

Pulp & Paper Price Tracker

Buyers pushing back on increases and seeking pulp price cuts

Industry Overview

Tracking global pulp and paper price variations

Our P&P Price Tracker aims to track variations in P&P prices across the globe as well as regional simplified cash margins. We also provide snippets of news articles discussing prices and market color, as well as industry data updates.

We hope it's useful. Any suggestions on how to improve it are greatly appreciated.

Exhibit 1: Snapshot of weekly Pulp & Paper price movements

Pulp prices rose \$0.30/t w/w to \$655.74/t for hardwood and rose \$8.98/t w/w to \$747.39/t for softwood

Pulp & Paper Price Reference	Unit	Current Price	w/w Change (USD/t)	w/w Change (%)
Market Pulp - Hardwood				
HW China Net	USD/t	655.74	0.30	0.05%
HW China Resale Net (Eucalyptus)	USD/t	602.04	-0.34	-0.06%
HW Europe List	USD/t	1,061.52	-0.14	-0.01%
HW Europe Net	USD/t	745.32	-0.10	-0.01%
HW US List	USD/t	1,175.00	0.00	0.00%
Market Pulp - Softwood				
SW China Net	USD/t	747.39	8.98	1.22%
SW China Resale Net (NBSK)	USD/t	707.88	3.75	0.53%
SW China Futures Net	USD/t	695.74	8.31	1.21%
SW Europe List	USD/t	1,298.86	9.68	0.75%
SW Europe Net	USD/t	930.43	6.93	0.75%
SW US List	USD/t	1,360.00	0.00	0.00%
Printing & Writing - Uncoated				
China Offset Reel	USD/t	950.24	2.56	0.27%
Europe Offset Reel	USD/t	1,312.32	3.91	0.30%
Printing & Writing - Coated				
China Offset Reel	USD/t	882.77	2.38	0.27%
Europe Offset Reel	USD/t	1,184.91	3.53	0.30%
Packaging - Containerboard				
Kraftliner China	USD/t	562.59	1.52	0.27%
Kraftliner Europe	USD/t	735.24	-1.52	-0.21%
Testliner China	USD/t	479.51	1.29	0.27%
Testliner Europe	USD/t	531.49	-1.08	-0.20%
White-top Kraftliner China	USD/t	777.11	2.10	0.27%
White-top Kraftliner Europe	USD/t	912.98	-1.90	-0.21%
Packaging - Boxboard				
Duplex China	USD/t	519.24	1.40	0.27%
Duplex Europe	USD/t	1,245.19	-2.63	-0.21%
Old Corrugated Cardboard				
OCC China	USD/t	253.55	0.68	0.27%
OCC Europe	USD/t	106.87	-0.72	-0.67%
OCC US	USD/t	87.00	0.00	0.00%

Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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26 January 2024

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Refer to important disclosures on page 12 to 13.

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Timestamp: 26 January 2024 04:08PM EST

Weekly news flow

Asia: buyers looking for pulp price cuts

FOEX reported fairly stable pulp prices in China this week, with imported hardwood (HW) up \$0.30/t to \$655.74/t and imported softwood (SW) up \$8.98/t w/w to \$747.39/t. Resale prices were mixed w/w with hardwood (BEK; Bleached Eucalyptus Kraft) down \$0.34/t w/w to \$602.04/t, while resale softwood (NBSK; Northern Bleached Softwood Kraft) rose \$3.75/t w/w to \$707.88/t. Shanghai SW future (May 2024 contract) rose \$8.31/t w/w to \$695.74/t (net of value added-tax [VAT] and logistic costs). PPI Asia reported that pulp buyers have not only pushed back on the last \$10-20/t for January, but also pushed for price cuts. PPI contacts mentioned that the pulp restocking is done and weaker demand and prices for paper and board were contributing to hinder pulp import demand. Buyers have also turned to resale pulp, which is trading at a discount to imported pulp.

