

TENNESSEE FOREST PRODUCTS BULLETIN

Volume 35 Number 1

Jan-Mar 2011

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***A CONDENSED REPORT ON FOREST PRODUCTS, PRICES, SPECIFICATIONS,
EQUIPMENT, UTILIZATION NEWS, ETC.***

MARKET REPORT

Well another quarter has gone by and it sure doesn't look as if much has changed, except maybe for the worse !! The bad part is there is nothing on the horizon that would give any reason to be optimistic, the homebuilders are not at all excited about 2011; expecting not much change from last year. The housing market just has not picked up with the rest of the economy.

The crosstie market remains fairly strong and there is some concern that the poor lumber market and mills shutting down will affect tie production. Pulpwood prices have remained steady even though most facilities have enough inventory. The rainy and snowy winter has hurt logging operations in many areas and some log inventories are low. The poor market has made some mills ambivalent concerning having enough logs to run on a consistent basis. The lower market for upper grade lumber is reflected in the reduction of high grade log prices in oak and poplar. One mill was shutting down rather than run poplar that they couldn't recover their log cost. Some of the specialty items are still going fairly strong, hickory handles and white oak staves are two of those.

We all want to be optimistic, so hopefully this spring will bring a welcome change in the weather and the housing market. I am counting on it. (Counting not betting !!)

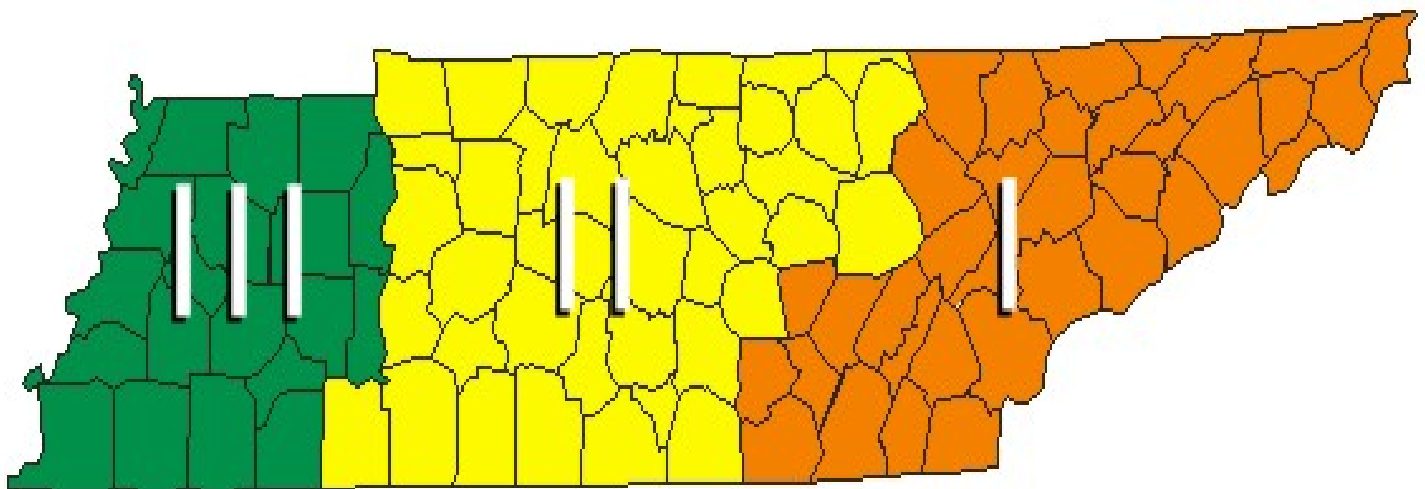
3/11/11 Added three new mills to replace ones that had stopped production for one reason or another in Region II, this change has revised the delivered log prices for Region II in the table on page 4 but will provide much better data in the future.

