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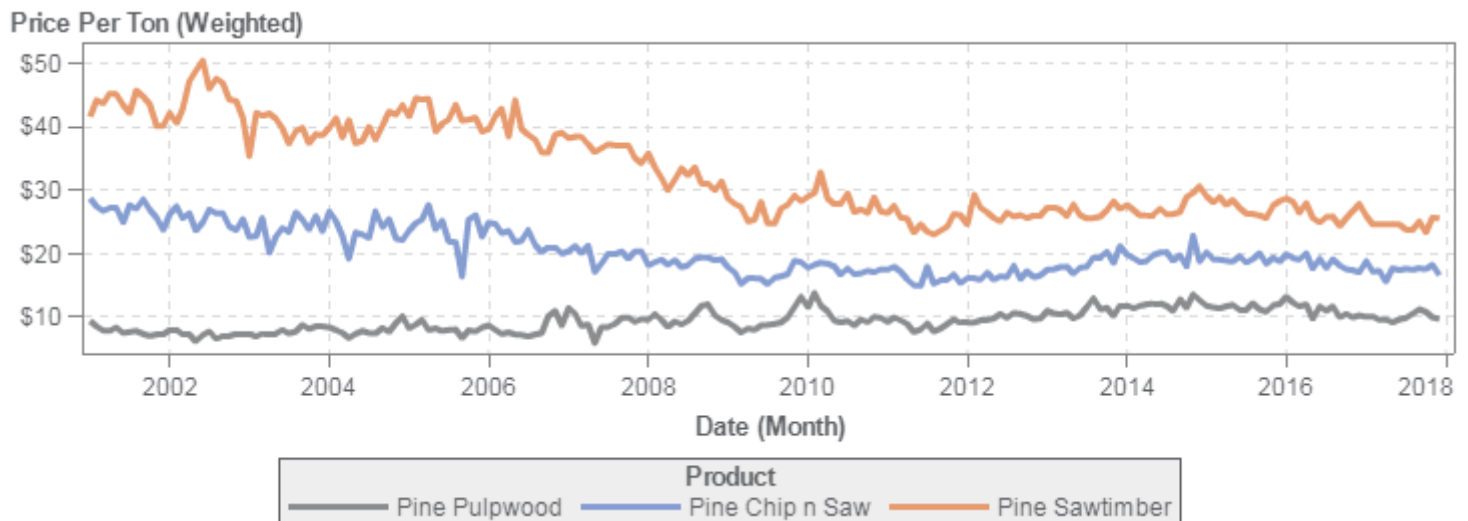


Are Pine Plantations in the US South Profitable Investments?

Full article: <https://blog.forest2market.com/are-pine-plantations-in-the-us-south-profitable-investments>

Posted by [Jay Engle](#) on February 6, 2018

Are pine plantations in the US South as financially attractive now as they were in previous decades? This seems like a fairly logical question for forestland owners when one considers long-term regional stumpage price trends. As shown in the chart below, sawtimber price (in nominal terms) has declined since the early 2000s while pulpwood has basically remained level over the same time period. In fact, nominal stumpage prices for all three product categories—pine pulpwood, pine sawtimber and pine chip-n-saw—have been relatively flat since 2008.



To demonstrate whether pine plantations are as financially attractive as they used to be, we completed a basic financial comparison for a theoretical timber stand harvested in 2017 versus a timber stand that was harvested decades ago. (Unfortunately, we don't have detailed records from actual stands on the same piece of land for two plantation rotations.)

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