According to the publication, SW producers dialed back on the \$20/t NBSK hike announced a couple of weeks ago, but that was not enough as buyers were looking for \$20-30/t cuts for NBSK from both Canada and Nordic countries. However, suppliers were not willing to cave into the hikes, as Nordic region producers were facing \$40-50/t increases in pulp shipments costs due to the Red Sea disruptions. Canadian producers, however, mentioned increasing cost pressures from woodchips and that more Canadian NBSK capacity could close if SW prices drop below \$700/t.

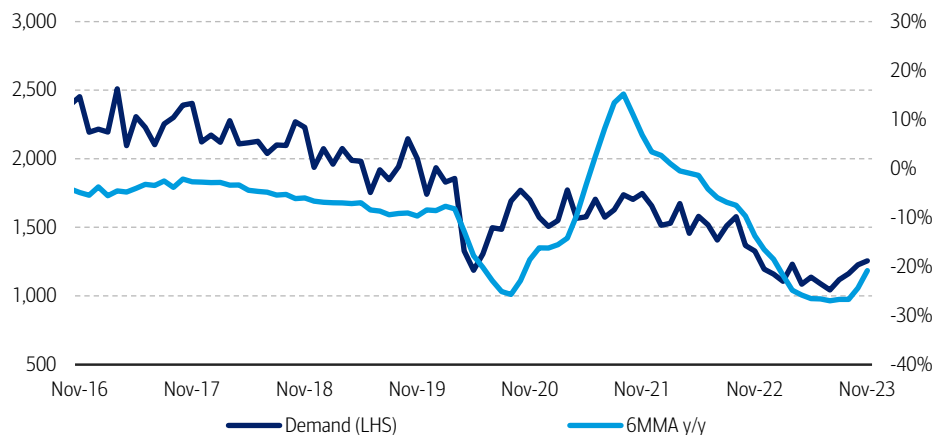
As for Hardwood, Brazilian producers were looking to implement a \$10/t increase, bringing South American BHK from \$640-650/t to \$650-660/t. Contacts mentioned that some suppliers, were willing to reduce contract volumes if buyers accepted the \$10/t increase. On the other hand, lower-priced HW imports from Japan and North America, as well as ample HW resale supply. Some of PPI contacts mentioned that Chinese mills' HW inventories should be consumed by the end of the LNY (Lunar New Year), when mills will need to restock, but HW availability will be lower.

Europe: graphic paper demand down 5% y/y

On another note, Eurograph data showed that European shipments of graphic paper dropped ~7% y/y in November, while demand dropped ~5% y/y (Exhibit 2). Coated woodfree (CWF) paper shipments were down 6% y/y to 226Kt, as the drop y/y in shipments to outside of Europe more than offset the 10% y/y increase in shipments to Europe. Uncoated woodfree (UWF) shipments increased 1% y/y to 343Kt. Newsprint shipments dropped 9% y/y to 335Kt.

Exhibit 2: Eurograph – European graphic paper demand (Kt)

Graphic paper demand was up m/m but downy/y at 1,255Kt in November



Source: BofA Global Research, Eurograph

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Americas: coated paper prices stable

PPI LatAm reported that domestic graphic paper prices were stable during December and January in Brazil. Suzano announced an increase for January, however the price hike was challenged by buyers. According to the publication, although coated paper demand remained generally weak, supply was sufficient, so prices were not pressured. According to PPI coated paper imports from Asia increased recently. This year, coated paper demand is expected to increase, given it is an election year.

Exhibit 3: Summary of Pulp & Paper price movements

Pulp prices rose \$0.30/t w/w to \$655.74/t for hardwood and rose \$8.98/t w/w at \$747.39/t for softwood

