

1987

## 1987 Price Report -- 2nd Quarter

William L. Hoover

Ralph W. Gann

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1987 PRICE REPORT -- 2ND QUARTER

by

William L. Hoover  
Professor of Forestry  
Purdue University

and

Ralph W. Gann  
State Statistician  
U.S.D.A., Indiana Agricultural Statistics Service

\*\*\*\*\* INDUSTRY EDITION \*\*\*\*\*

Table 1. Stumpage prices<sup>1</sup> paid by all units for sawlogs, May 1987, Indiana, \$/MBF Doyle log scale.

Species	Prime Logs <sup>2</sup>				No. 1 Logs <sup>2</sup>			
	Range	No. Re- sponses	Average Jan/May	Price Change (%)	Range	No. Re- sponses	Average Jan/May	Price Change (%)
White ash	190-390	10	274/295	7	140-340	13	189/223	17
Basswood	10-390	6	115/147	27	10-240	9	89/117	31
Beech	0- 90	6	35/ 46	31	0- 70	6	30/ 30	0
Cottonwood	0- 40	3	10/ 13	3	0- 15	3	5/ 5	0
Cherry	240-440	8	343/326	-4	140-390	11	255/244	-4
White elm	10-165	4	40/ 73	83	10-140	6	35/ 65	86
Shagbark Hickory	10-165	6	69/ 65	-5	10-140	9	45/ 57	26
Sugar maple	90-340	7	175/172	-1	50-290	10	117/135	15
Soft maple	30-340	7	77/124	61	30-290	10	56/ 94	67
White oak	140-390	9	222/259	16	70-290	12	153/180	17
Red oak	190-540	10	342/377	10	115-490	13	252/292	15
Black oak	115-540	10	299/330	10	55-490	13	200/241	20
Tulip poplar	80-190	9	126/135	7	30-170	11	83/ 98	18
Sycamore	10- 60	7	34/ 40	18	10- 60	7	23/ 30	30
Sweet gum	10- 90	5	47/ 44	-6	10- 50	5	34/ 27	-20
Black walnut	390-790	8	663/571	-13	190-790	11	484/476	-1

  

Species	No. 2 Logs <sup>2</sup>				No. 3 Logs <sup>2</sup>			
	Range	No. Re- sponses	Average Jan/May	Price Change (%)	Range	No. Re- sponses	Average Jan/May	Price Change (%)
White ash	10-240	10	85/121	42	0- 90	6	13/ 28	115
Basswood	10-115	9	42/ 56	33	0- 50	5	10/ 18	80
Beech	0- 40	6	8/ 15	86	0- 10	5	7/ 2	-71
Cottonwood	0- 0	3	4/ 0	0	0- 0	2	4/ 0	0
Cherry	10-240	10	117/131	11	0- 50	6	20/ 21	5
White elm	0- 50	6	12/ 25	108	0- 30	3	14/ 13	-7
Shagbark Hickory	0- 50	9	17/ 23	35	0- 30	5	8/ 8	0
Sugar maple	0-240	10	46/ 70	52	0- 50	6	9/ 16	78
Soft maple	0-240	10	24/ 57	138	0- 50	6	8/ 15	86
White oak	10-190	13	65/102	56	0- 60	7	10/ 22	120
Red oak	10-440	13	111/181	63	0-160	8	17/ 53	212
Black oak	0-440	13	91/136	49	0-160	8	18/ 46	156
Tulip poplar	0-110	11	35/ 51	46	0- 50	6	10/ 15	50
Sycamore	0- 50	6	9/ 16	78	0- 50	5	9/ 18	100
Sweet gum	0- 50	5	8/ 18	125	0- 50	4	6/ 22	267
Black walnut	40-490	11	259/271	4	0-390	8	111/162	46

<sup>1</sup>Delivered log prices reported by all mills less \$65/MBF (thousand board feet), for logging and \$45 per MBF for hauling. These costs should apply to stands with good logging conditions within 30 to 40 miles of the mill.

<sup>2</sup>Purdue sawlog grades.

Table 2. Stumpage prices<sup>1</sup> paid by all units for veneer logs, May 1987, Indiana, \$/MBF Doyle log scale.

