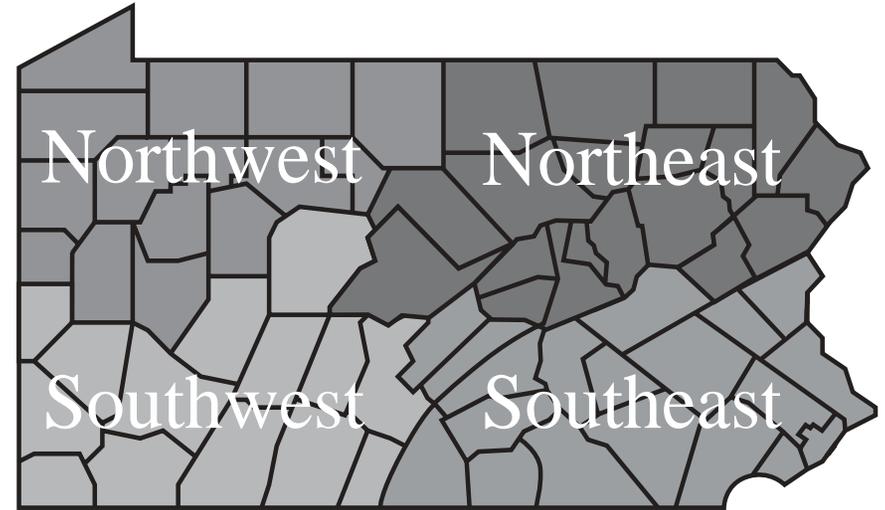


Pennsylvania Woodlands

TIMBER MARKET REPORT

**First Quarter 2003
January-March**



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Cooperative Extension
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(814) 863-0401
www.sfr.cas.psu.edu/TMR/TMR.htm**

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 January, February, and March of 2003.

Why four different regions?

The four regions, shown on the cover map, were designed to more accurately reflect the forest products markets 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 period. Due to the dramatic changes common in Pennsylvania's timber markets, past reports may not accurately describe the latest market conditions. A current report is one's 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:

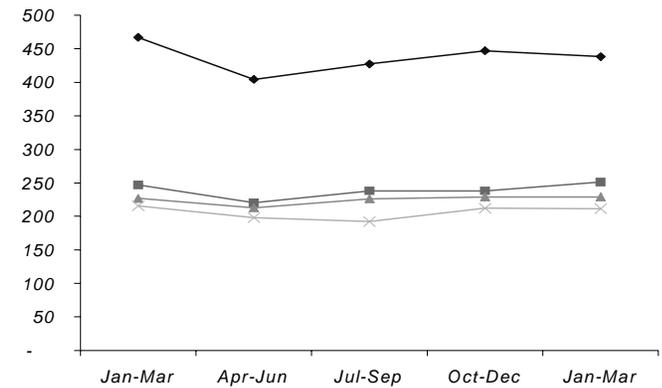
size, species and quality of timber	total volume and volume per acre
logging conditions	distance to the mill
season of the year	current market conditions
	end product of manufacture

Sawtimber Stumpage Prices: The sawtimber stumpage prices 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 and 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 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 and F1, respectively. The mill prices represent the average of all the the prices reported by sawmills across the state plus those out-of-state mills which purchase 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 occurs when the average prices of a lower grade exceeds the average price of a higher grade. 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.