Pulp & Paper Price Reference	Unit	Current Price	w/w Change (USD/t)	w/w Change (%)	y/y Change	y/y Change (%)	Last Change
Market Pulp - Hardwood							
HW China Net	USD/t	655.74	0.30	0.05%	-135.51	-17.13%	26-Jan-24
HW China Resale Net (Eucalyptus)	USD/t	602.04	-0.34	-0.06%	-209.35	-25.80%	26-Jan-24
HW Europe List	USD/t	1,061.52	-0.14	-0.01%	-318.45	-23.08%	23-Jan-24
HW Europe Net	USD/t	745.32	-0.10	-0.01%	-223.59	-23.08%	23-Jan-24
HW US List	USD/t	1,175.00	0.00	0.00%	-415.00	-26.10%	12-Jan-24
Market Pulp - Softwood							
SW China Net	USD/t	747.39	8.98	1.22%	-136.65	-15.46%	26-Jan-24
SW China Resale Net (NBSK)	USD/t	707.88	3.75	0.53%	-241.38	-25.43%	26-Jan-24
SW China Futures Net	USD/t	695.74	8.31	1.21%	n.a.	n.a.	26-Jan-24
SW Europe List	USD/t	1,298.86	9.68	0.75%	-110.55	-7.84%	23-Jan-24
SW Europe Net	USD/t	930.43	6.93	0.75%	-79.19	-7.84%	23-Jan-24
SW US List	USD/t	1,360.00	0.00	0.00%	-350.00	-20.47%	12-Jan-24
Printing & Writing - Uncoated							
China Offset Reel	USD/t	950.24	2.56	0.27%	-113.51	-10.67%	26-Jan-24
Europe Offset Reel	USD/t	1,312.32	3.91	0.30%	-102.19	-7.22%	26-Jan-24
Printing & Writing - Coated							
China Offset Reel	USD/t	882.77	2.38	0.27%	-4.10	-0.46%	26-Jan-24
Europe Offset Reel	USD/t	1,184.91	3.53	0.30%	-142.74	-10.75%	26-Jan-24
Packaging - Containerboard							
Kraftliner China	USD/t	562.59	1.52	0.27%	-128.40	-18.58%	26-Jan-24
Kraftliner Europe	USD/t	735.24	-1.52	-0.21%	-182.76	-19.91%	26-Jan-24
Testliner China	USD/t	479.51	1.29	0.27%	-85.75	-15.17%	26-Jan-24
Testliner Europe	USD/t	531.49	-1.08	-0.20%	-197.43	-27.09%	26-Jan-24
White-top Kraftliner China	USD/t	777.11	2.10	0.27%	-133.05	-14.62%	26-Jan-24
White-top Kraftliner Europe	USD/t	912.98	-1.90	-0.21%	-101.50	-10.01%	26-Jan-24
Packaging - Boxboard							
Duplex China	USD/t	519.24	1.40	0.27%	-90.98	-14.91%	26-Jan-24
Duplex Europe	USD/t	1,245.19	-2.63	-0.21%	-252.46	-16.86%	26-Jan-24
Old Corrugated Cardboard							
OCC China	USD/t	253.55	0.68	0.27%	-31.21	-10.96%	26-Jan-24
OCC Europe	USD/t	106.87	-0.72	-0.67%	30.85	40.59%	26-Jan-24
OCC US	USD/t	87.00	0.00	0.00%	58.00	200.00%	1-Jan-24
Margins - China							
Uncoated Paper	USD/t	294.50	2.26	0.77%	22.00	8.07%	26-Jan-24
Coated Paper	USD/t	227.03	2.08	0.92%	131.41	137.42%	26-Jan-24
Kraftliner	USD/t	62.11	-3.31	-5.07%	-44.47	-41.72%	26-Jan-24
Testliner	USD/t	225.95	0.61	0.27%	-54.54	-19.44%	26-Jan-24
Coated Duplex	USD/t	18.76	-3.43	-15.46%	-7.05	-27.30%	26-Jan-24
White-top Kraftliner	USD/t	75.55	-2.54	-3.26%	3.03	4.18%	26-Jan-24
Margins - Europe							
Uncoated Paper	USD/t	567.00	4.01	0.71%	121.40	27.25%	26-Jan-24
Coated Paper	USD/t	439.59	3.63	0.83%	80.85	22.54%	26-Jan-24
Kraftliner	USD/t	216.59	-4.63	-2.09%	-158.59	-42.27%	26-Jan-24
Testliner	USD/t	424.63	-0.36	-0.09%	-228.28	-34.96%	26-Jan-24
Coated Duplex	USD/t	314.75	-9.57	-2.95%	-173.27	-35.50%	26-Jan-24
White-top Kraftliner	USD/t	-17.46	-8.83	102.43%	-22.31	-459.50%	26-Jan-24
Pulp Spreads							
HW Europe - China (Net)	USD/t	89.58	-0.40	82.10%	-88.08	-49.58%	26-Jan-24
SW Europe - China (Net)	USD/t	183.04	-2.05	-1.11%	57.46	45.75%	26-Jan-24
SW - HW China	USD/t	91.65	8.68	10.46%	-1.14	-1.23%	26-Jan-24
SW - HW Europe	USD/t	185.11	7.03	3.95%	144.40	354.70%	23-Jan-24

Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 4: Pulp & Paper prices period comparison

Evolution of pulp and paper prices

Pulp & Paper Price Reference	Current Price (USD/t)	Last Week Price	Last Month Price	Last Year Price	12M Average	5Y Average	Source
Market Pulp - Hardwood							
HW China Net	655.74	655.44	653.70	791.25	600.09	615.95	FOEX
HW China Resale Net (Eucalyptus)	602.04	602.38	602.20	811.39	600.20	612.62	RISI
HW Europe List	1,061.52	1,061.66	1,001.09	1,379.97	1,025.86	976.06	FOEX
HW Europe Net	745.32	745.42	702.89	968.92	720.29	686.91	BofA/FOEX
HW US List	1,175.00	1,175.00	1,135.00	1,590.00	1,215.02	1,184.58	RISI
Market Pulp - Softwood							
SW China Net	747.39	738.41	749.29	884.04	749.50	751.03	FOEX
SW China Resale Net (NBSK)	707.88	704.12	712.71	949.26	748.76	750.05	RISI
SW China Futures Net	695.74	687.42	693.32	n.a.	679.86	n.a.	RISI
SW Europe List	1,298.86	1,289.18	1,243.66	1,409.41	1,259.28	1,140.13	FOEX
SW Europe Net	930.43	923.50	890.89	1,009.63	902.08	818.56	BofA/FOEX
SW US List	1,360.00	1,360.00	1,340.00	1,710.00	1,431.21	1,399.49	RISI
Printing & Writing - Uncoated							
China Offset Reel	950.24	947.67	954.40	1,063.75	951.55	976.22	RISI
Europe Offset Reel	1,312.32	1,308.41	1,318.19	1,414.51	1,328.46	1,141.72	RISI
Printing & Writing - Coated							
China Offset Reel	882.77	880.39	886.64	886.87	843.00	875.12	RISI
Europe Offset Reel	1,184.91	1,181.38	1,190.21	1,327.66	1,216.37	982.85	RISI
Packaging - Containerboard							
Kraftliner China	562.59	561.07	565.05	690.99	590.09	682.28	RISI
Kraftliner Europe	735.24	736.76	753.47	918.00	782.22	799.04	FOEX
Testliner China	479.51	478.22	481.61	565.26	480.11	595.58	RISI
Testliner Europe	531.49	532.57	543.97	728.93	581.42	607.48	FOEX
White-top Kraftliner China	777.11	775.02	780.52	910.16	802.68	871.17	RISI
White-top Kraftliner Europe	912.98	914.88	940.55	1,014.48	944.09	923.27	FOEX
Packaging - Boxboard							
Duplex China	519.24	517.84	521.51	610.21	526.80	653.97	RISI
Duplex Europe	1,245.19	1,247.82	1,327.05	1,497.65	1,385.58	n.a.	RISI
Old Corrugated Cardboard							
OCC China	253.55	252.87	254.67	284.77	244.19	333.83	RISI
OCC Europe	106.87	107.59	112.66	76.02	98.27	126.52	FOEX
OCC US	87.00	87.00	79.00	29.00	54.43	72.15	RISI
Margins - China							
Uncoated Paper	294.50	292.23	300.70	272.50	351.46	360.27	FOEX/RISI
Coated Paper	227.03	224.95	232.94	95.62	242.92	259.17	FOEX/RISI
Kraftliner	62.11	65.43	63.07	106.58	93.24	139.85	FOEX/RISI
Testliner	225.95	225.35	226.94	280.49	235.92	261.76	FOEX/RISI
Coated Duplex	18.76	22.20	19.53	25.81	29.95	111.54	FOEX/RISI
White-top Kraftliner	75.55	78.09	79.02	72.52	127.89	187.68	FOEX/RISI
Margins - Europe							
Uncoated Paper	567.00	562.99	615.30	445.60	608.17	454.81	FOEX/RISI
Coated Paper	439.59	435.96	487.32	358.74	496.09	295.94	FOEX/RISI
Kraftliner	216.59	221.22	251.70	375.18	282.04	326.50	FOEX
Testliner	424.63	424.99	431.31	652.91	483.15	480.96	FOEX
Coated Duplex	314.75	324.32	436.16	488.02	483.50	449.02	FOEX/RISI
White-top Kraftliner	-17.46	-8.62	49.66	4.86	42.01	104.71	FOEX
Pulp Spreads							
HW Europe - China (Net)	89.58	89.98	49.19	177.67	120.20	70.96	FOEX
SW Europe - China (Net)	183.04	185.09	141.60	125.59	152.58	67.53	FOEX
SW - HW China	91.65	82.97	95.59	92.79	149.41	135.08	FOEX
SW - HW Europe	185.11	178.08	188.00	40.71	181.79	131.65	FOEX

Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

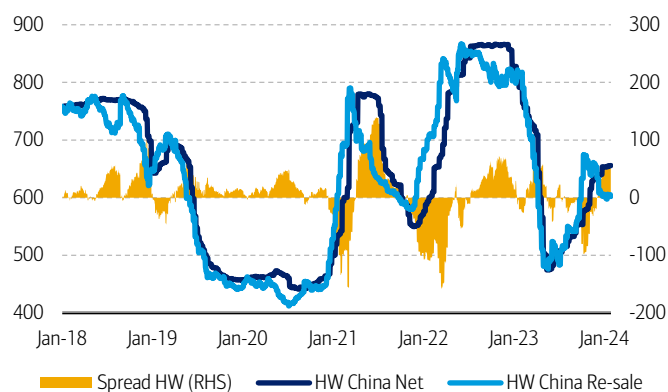
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Key charts

Main global pulp price references

Exhibit 5: China HW net price (US\$/t)

Hardwood prices rebounded from the bottom of ~\$480/t

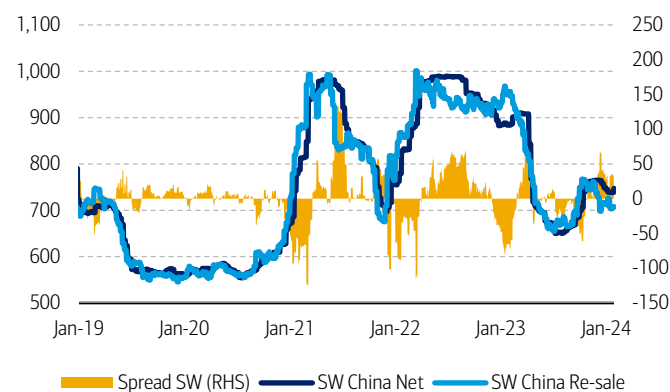


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 6: China SW net price (US\$/t)