Species	D.I.B <sup>3</sup>	Prime <sup>2</sup>				Select <sup>2</sup>			
		Range	No. Re-sponses	Average Jan/May	Price Change (%)	Range	No. Re-sponses	Average Jan/May	Price Change (%)
White Oak	16-17	655-1655	5	1140/1095	-3	255- 855	4	680/ 605	-11
	18-20	855-1855	5	1471/1415	-3	355-1055	4	742/ 730	-1
	21-23	1355-2055	5	1805/1735	-3	455-1655	4	955/ 955	0
	24-28	1855-2855	3	1938/2355	21	555- 655	2	955/ 605	-36
	29-up	2355-2855	3	2355/2521	7	655- 655	2	655/ 655	0
Red Oak	16-17	455- 855	4	633/ 605	-4	255- 655	3	471/ 455	-3
	18-20	555- 855	4	688/ 680	-1	355- 655	3	480/ 521	8
	21-23	555-1055	4	763/ 780	2	455- 855	3	580/ 655	12
	24-28	555- 855	2	805/ 705	-12	555- 555	1	613/ 555	-9
	29-up	755-1055	2	871/ 905	3	655- 655	1	617/ 655	6
Sugar Maple	16-20		0	505/ 0	0	255- 255	1	605/ 255	-57
	21-up		0	580/ 0	0	275- 275	1	605/ 275	-54
Tulip Poplar	16-20	155- 155	1	155/ 155	0	155- 155	1	105/ 155	47
	21-up	155- 155	1	155/ 155	0	125- 125	1	105/ 125	19
Black Walnut	12-13	855-1355	5	2235/1075	-52	455- 855	4	1255/ 655	-48
	14-15	855-1855	5	2280/1415	-38	555-1355	4	755/ 905	20
	16-17	855-1855	3	2312/1455	-37	655-1355	4	1175/ 980	-16
	18-20	1355-2855	3	2488/2055	-17	855-1855	3	1315/1321	0
	21-23	2255-4855	3	3105/3321	6	855-2855	3	1380/1821	31
	24-28	2855-3855	2	3695/3355	-9	1055-2055	2	1455/1555	6
	29-up	3355-3355	1	3488/3355	-3	1055-4355	2	1455/2705	85

<sup>1</sup>Delivered log prices reported by all mills less \$85/MBF for logging and \$60/MBF for transportation. These costs should apply to stands with good logging conditions within 40 to 60 miles of the mill.

<sup>2</sup>Purdue log grades.

<sup>3</sup>Diameter inside bark at the small end of the log.

Table 3. Capacity utilization in Indiana's forest products industry, Quarter (January - May) 1987.

Sawmills (MBF)	No. Units Reporting	Reported Capacity	Reported Production	Capacity Utilization
All mills	19	15,024	13,813	92%
Less than 500 MBF/year	2	71	58	82%
500 to 1,500 MBF/year	5	1,150	785	68%
Over 1,500 MBF/year	12	13,803	12,970	94%
Veneer Mills (M sq. ft.)				
Face veneer mills 1/36" basis	4	74,589	37,830	51%
Container veneer mills 1/20" basis	1	4,800	4,000	83%
Logging (MBF)				
All units	6	5,190	5,778	111%

Table 4. Standing timber and logs purchased in the 1st Quarter 1987 and expected purchases in the 2nd Quarter of 1987.

	No. Units Reporting	Purchased 1st Qtr.	Expected 2nd Qtr.	Change From 1st to 2nd Qtr.
Standing timber (MBF)	7	4,883	5,470	12%
Logs (MBF)	21	10,348	8,074	-22%

Table 5. Custom costs, May 1987.

	No. Units Reporting	High	Low	Average
Sawing (\$/MBF)	10	250	100	145
Logging (\$/MBF)	3	100	45	68
Hauling:				
(\$/MBF)	4	85	40	55
Distance (miles)*	4	100	30	57.50
(\$/MBF/mile)	5	1.25	.75	1.02

\*One way from woods to mill.

Table 6. Prices for other products, May 1987, fob mill unless indicated otherwise.

	No. Units Reporting	High	Low	Average
Pallet logs (\$/MBF)	-			
Pulp chips (\$/ton) <sup>1</sup>	9	33.40	8.35	15.95
Residue: <sup>1</sup>				
Sawdust (\$/ton) <sup>2</sup>	9	9.60	2.00	5.18
Bark (\$/ton)	5	9.00	3.75	5.54
Sawdust and bark (\$/ton)	2	5.20	4.00	4.60
Pine	-			

<sup>1</sup>Pulp chip and residue prices are reported by some mills, f.o.b. sawmill and others f.o.b pulp mill. Until adjustment factors are developed I will continue to average both together.

<sup>2</sup>Prices reported on a cubic yard basis are converted to a tonnage basis by multiplying by 2.5. This assumes a dry weight of 19 pounds per cubic foot and a moisture content of about 60 percent. Prices reported on a cubic foot basis are multiplied by 27 to convert cubic feet to cubic yards and then by 2.5.

Table 7. Prices paid by all units for container veneer logs, May 1987, \$/MBF Doyle log scale, f.o.b. veneer mill.

No report.

Table 8. Prices paid by all units for handle logs, May 1987, \$/MBF Doyle log scale.

