



PRESS RELEASE

Timber Mart - South

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4th Quarter 2003

For Immediate Release

Date: February 23, 2004

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Timber Prices Mixed

Stumpage prices for the five major southern timber products were mixed in the 4th Quarter when compared with strong 3rd Quarter prices. (See comparison table, next page.) Wet weather still profoundly affected all timber markets in Tennessee, North Carolina and Virginia. The impact along the Atlantic Coast was diminished by quantities of salvage timber in the market due to the 3rd Quarter's Hurricane Isabel. In the western and mid-South, pulp mills used the Fall to build inventory in preparation for winter rain. Solid wood product mills south-wide increased timber demand to take advantage of strengthening plywood, OSB and lumber markets.

Pine Timber

The south-wide average pine sawtimber price was up a hefty 7 percent following weaker prices in the 3rd Quarter but ended the year essentially flat, down ½ percent from the 4th Quarter 2002. Pine chip-n-saw had a similar profile, stronger 4th Quarter prices but flat for the year. Reporters said that sawmills were keeping

weather to drive up prices for quality timber. Most markets reported excellent large log demand. In some markets increased demand from OSB mills pushed chip-n-saw prices upwards.

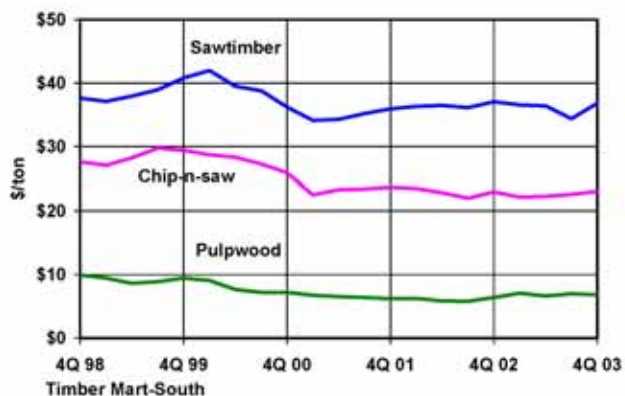
Pine pulpwood reversed the pattern, having lower prices in the final quarter of the year but maintaining a modest recovery over the average price a year ago. Mill closings in Mississippi and Texas reduced demand in those markets but reporters said there was sufficient rainfall to keep stumpage prices flat.

Hardwood Timber

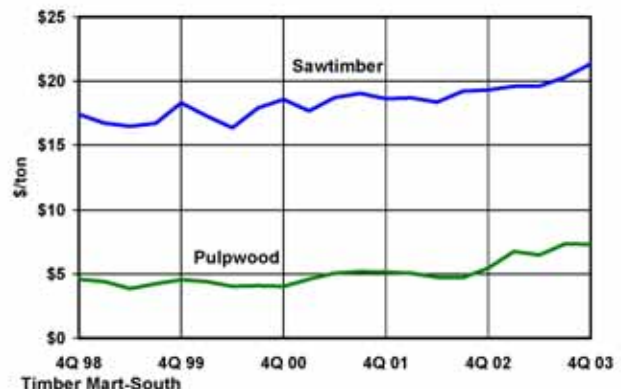
Hardwood sawtimber stumpage prices made solid gains again in the 4th Quarter, with a 5 percent increase over last quarter and a 10 percent increase for the year. Good demand for finished products pushed prices up according to our reporters.

Hardwood pulpwood leveled off in the 4th Quarter, having shown strong increases in both the 1st and 3rd Quarters. Ending the year up 34 percent from the 4th Quarter 2002, hardwood pulpwood retained its premium over pine established in the 3rd Quarter. Some of the same influences that weakened pine pulpwood markets affected hardwood pulpwood. In addition, some mills switched intermittently to produce pine pulp instead of hardwood pulp.

South-wide Pine Stumpage Prices
quarterly averages over 5 years



South-wide Hardwood Stumpage Prices
quarterly averages over 5 years



inventories low and there was enough wet

South-wide Average Stumpage Prices \$/ton					
	one quarter			year ago	
	4Q 03	3Q 03	%Δ	4Q 02	%Δ
Pine Sawtimber	\$36.83	\$34.39	+7.1%	\$37.03	-0.5%
Pine Chip-n-saw	\$23.08	\$22.60	+2.1%	\$23.00	+0.3%
Pine Pulpwood	\$6.80	\$6.97	-2.4%	\$6.38	+6.6%
Hardwood Sawtimber	\$21.33	\$20.29	+5.1%	\$19.30	+10.5%
Hardwood Pulpwood	\$7.32	\$7.36	-0.5%	\$5.46	+34.1%

For more information, please contact TMS at 706-542-4756 or visit our web site at www.TimberMart-South.com

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