



Pennsylvania Woodlands
TIMBER MARKET

REPORT

**Fourth Quarter 2011
 October-December**

**Chart
 Legend**

- ◆— No. Red Oak
- White Oak
- ▲— Black Cherry
- White Ash
- *— Hard Maple

Pulpwood Stumpage...

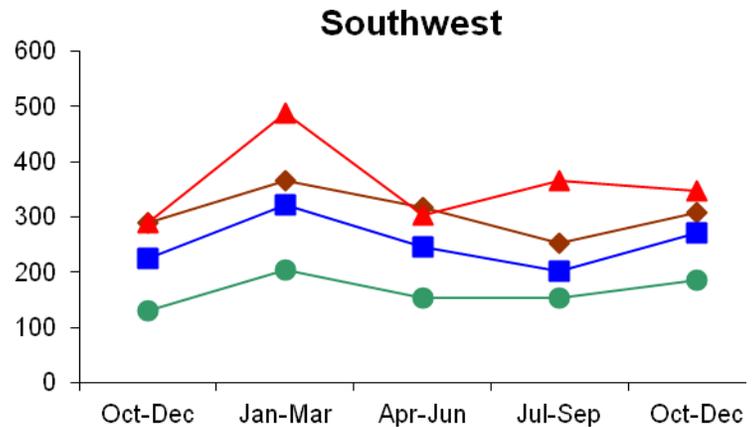
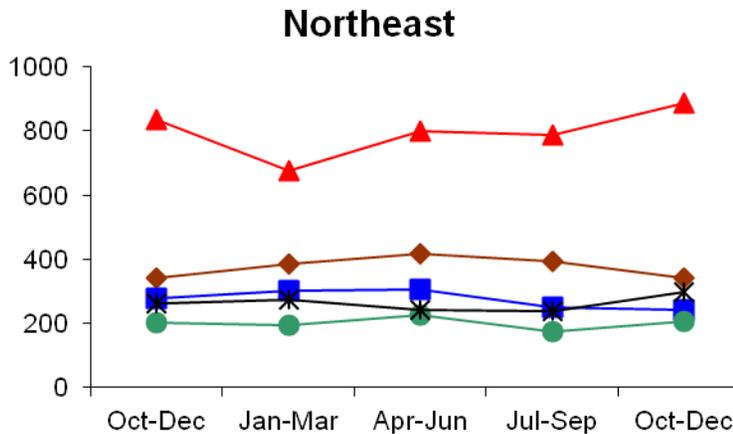
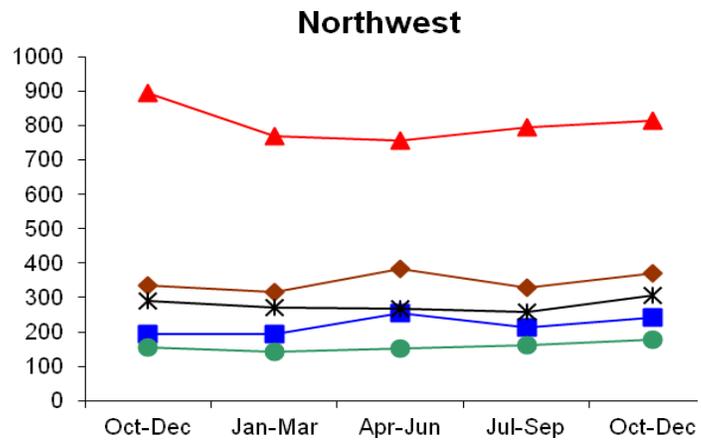
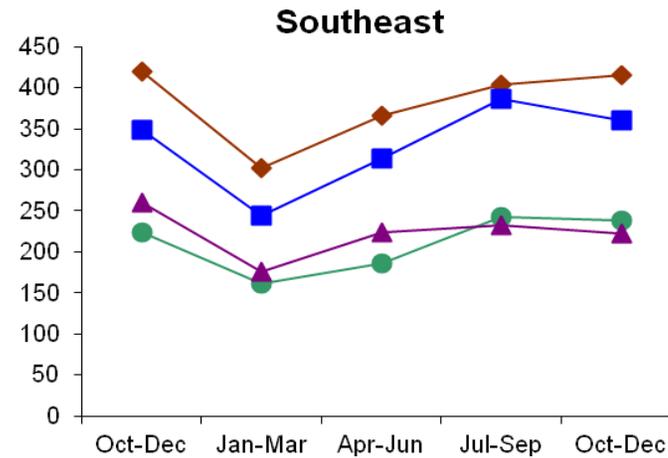
Private and Other Public Pulpwood Stumpage