Species	No. 1 Logs				No. 2 Logs			
	Range	No. Responses	Average Jan/May	Change (%)	Range	No. Responses	Average Jan/May	Change (%)
Hickory		0	200/ 0	0		0	180/ 0	0
White ash	400-500	5	415/454	9	200-350	4	297/292	-1
Sugar maple	400-400	1	375/400	7	200-200	1	200/200	0

  

Species	No. 3 Logs			
	Range	No. Responses	Average Jan/May	Change (%)
Hickory		0	120/ 0	0
White ash	200-200	1	0/200	0
Sugar maple		0	0/ 0	0





Table 10. Prices paid by all units for delivered veneer logs, May 1987, Indiana, \$/MBF Doyle log scale.

Species	D.I.B	Prime				Select			
		Range	No. Responses	Average Jan/May	Price Change (%)	Range	No. Responses	Average Jan/May	Price Change (%)
White Oak	16-17	800-1800	5	1285/1240	-3	400-1000	4	825/ 750	-9
	18-20	1000-2000	5	1616/1560	-3	500-1200	4	887/ 875	-1
	21-23	1500-2200	5	1950/1880	-3	600-1800	4	1100/1100	0
	24-28	2000-3000	3	2083/2500	20	700- 800	2	1100/ 750	-31
	29-up	2500-3000	3	2500/2666	6	800- 800	2	800/ 800	0
Red Oak	16-17	600-1000	4	778/ 750	-3	400- 800	3	616/ 600	-2
	18-20	700-1000	4	833/ 825	0	500- 800	3	625/ 666	6
	21-23	700-1200	4	908/ 925	1	600-1000	3	725/ 800	10
	24-28	700-1000	2	950/ 850	-10	700- 700	1	758/ 700	-7
	29-up	900-1200	2	1016/1050	3	800- 800	1	762/ 800	4
Sugar Maple	16-20			650/ 0	0	400- 400	1	750/ 400	-46
	21-up			725/ 0	0	420- 420	1	750/ 420	-44
Tulip Poplar	16-20	300- 300	1	300/ 300	0	300- 300	1	250/ 300	20
	21-up	300- 300	1	300/ 300	0	270- 270	1	250/ 270	8
Black Walnut	12-13	1000-1500	5	2380/1220	-49	600-1000	4	1400/ 800	-43
	14-15	1200-2000	5	2425/1560	-36	700-1500	4	900/1050	17
	16-17	1000-2000	3	2457/1600	-34	800-1500	4	1320/1125	-14
	18-20	1500-3000	3	2633/2200	-16	1000-2000	3	1460/1466	0
	21-23	2400-5000	3	3250/3466	6	1000-3000	3	1525/1966	28
	24-28	3000-4000	2	3840/3500	-8	1200-2200	2	1600/1700	6
	29-up	3500-3500	1	3633/3500	-3	1200-4500	2	1600/2850	78



Table 12. Prices paid by veneer mills for delivered veneer logs, May 1987, Indiana, \$/MBF Doyle log scale.

Species	D.I.B	Prime				Select			
		Range	No. Re- sponses	Average Jan/May	Price Change (%)	Range	No. Re- sponses	Average Jan/May	Price Change (%)
White Oak	16-17	800-1200	2	1300/1000	-23	400-1000	2	700/ 700	0
	18-20	1000-1500	2	1466/1250	-14	500-1000	2	783/ 750	-4
	21-23	1500-1600	2	1666/1550	-6	600-1200	2	866/ 900	3
	24-28	2000-2000	1	2000/2000	0	700- 700	1	750/ 700	-6
	29-up	2500-2500	1	2250/2500	11	800- 800	1	800/ 800	0
Red Oak	16-17	700- 700	2	812/ 700	-13	400- 600	2	562/ 500	-11
	18-20	800- 800	2	850/ 800	-5	500- 700	2	575/ 600	4
	21-23	900- 900	2	912/ 900	-1	600- 800	2	587/ 700	19
	24-28	1000-1000	1	937/1000	6	700- 700	1	635/ 700	9
	29-up	1200-1200	1	1016/1200	18	800- 800	1	616/ 800	29
Sugar Maple	16-20			725/ 0	0		0	750/ 0	0
	20-up		0	725/ 0	0		0	750/ 0	0
Tulip Poplar	16-20	300- 300	1	300/ 300	0		0	250/ 0	0
	20-up	300- 300	1	300/ 300	0		0	250/ 0	0
Black Walnut	12-13	1200-1500	3	1633/1367	-16	600-1000	3	867/ 800	-8
	14-15	1500-1600	3	2033/1533	-25	700-1000	3	900/ 900	0
	16-17	1800-1800	1	2575/1800	-30	800- 800	1	1350/ 800	-40
	18-20	2100-2100	1	2775/2100	-24	1000-1000	1	1525/1000	-34
	21-23	2400-2400	1	3125/2400	-23	1000-1000	1	1525/1000	-34
	24-28	3000-3000	1	3400/3000	-11	1200-1200	1	1600/1200	-25
	29-up	3500-3500	1	3633/3500	-3	1200-1200	1	1600/1200	-25