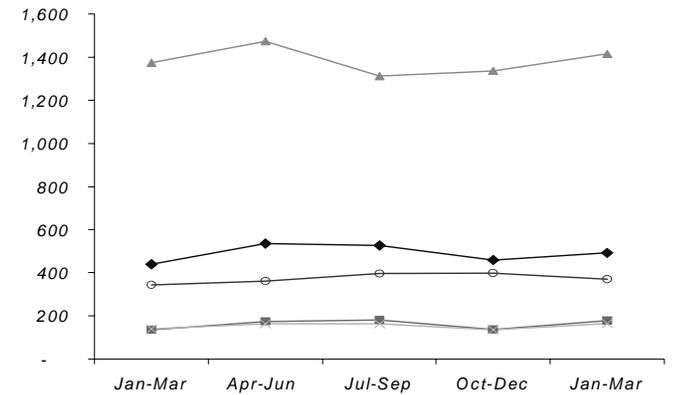
SOUTH-EAST

- ◆ No. Red Oak
- White Oak
- ▲ White Ash
- × Yellow-Poplar



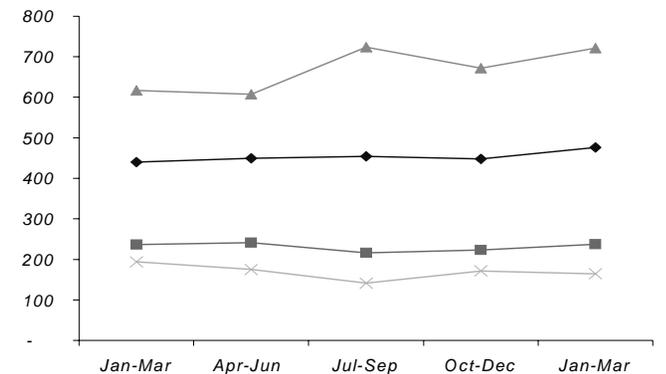
NORTH-WEST

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



SOUTH-WEST

- ◆ No. Red Oak
- White Oak
- ▲ Black Cherry
- × White Ash



Average price (\$ per MMBF, International 1/4" rule) by market report period for sawtimber stumpage sold in Pennsylvania by market region and species.

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	6.00	(7)	14.14		8.50*	(2)	
Southeast		0.00^	(1)			0.00^	(1)	
Northwest	0.71	2.92	(9)	5.13	0.25	1.42	(3)	2.84
Southwest	0.51	2.51	(8)	4.50		0.00^	(1)	

Bureau of Forestry Pulpwood Stumpage

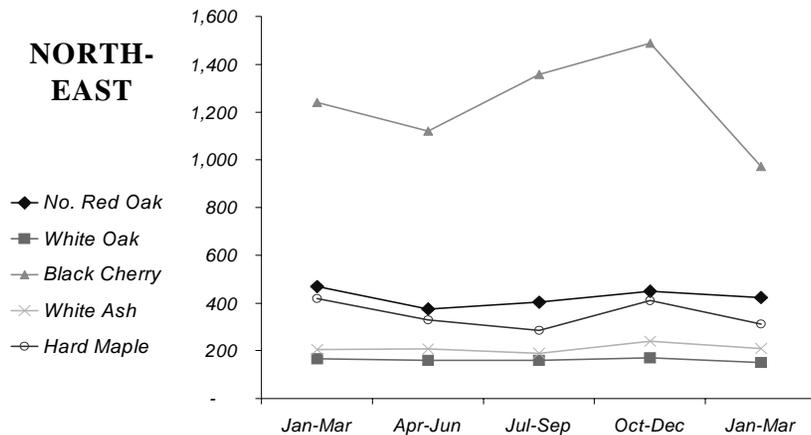
Region	Hardwood Pulp(\$/ton)				Softwood Pulp(\$/ton)			
	Low	Avg	(n)#	High	Low	Avg	(n)#	High
Northeast	2.26	3.15	(4)	4.04		0.00^	(1)	
Southeast	12.07	15.50*	(4)	16.97	13.4	13.49	(3)	13.49
Northwest	2.34	5.01	(8)	7.68		0.00^	(1)	
Southwest	8.16	12.53	(9)	16.91		10.29*	(2)	

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

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

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.

Stumpage Price Trends...



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 rule 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:

Uncertainty about the economy still prevails, but the timber market in Pennsylvania seemed unfazed during the first quarter of 2003. Prices either remained steady or increased slightly. The only major change was the almost one-third drop in black cherry prices in the Northeast region. This change probably reflects the anomaly that occurred last quarter in which average black cherry prices were higher in Northeast than in the Northwest. In the few years I have been following timber prices in Pennsylvania I had not seen that happen. This highlights the importance of getting price data from everyone selling or buying timber in the state. If you would like to receive the forms to submit stumpage prices, please contact us.

Sincerely,

Prepared by: Mike Jacobson, Ph.D.
Assistant Professor
Extension Forester

Funded by the Renewable Resources Extension Act

Would you like to provide input to the TMR? We encourage all sawmill operators, loggers, and consulting foresters to add their two-cents worth. If you would like to contribute, please complete the following form and send it to 7 Ferguson Bldg, State College, PA 16802. We'll make sure you get a questionnaire next quarter. Thanks!

(Clip and Send)

Name: _____
Title: _____
Address: _____
City: _____ State: _____ ZIP: _____
Check as appropriate: Sawmill, Logger, Forester
Phone: (optional) _____

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Pennsylvania Woodlands
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January-March 2003