Region	Hardwood Pulp (\$/ton)				Softwood Pulp (\$/ton)			
	Low	Avg	(n)#	High	Low	Avg	(n)#	High
Northeast	1.00	2.15	5	3.00			0	
Southeast	0.60	3.58	3	4.25	^	^	1	^
Northwest	0.54	4.26	10	19.00	*	0.83	2	*
Southwest	0.75	3.33	3	5.00	*	4.50	2	*

Bureau of Forestry Pulpwood Stumpage

Region	Hardwood Pulp (\$/ton)				Softwood Pulp (\$/ton)			
	Low	Avg	(n)#	High	Low	Avg	(n)#	High
Northeast	0.28	0.93	6	1.64	0.58	0.93	5	1.64
Southeast	1.80	2.47	4	3.2	2.05	2.34	4	2.88
Northwest	1.26	2.41	14	6.78	0.00	2.35	9	6.78
Southwest	1.91	2.36	6	3.24	1.91	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 October through December of 2011. 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:

This is the first quarter in while where on average most individual species prices have nudged upward since the previous quarter. The increase is minimal but it does suggest some stability in the markets as the trend is positive. Factors for this up tick include rebuilding low inventories, higher bids on public lands, and stronger export markets. Higher grade lumber is still relatively weak compared to other products.

Mike Jacobson, Ph.D.
Associate Professor
Extension Forester

Kyle Kovach
Extension Associate

Funded by the Renewable Resources Extension Act

.....

The Pennsylvania State University is committed to the policy that all persons shall have equal access to programs, facilities, admission, and employment without regard to personal characteristics not related to ability, performance, or qualifications as determined by University policy or by state or federal authorities. It is the policy of the University to maintain an academic and work environment free of discrimination, including harassment. The Pennsylvania State University prohibits discrimination and harassment against any person because of age, ancestry, color, disability, or handicap, national origin, race, religious creed, sex, sexual orientation, or veteran status. Discrimination or harassment against faculty, staff, or students will not be tolerated at The Pennsylvania State University. Direct all inquiries regarding the nondiscrimination policy to the Affirmative Action Director, 201 Willard Building, University Park, PA 16802-2801, Tel 814-865-4700/V, 814-863-1150/T

**The Pennsylvania State University
School of Forest Resources
Cooperative Extension
320 Forest Resources Building
University Park, PA 16802
(814) 863-0401
www.sfr.cas.psu.edu/TMR**

