Sale Events 2005

Beacon Forestry's monthly electronic timber sales continue as usual on the last Wednesday of each month.

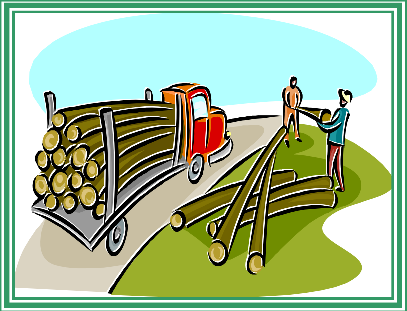
Auctions take place at 1400 hrs.
Tenders Close at 1400hrs

Any enquiries to Mike Bentley on 01721 724788
or email mb@beaconforestry.co.uk

Thinking of selling timber this Summer?

Now is the time to act. To ensure that you access the whole market and improve your prospects, market it on the internet with Beacon Forestry.

1.5% (FTA Member) - 2.3% (+VAT) Commission charged
NO SALE—NO FEE!



Please send me more information on :-

Selling timber through the Beacon System ☐

Buying timber through the Beacon System ☐

Please Tick as appropriate

Name...

Address: ....

....

....

Post Code: ....Tel No.: ....

Please post, fax or e-mail to: -
Mike Bentley
Beacon Forestry, Broombush House, Venlaw High Road, Peebles, Tweeddale EH45 8RL
Fax: 01721 724798 email: mb@beaconforestry.co.uk

BEACON FORESTRY NEWSLETTER

BEACON FORESTRY INTERNET TIMBER MARKETING

Introduction

Welcome to our latest newsletter. The main theme is the present state of the UK timber market.

There are a number of interesting factors giving rise to better prices and stronger demand for UK round wood sales, these are outlined below.

Sawn Timber Prices

Sawn timber prices in general from home-grown mills continue to rise in line with imported values. For some grades a shortage of imported material is causing buyers to turn their attention back to domestic supplies, thus adding new demand and allowing further price improvements. The main reasons for higher imported timber prices are strong global demand and rising fuel/freight costs.

Residues & Small Roundwood

The export market for small round-wood to Scandinavia continues and there are promising signs that volumes may be increasing in the short to medium term. The energy market is also starting to take up some of the hitherto spare capacity and further projects close to becoming operational are set to create a level of demand that few were forecasting a year or two ago. Traditional users in the paper, board and panel industries are concerned about the knock-on effect this may have on their raw material supplies in the medium term.

Supply and Demand

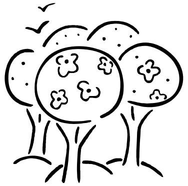
When you add the above factors to a domestic supply imbalance caused by a significant shortfall of available round wood from FE Wales, and the continued exports from the West of Scotland to Ireland, you soon

begin to understand why the ripples are being felt throughout most of the UK as processors from home and abroad jostle for position and make moves to secure their future raw material supplies – something they simply must have.

Local Markets

The above factors and commentary are accurate on a general basis but this does not mean that everywhere in the UK will, or is, experiencing price increases. Other factors, such as local mill closures and long distances from markets can have a balancing, or negative, effect.

Local craftsmen using homegrown timber and other small volume users are on the increase as timber continues to enjoy a steady renaissance, particularly in the eyes of some architects and builders seeking to satisfy clients who want something different and bespoke. Collectively, niche markets hardly affect the overall picture but one or two new outlets for one estate or woodland can make a significant difference to the year's finances.



Marketing

The general outlook is now healthier than it has been for a number of years and the key to unlocking better returns for woodland owners and their managers lies in successful marketing. Now that demand is on the increase it is advisable that parcels are sold competitively and that all potential buyers, old and new, local and national, are given the opportunity to take part in a competitive sale.

Standing Softwood Timber Prices achieved from 2003 onwards (including thinnings)

Year	Sector	Vol.Offered m3 obs	Vol.Sold m3 obs	% Success	Av £/m3
2003	Private	86,503	67,647	78	9.63
2003	Forest Enterprise	172,396	159,331	92	8.37
2004	Private	73,109	70,049	96	9.68
2004	Forest Enterprise	343,364	333,906	97	9.46
2005 (Jan—May)	Private	32,460	19,622	60	10.22

Hardwood Log Prices achieved from 2002 to date

Year	Hft Sold	Max Price per Hft	Min Price per Hft	Ave Price per Hft
2002	59,006	£2.96	£1.00	£1.65
2003	9,342	£2.76	£1.00	£2.51
2004	16,576	£4.66	£0.36	£2.92

Beacon Forestry Contacts

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Murton, York YO19 5GF
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Email: beaconforestry@stephenson.co.uk

Dont forget the Beacon Helplines on 01904 488410 / 489731

BEACON FORESTRY 2005 INTERNET TIMBER SALES

TENDER OFFER DEADLINE DATES

27th July

26th September

30th November

AUCTION SALE DATES

29th June

31st August

26th October

21st December