SPECIES	STUMPAGE PRICES						MILL PRICES					
	Minus (1 ST.DEV)	Avg	(n)#	Plus (1 ST.DEV)	Low F3+	(n)#	Med F2+	(n)#	High F1+	(n)#	Veneer Avg	(n)#
NORTHEAST (\$ per MBF International 1/4")												
Northern Red Oak	292	422	(13)	551	0	(0)	387	(2)	0	(0)	0	(0)
White Oak	95	151	(10)	207	0	(0)	195	(2)	0	(0)	0	(0)
Mixed Oak	122	167	(9)	212	0	(0)	276	(1)	0	(0)	0	(0)
Black Cherry	538	972	(9)	1407	0	(0)	681	(2)	0	(0)	0	(0)
White Ash	110	209	(8)	309	0	(0)	213	(2)	0	(0)	0	(0)
Hard Maple	183	311	(7)	440	0	(0)	389	(2)	0	(0)	0	(0)
Soft Maple	81	143	(12)	205	0	(0)	210	(2)	0	(0)	0	(0)
Yellow Poplar	50	50	(1)	50	0	(0)	0	(0)	0	(0)	0	(0)
Misc. Hardwoods	43	81	(8)	119	0	(0)	0	(0)	0	(0)	0	(0)
White Pine	69	69	(2)	69	0	(0)	155	(1)	0	(0)	0	(0)
Hemlock	44	58	(6)	73	0	(0)	0	(1)	0	(0)	0	(0)
SOUTHEAST												
Northern Red Oak	353	438	(23)	524	216	(1)	424	(3)	582	(1)	0	(0)
White Oak	189	251	(20)	313	151	(1)	302	(3)	280	(1)	0	(0)
Mixed Oak	199	287	(12)	375	216	(1)	323	(2)	582	(1)	0	(0)
Black Cherry	307	624	(6)	940	0	(0)	0	(0)	0	(0)	0	(0)
White Ash	177	229	(14)	281	173	(1)	231	(3)	259	(1)	0	(0)
Hard Maple	231	412	(7)	593	216	(1)	302	(1)	604	(1)	0	(0)
Soft Maple	78	140	(10)	202	151	(1)	216	(1)	302	(1)	0	(0)
Yellow Poplar	169	211	(20)	252	129	(1)	234	(3)	280	(1)	0	(0)
Misc. Hardwoods	107	148	(19)	189	0	(0)	120	(1)	0	(0)	0	(0)
White Pine	63	77	(6)	91	0	(0)	0	(0)	0	(0)	0	(0)
Hemlock	79	79	(1)	79	0	(0)	0	(0)	0	(0)	0	(0)
NORTHWEST												
Northern Red Oak	325	492	(20)	660	144	(4)	352	(4)	592	(4)	958	(4)
White Oak	92	178	(14)	265	95	(4)	197	(4)	317	(4)	777	(3)
Mixed Oak	135	204	(13)	272	92	(4)	179	(4)	252	(4)	413	(1)
Black Cherry	797	1416	(34)	2035	330	(4)	654	(4)	1107	(4)	2348	(4)
White Ash	80	166	(25)	252	92	(4)	153	(4)	212	(4)	487	(2)
Hard Maple	268	369	(33)	469	136	(4)	268	(4)	432	(4)	901	(4)
Soft Maple	116	177	(35)	237	99	(4)	201	(4)	271	(4)	0	(0)
Yellow Poplar	38	110	(15)	182	117	(3)	132	(4)	164	(4)	0	(0)
Misc. Hardwoods	29	57	(22)	86	117	(2)	121	(4)	218	(2)	0	(0)
White Pine	16	41	(6)	65	86	(1)	121	(3)	259	(1)	0	(0)
Hemlock	20	36	(9)	52	0	(0)	66	(2)	0	(0)	0	(0)
SOUTHWEST												
Northern Red Oak	297	476	(28)	655	201	(3)	582	(3)	935	(3)	1368	(2)
White Oak	157	238	(24)	318	108	(2)	237	(2)	475	(2)	1800	(1)
Mixed Oak	129	226	(23)	323	86	(1)	173	(1)	431	(1)	0	(0)
Black Cherry	281	721	(20)	1160	230	(3)	777	(3)	1208	(3)	2856	(2)
White Ash	96	165	(15)	235	108	(2)	194	(2)	345	(2)	1800	(1)
Hard Maple	171	350	(15)	528	187	(3)	590	(3)	935	(3)	2500	(1)
Soft Maple	101	162	(27)	223	101	(3)	230	(3)	561	(3)	0	(0)
Yellow Poplar	96	150	(16)	203	93	(3)	187	(3)	374	(3)	0	(0)
Misc. Hardwoods	59	100	(20)	142	86	(1)	86	(1)	173	(1)	0	(0)
White Pine	51	69	(5)	87	0	(0)	108	(1)	0	(0)	0	(0)
Hemlock	33	58	(3)	82	0	(0)	108	(1)	0	(0)	0	(0)

Conversion Factors
Doyle Price=1.695 x International 1/4" Price
Scribner Price=1.159 x International 1/4" Price
#n is the number of responses used to calculate the price statistics.