Pennsylvania Woodlands

TIMBER MARKET REPORT

October-December 2011

Stumpage Prices					Mill Prices							
Species	Minus		Plus		Low	Med		High		Veneer		
	(1 St.Dev)	Avg	(1 St.Dev)	(n)#		F3+	(n)#	F2+	(n)#	F1+	(n)#	Avg
NORTHEAST					(\$ per MBF International 1/4")							
Northern Red Oak	221	340	459	(12)	0	(0)	440	(1)	0	(0)	0	(0)
White Oak	129	243	357	(10)	0	(0)	450	(1)	0	(0)	0	(0)
Mixed Oak	151	251	351	(10)	0	(0)	420	(2)	0	(0)	0	(0)
Black Cherry	603	888	1173	(11)	0	(0)	0	(0)	0	(0)	0	(0)
White Ash	144	208	272	(14)	0	(0)	350	(1)	0	(0)	0	(0)
Hard Maple	212	300	388	(9)	0	(0)	0	(0)	0	(0)	0	(0)
Soft Maple	109	213	317	(17)	0	(0)	510	(1)	0	(0)	0	(0)
Yellow-Poplar	149	200	251	(4)	0	(0)	320	(1)	0	(0)	0	(0)
Misc. Hardwoods	40	70	140	(3)	0	(0)	0	(0)	0	(0)		
White Pine	23	51	79	(3)	0	(0)	0	(0)	0	(0)		
Hemlock	30	44	58	(4)	0	(0)	0	(0)	0	(0)		
SOUTHEAST												
Northern Red Oak	286	415	544	(14)	0	(0)	0	(0)	0	(0)	0	(0)
White Oak	248	361	474	(13)	0	(0)	0	(0)	0	(0)	0	(0)
Mixed Oak	217	304	391	(15)	0	(0)	0	(0)	0	(0)	0	(0)
Black Cherry	186	461	736	(6)	0	(0)	0	(0)	0	(0)	0	(0)
White Ash	229	238	247	(4)	0	(0)	0	(0)	0	(0)	0	(0)
Hard Maple	0	400	0	(1)	0	(0)	0	(0)	0	(0)	0	(0)
Soft Maple	132	211	290	(11)	0	(0)	0	(0)	0	(0)	0	(0)
Yellow-poplar	175	222	269	(10)	0	(0)	0	(0)	0	(0)	0	(0)
Misc. Hardwoods	129	169	209	(11)	0	(0)	0	(0)	0	(0)		
White Pine	70	101	132	(5)	0	(0)	0	(0)	0	(0)		
Hemlock	52	82	112	(3)	0	(0)	0	(0)	0	(0)		
NORTHWEST												
Northern Red Oak	275	370	465	(25)	206	(1)	398	(1)	590	(1)	678	(4)
White Oak	146	243	340	(19)	206	(1)	398	(1)	590	(1)	678	(3)
Mixed Oak	103	204	305	(16)	206	(1)	310	(1)	413	(1)	413	(1)
Black Cherry	371	816	1261	(33)	236	(1)	472	(1)	0	(0)	1446	(4)
White Ash	109	177	245	(26)	221	(1)	347	(1)	472	(1)	472	(1)
Hard Maple	181	307	433	(33)	206	(1)	457	(1)	708	(1)	929	(4)
Soft Maple	81	189	297	(38)	206	(1)	310	(1)	413	(1)	413	(1)
Yellow-poplar	47	121	195	(11)	206	(1)	214	(1)	221	(1)	221	(1)
Misc. Hardwoods	18	57	115	(13)	206	(1)	206	(1)	206	(1)		
White Pine	10	44	78	(6)	0	(0)	0	(0)	0	(0)		
Hemlock	16	40	64	(8)	0	(0)	0	(0)	0	(0)		
SOUTHWEST												
Northern Red Oak	159	307	455	(14)	101	(2)	288	(2)	368	(2)	662	(3)
White Oak	138	272	406	(13)	101	(2)	274	(2)	353	(2)	556	(3)
Mixed Oak	111	222	333	(12)	101	(2)	234	(2)	309	(2)	0	(0)
Black Cherry	144	348	552	(11)	101	(2)	468	(2)	0	(0)	898	(2)
White Ash	105	185	265	(12)	101	(2)	274	(2)	338	(2)	0	(0)
Hard Maple	104	247	390	(8)	101	(2)	418	(2)	548	(2)	900	(1)
Soft Maple	104	174	244	(15)	101	(2)	259	(2)	388	(2)	0	(0)
Yellow-poplar	61	105	149	(8)	101	(2)	144	(2)	184	(2)	0	(0)
Misc. Hardwoods	44	78	112	(8)	101	(2)	106	(2)	88	(1)		
White Pine	49	113	177	(4)	77	(1)	106	(2)	88	(1)		
Hemlock	83	91	99	(3)	77	(1)	106	(2)	88	(1)		
#n is the number of responses used to calculate the price statistics.												
Conversion Factors:												
Doyle Price=1.695 x International 1/4" Price												
Scribner Price=1.159 x International 1/4" Price												