



STUMPAGE SPEAK

<http://www.lsuagcenter.com/en/blogs/stumpagespeak/>
<http://www.freddiemac.com/finance/ehforecast.html>
<http://water.weather.gov/precip/>
<http://graphics.wsj.com/us-housing-market/>
http://themoneyconverter.com/USD/Exchange_Rates_For_US_Dollar.aspx

Louisiana Timber Market Report¹
 1st Quarter (Jan-Mar.) 2016
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 LSU AgCenter
 Staff Report # 2016-07

Louisiana Stumpage Prices	1 st Quarter 2016	Change from prior Quarter
Timber Class	Price Per Ton	% Change
Pine Sawtimber	27.00	-2.04
Pine Chip-N-Saw	17.00	-10.84
Pine Pulpwood	12.00	16.53
Oak Sawtimber	42.50	1.65
Mixed Hardwood Sawtimber	34.00	3.07
Hardwood Pulpwood	11.00	-4.32

¹ The following document is intended for use by owners of forested land in Louisiana. The source of these prices is proprietary in nature and are therefore rounded per agreements to disseminate to the general public. The prices I report are also state averages and the LDAF numbers are by specific regions. I recommend using both to aid in decisions about purchases, sales, and determining harvesting schedules. As always communicate with a consultant forester on prices before

executing contracted agreements with wood buyers.

Price Conversions:
 Pine Sawtimber/ MBF= Tons * 8
 Hardwood Sawtimber/ MBF = Tons * 9.5
 CNS and Pine Pulpwood Cords = Tons * 2.7
 Hardwood Pulpwood = Tons * 2.8

Prices

- Hard to read too much into the prices over one quarter but most of the volatility can be attributed to weather concerns and, in some cases, related mill closures (temporary) for maintenance or damage from the recent bad weather seen in state. Certainly, we can make the case that pine pulpwood prices are artificially high due to these disruptions. Despite, high mill inventories in the prior quarter we've seen the tables turned (temporarily) in this quarters prices.

Figure 1. Hwy 84 outside of Winnfield going to Natchitoches



- Timber Mart South reported that “Throughout the region, many manufacturers were expecting these types of conditions and were holding significant inventory levels in anticipation of supply shortages. As such, a weather-related bump in stumpage prices did



not occur for Softwood Sawtimber and CNS prices, but they certainly impacted pulpwood across the south (up 0.50 cents).

- Softwood Sawtimber prices were down slightly. Perhaps this is due to the increases Canadian supply entering the country. From February 2015 to February this year we've seen a 68% increase in imports from Canadian suppliers. The first two months of this year with respect to the first two months of last year? A 49% increase. As far as the cause of this phenomena? Well, we spend a lot of time focusing on exchange rates, but often that is already captured in the price of the products entering the country from foreign markets. The expired SLA (softwood lumber agreement) could be the culprit but I outlined last October that we've officially not had a binding constraint from this legislation for some time now anyway, due to the depressed prices for lumber.
- As far as Louisiana specifically, it may just be an impact from the mill activity with scheduled maintenance (decreased demand) and unexpected damage interfering with operations (decreased demand).
- The March monthly average Random Lengths Southern Pine Composite at \$371 per thousand board feet (mbf) is up \$18 per mbf from the 4th Quarter of 2015, and down \$22 per mbf from a year ago.

Louisiana Extension News

1. Dr. Shaun Tanger and Dr. Mike Blazier will be speaking at the Forestry Insight Conference in Shreveport on April 26th. See the link for details.

<https://www.forestinsightconf.com/west/>



LSU AGCENTER FORESTRY EXTENSION

2. May 18th, Dr. Tanger will speak to the Forest Resources Association in Lake Charles on International Trade & Wood Flow Impacts on the Southern U.S. Forest Products Industry. Info available at <https://www.regonline.com/builder/site/?eventid=1828265>
3. Brian Chandler will be conducting a succession planning short course at the Hammond Research Station with Dr. Steve Dickey Friday May 13, 2016, contact bchandler@agcenter.lsu.edu for details.