Softwood prices are not recovering as much as hardwood

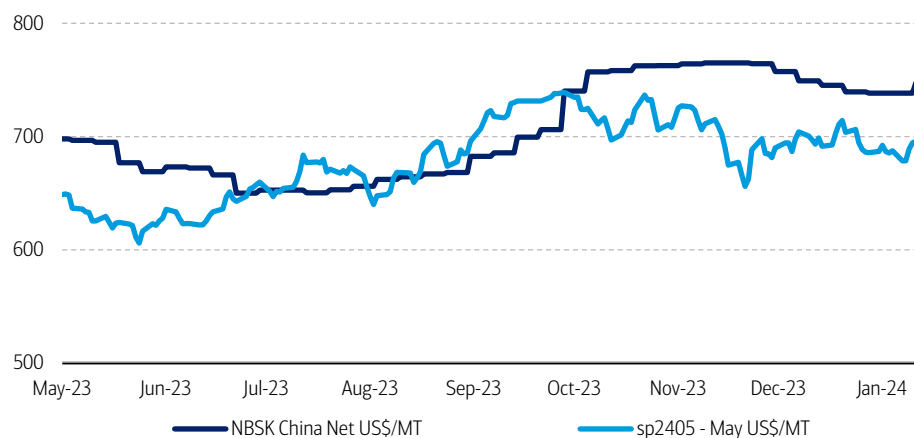


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 7: Shanghai softwood pulp futures (May 2024 contract [sp2405], US\$/t, net*) vs. PIX NBSK China net (US\$/t)

The most traded pulp future contract (May 2024; sp2405) is rangebound in the past weeks



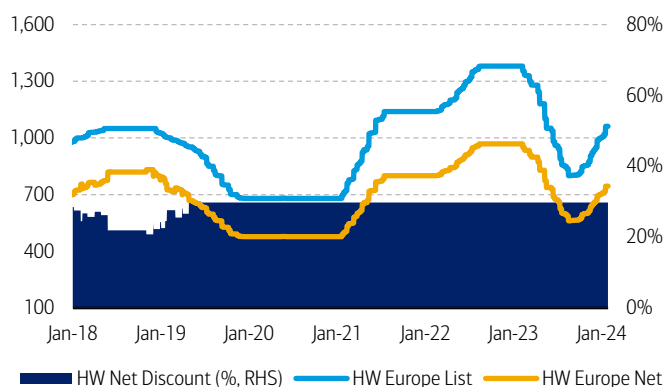
Source: BofA Global Research, Shanghai Futures Exchange, Fastmarkets FOEX

*Net of VAT (13%) and logistic costs (estimated at RMB 150/MT)

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Exhibit 8: Europe HW list vs. net price (US\$/t)

Europe Hardwood list prices are still rebounding

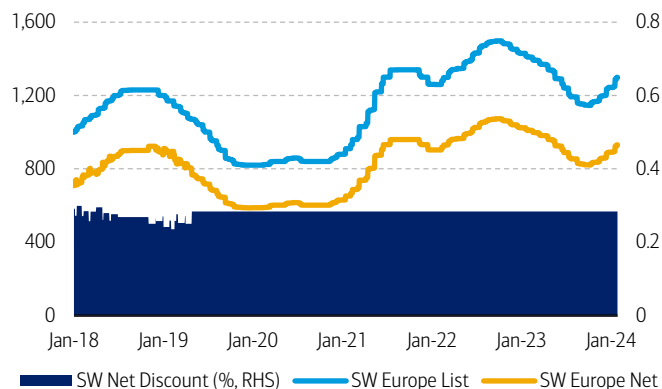


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 9: Europe SW list vs. net price (US\$/t)

As for Softwood, list prices are rebounding slightly

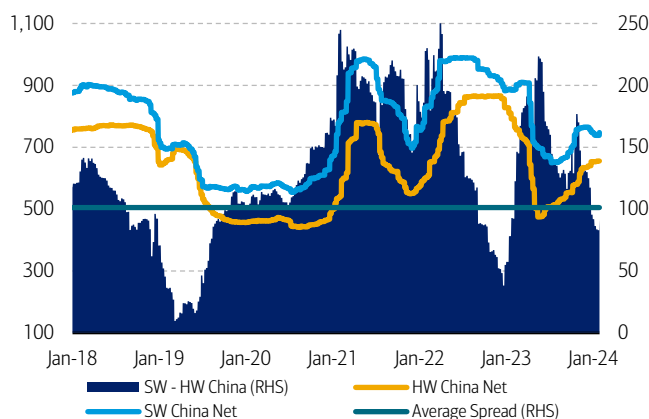


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 10: China SW – HW spread (US\$/t)

