2)	0	(0)	1208	(1)
White Ash	100	174	248	(11)	129	(2)	280	(2)	422	(2)	0	(0)
Hard Maple	161	270	379	(13)	129	(2)	326	(2)	566	(2)	690	(1)
Soft Maple	96	174	252	(17)	104	(2)	190	(2)	308	(2)	0	(0)
Yellow-poplar	78	132	186	(11)	114	(2)	190	(2)	274	(2)	0	(0)
Misc. Hardwoods	65	83	101	(12)	108	(1)	129	(1)	173	(1)		
White Pine	41	95	149	(5)	108	(1)	0	(0)	0	(0)		
Hemlock	44	77	110	(3)	108	(1)	0	(0)	0	(0)		

#n is the number of responses used to calculate the price statistics.