



Pennsylvania Woodlands
TIMBER MARKET

REPORT

**Third Quarter 2013
July-September**

**Chart
Legend**



Pulpwood Stumpage...

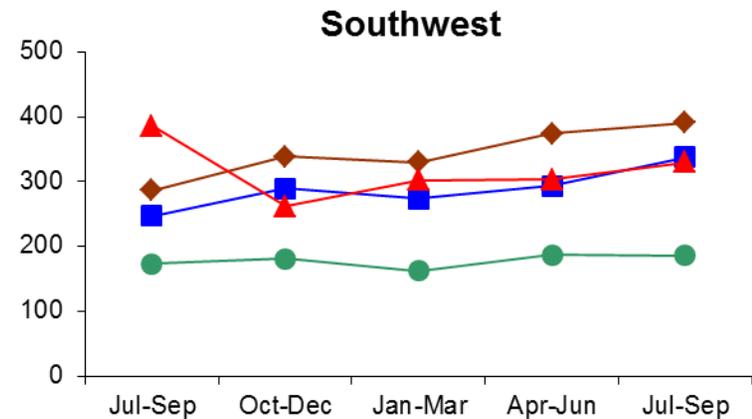
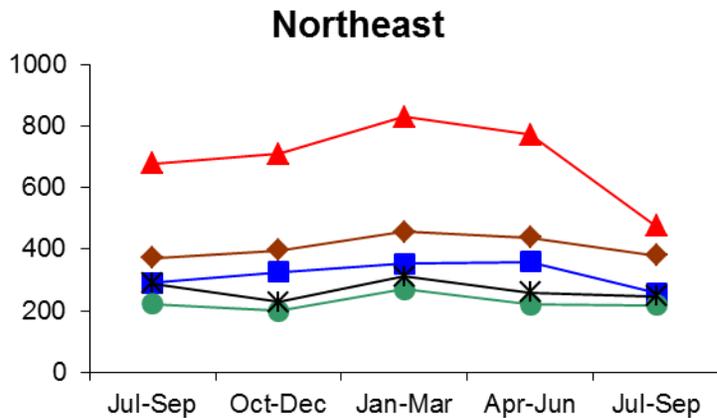
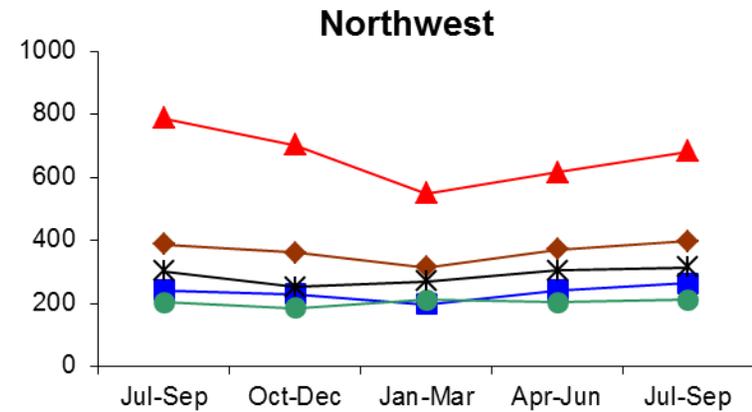
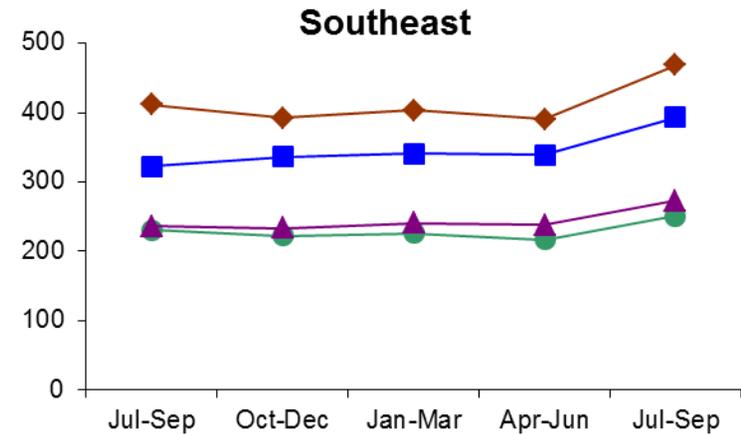
Private and Other Public Pulpwood Stumpage

Region	Hardwood Pulp (\$/ton)				Softwood Pulp (\$/ton)			
	Low	Avg	(n)#	High	Low	Avg	(n)#	High
Northeast	1.00	3.14	7	6.00	*	3.25	2	*
Southeast	^	^	1	^	^	^	1	^
Northwest	1.00	1.89	14	4.00	*	0.83	2	*
Southwest	^	^	1	^			0	

Bureau of Forestry Pulpwood Stumpage

Region	Hardwood Pulp (\$/ton)				Softwood Pulp (\$/ton)			
	Low	Avg	(n)#	High	Low	Avg	(n)#	High
Northeast	0.52	2.14	11	5.85	0.52	2.32	9	5.85
Southeast	0.90	2.02	5	3.23	0.90	1.84	5	2.74
Northwest	1.26	2.39	16	4.2	0.00	2.53	6	4.2
Southwest	1.63	1.92	4	2.07	1.63	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 outlined quarter. 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 1/4" 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:

Not much overall price movement in 3rd quarter 2013. Prices seem to be on a slow upward trend as activity picks up. This probably reflects growing demand, especially export markets, while supply is limited by sales and logger availability. We are hearing the Ash market is strong.