SW-HW spreads in China have been close to the historical average

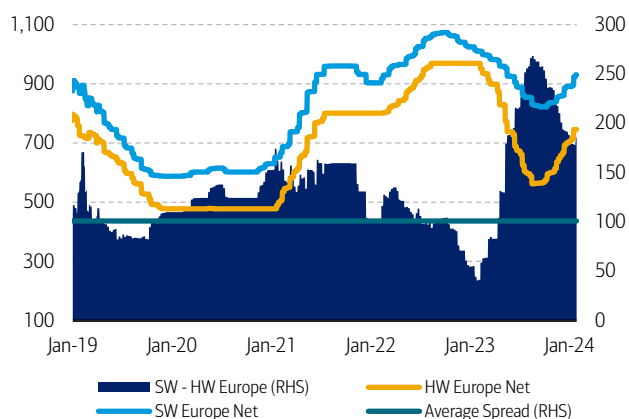


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 11: Europe SW – HW spread (US\$/t)

SW-HW spreads in Europe have been trading above its historical avg

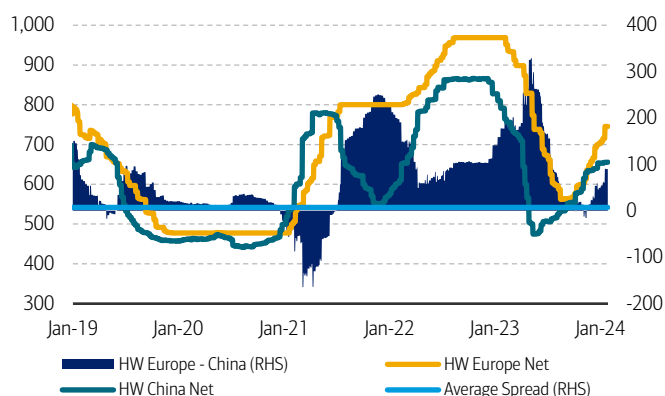


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 12: Europe HW vs. China HW price (US\$/t)

Europe prices are in line with Chinese prices

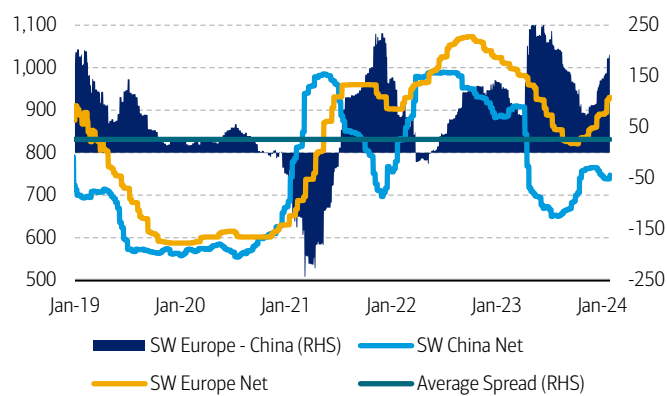


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 13: Europe SW vs. China SW price (US\$/t)

As for Softwood, EU-CH spread has been dropping

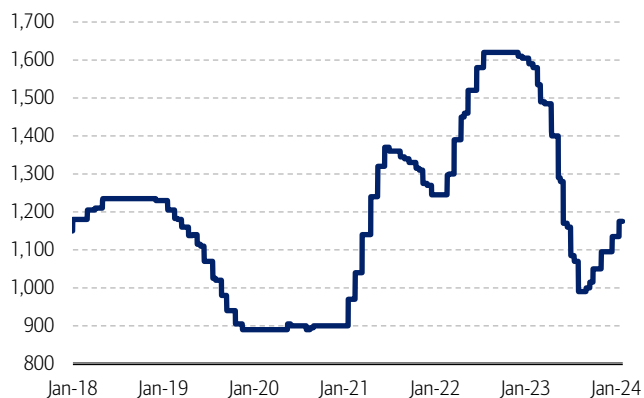


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 14: US HW list price (US\$/t)

US hardwood prices increased from the bottom



Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 15: US SW list price (US\$/t)