DELIVERED FOREST PRODUCT PRICES

<u>PRODUCT</u>	<u>SPECIFICATIONS</u>	<u>PRICES</u>	<u>REGION</u>
Cedar Logs	Length-6' to 12' and min DIB 4" at small end	\$71.00/ton (also \$370/ MBF Cedar 2/3 Rule) Market poor.	Region II
Crossties	7" X 9" X 8' 6" 7" X 8" X 8' 6" 6" X 8" X 8' 6"	<u>Oak</u> Grade 5: \$22.50 Grade 4: \$16 Grade 3: \$13 Need ties. <u>Mixed Hdwd</u> \$22.50 \$16 \$13	Region I, II, & III
Hickory Handle Logs	Each mill will have their own requirements Better/different than Hickory sawlogs on page 4 Added mills 2010.1	Grade 1: \$475/MBF Doyle Grade 2: \$400/MBF Doyle Grade 3: \$300/MBF Doyle Need some logs.	Region I, II, & III
White Oak Stave Logs	White Oak-Length: 8 ½ ' min and add on 2' increments (allow 1 knot per 3' of length", and min. DIB 12" at small end	Grade 1: \$750/MBF Doyle Grade 2: \$600/MBF Doyle Grade 3: \$500/MBF Doyle Need some logs.	Region I, II, & III
Paulownia Logs	Min. length 8' and Min. DIB 8" at small end (Must be slow grown – prefer 8-10 growth rings per inch) season Oct to April	\$1,000.00 to \$3,000.00/MBF Doyle (Depending on grade) Market poor, buying.	Region I, II, & III
NOTE: Information is taken from a survey of randomly selected wood-using industries in Tennessee.	Specifications vary with industries	All prices are regional averages and are delivered prices per MBF Doyle unless otherwise indicated. They are subject to change and will vary locally. ("+" indicates an increase since our last bulletin; "-" indicates a decrease).	Region I-East Tennessee; Region II-Middle Tennessee; Region III-West Tennessee (See map on page 4)

Delivered Forest Products Prices (cont)

Pine Pulpwood	Pine: Diameter, length, and species may vary with purchasing company. Consult firm first before cutting	\$22/ton or \$58.85/cord \$26/ton or \$69.55/cord (5350 lbs./ cord) (Gatewood Price)	Region I Region II & III
Hardwood Pulpwood	Hardwood: Diameter, length, and species may vary with purchasing company. Consult firm first before cutting	\$29/ton or \$84.10/cord \$26.50/ton or \$76.85/cord (5800 lbs. cord) (Gatewood Price)	Region I Region II & III
Softwood Logs	Length: 8'-16' and min DIB 6" at small end	SY Pine: \$175/MBF Doyle White Pine: \$200/MBF Doyle Hemlock: \$175/MBF Doyle SYPine CNS: \$25/ton SYPine Sawlog: \$35/ton Market very poor.	Region I & II Region II & III (TN locations)
Veneer Logs	Prime logs only (specifications vary with buyer). Season: Oct to April	Red Oak: \$700-\$1,000/MBF Doyle White Oak: \$800-\$1,500/MBF Doyle Walnut and Cherry: \$1,000-\$4,000+/MBF Doyle	Region I, II, & III



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Product: Hardwood Sawlogs

Specifications: (Length: 8'-16'; and Min. DIB 8 " at small end) Delivered Prices

SPECIES	REGION I	REGION II	REGION III
Red Oak	Grade 1: \$660- Grade 2: \$450+ Grade 3: \$285+	Grade 1: \$585 Grade 2: \$375 Grade 3: \$250	Grade 1: \$590- Grade 2: \$420 Grade 3: \$290
White Oak	Grade 1: \$775- Grade 2: \$470- Grade 3: \$275+	Grade 1: \$645 Grade 2: \$400 Grade 3: \$260	Grade 1: \$650- Grade 2: \$415 Grade 3: \$280
Ash	Grade 1: \$430 Grade 2: \$315+ Grade 3: \$190+	Grade 1: \$540 Grade 2: \$395 Grade 3: \$245	Grade 1: \$385 Grade 2: \$280 Grade 3: \$210
Yellow Poplar	Grade 1: \$340- Grade 2: \$235- Grade 3: \$160	Grade 1: \$365 Grade 2: \$280 Grade 3: \$200	Grade 1: \$310- Grade 2: \$255 Grade 3: \$205
Walnut	Grade 1: \$1050+ Grade 2: \$605 Grade 3: \$375	Grade 1: \$1240 Grade 2: \$555 Grade 3: \$350	Grade 1: \$1000 Grade 2: \$400 Grade 3: \$265
Cherry	Grade 1: \$775- Grade 2: \$440 Grade 3: \$215+	Grade 1: \$730 Grade 2: \$330 Grade 3: \$230	Grade 1: \$700 Grade 2: \$390 Grade 3: \$240
Hard Maple	Grade 1: \$600- Grade 2: \$395- Grade 3: \$220	Grade 1: \$600 Grade 2: \$390 Grade 3: \$280	Grade 1: \$ 0* Grade 2: \$290 Grade 3: \$225
Hickory	Grade 1: \$330 Grade 2: \$290+ Grade 3: \$190+	Grade 1: \$365 Grade 2: \$280 Grade 3: \$205	Grade 1: \$ 0* Grade 2: \$295 Grade 3: \$225
Miscellaneous Hardwoods	Average: \$155	Average: \$185	Average: \$200

****Note:** Prices quoted are per thousand board feet (MBF) Doyle Rule delivered to mill.

*Not enough data.

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Wanted to Buy:

Loblolly or shortleaf pine for utility poles. 36 foot to 76 foot in length (length is determined by diameter). Roadside pricing.

Call Doug Curry, Bell Timber for specifications and details. 715-418-9333.