Mike Jacobson, Ph.D.
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Pennsylvania Woodlands

TIMBER MARKET REPORT

July-September 2013

		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	(n)#
NORTHEAST												
(\$ per MBF International 1/4")												
Northern Red Oak	281	380	479	(14)	0	(0)	510	(1)	0	(0)	0	(0)
White Oak	158	257	356	(16)	0	(0)	490	(1)	0	(0)	0	(0)
Mixed Oak	125	235	345	(15)	0	(0)	480	(2)	0	(0)	0	(0)
Black Cherry	298	475	652	(9)	0	(0)	0	(0)	0	(0)	0	(0)
White Ash	165	218	271	(11)	0	(0)	360	(1)	0	(0)	0	(0)
Hard Maple	179	247	315	(8)	0	(0)	0	(0)	0	(0)	0	(0)
Soft Maple	107	194	281	(20)	0	(0)	550	(1)	0	(0)	0	(0)
Yellow-Poplar	115	223	331	(4)	0	(0)	360	(2)	0	(0)	0	(0)
Misc. Hardwoods	24	95	161	(6)	0	(0)	0	(0)	0	(0)		
White Pine	53	72	91	(2)	155	(1)	216	(1)	216	(1)		
Hemlock	45	65	85	(4)	155	(1)	216	(1)	237	(1)		
SOUTHEAST												
Northern Red Oak	333	469	605	(13)	0	(0)	0	(0)	0	(0)	0	(0)
White Oak	271	393	515	(14)	0	(0)	0	(0)	0	(0)	0	(0)
Mixed Oak	237	350	463	(14)	0	(0)	0	(0)	0	(0)	0	(0)
Black Cherry	516	591	666	(3)	0	(0)	0	(0)	0	(0)	0	(0)
White Ash	166	251	336	(6)	0	(0)	0	(0)	0	(0)	0	(0)
Hard Maple	429	498	567	(3)	0	(0)	0	(0)	0	(0)	0	(0)
Soft Maple	152	224	296	(10)	0	(0)	0	(0)	0	(0)	0	(0)
Yellow-poplar	204	273	342	(8)	0	(0)	0	(0)	0	(0)	0	(0)
Misc. Hardwoods	119	179	239	(9)	0	(0)	0	(0)	0	(0)		
White Pine	98	113	128	(4)	0	(0)	0	(0)	0	(0)		
Hemlock	0	0	0	(0)	0	(0)	0	(0)	0	(0)		
NORTHWEST												
Northern Red Oak	265	397	529	(32)	153	(3)	368	(4)	472	(3)	713	(6)
White Oak	176	264	352	(23)	137	(3)	284	(4)	413	(3)	713	(6)
Mixed Oak	130	228	326	(23)	144	(3)	269	(4)	383	(3)	600	(3)
Black Cherry	401	682	963	(40)	139	(3)	427	(4)	0	(0)	1780	(6)
White Ash	145	211	277	(31)	98	(3)	266	(4)	364	(3)	462	(3)
Hard Maple	214	315	416	(37)	231	(3)	443	(4)	629	(3)	1003	(5)
Soft Maple	157	227	297	(45)	144	(3)	307	(4)	442	(3)	442	(2)
Yellow-poplar	45	117	189	(17)	103	(2)	199	(3)	320	(2)	320	(2)
Misc. Hardwoods	22	51	80	(18)	103	(2)	138	(3)	126	(2)		
White Pine	10	37	64	(9)	88	(1)	103	(1)	103	(1)		
Hemlock	13	38	63	(12)	88	(1)	88	(1)	88	(1)		
SOUTHWEST												
Northern Red Oak	279	391	503	(8)	0	(0)	0	(0)	0	(0)	0	(0)
White Oak	240	338	436	(8)	0	(0)	0	(0)	0	(0)	0	(0)
Mixed Oak	186	275	364	(8)	0	(0)	0	(0)	0	(0)	0	(0)
Black Cherry	229	330	431	(4)	0	(0)	0	(0)	0	(0)	0	(0)
White Ash	139	186	233	(4)	0	(0)	0	(0)	0	(0)	0	(0)
Hard Maple	209	312	415	(5)	0	(0)	0	(0)	0	(0)	0	(0)
Soft Maple	156	212	268	(8)	0	(0)	0	(0)	0	(0)	0	(0)
Yellow-poplar	147	204	261	(5)	0	(0)	0	(0)	0	(0)	0	(0)
Misc. Hardwoods	65	101	137	(4)	0	(0)	0	(0)	0	(0)		
White Pine	45	94	143	(2)	0	(0)	0	(0)	0	(0)		
Hemlock	0	59	0	(1)	0	(0)	0	(0)	0	(0)		
#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												