US softwood prices have remained close to the bottom

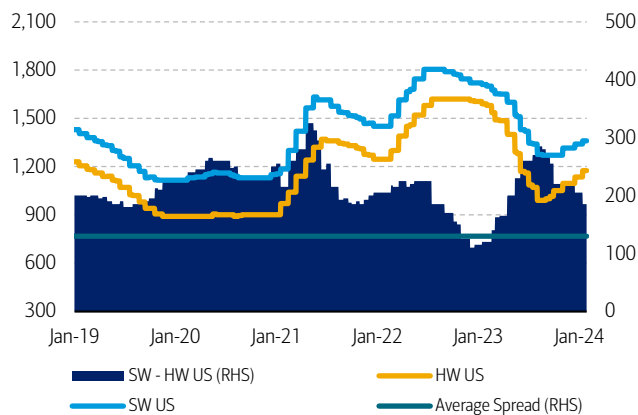


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 16: US SW-HW spread (US\$/t)

Even after the increase in spreads from 2020 and early 2021, current value is still well above historical avg of ~US\$124/t

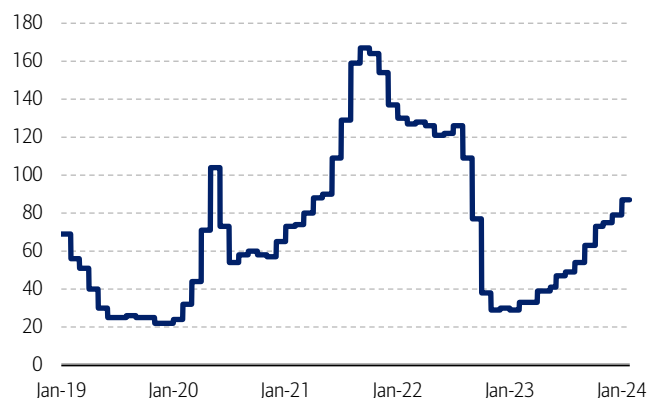


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 17: US OCC (US\$/t)

OCC prices have recovered from the recent bottom



Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

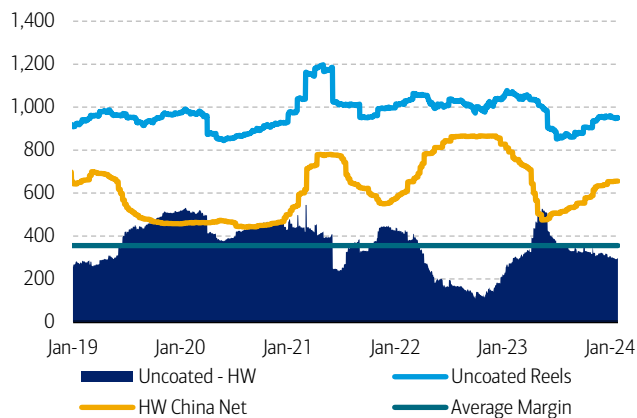
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Key charts

Main global paper price references

Exhibit 18: China uncoated reels price and margin (US\$/t)

China uncoated margins trading close to the historical avg of ~US\$360/t

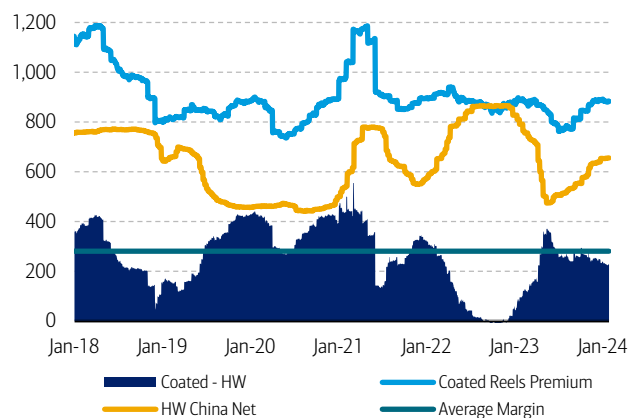


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 19: China coated reels price and margin (US\$/t)

China coated margins are close to the historical avg of ~US\$280/t

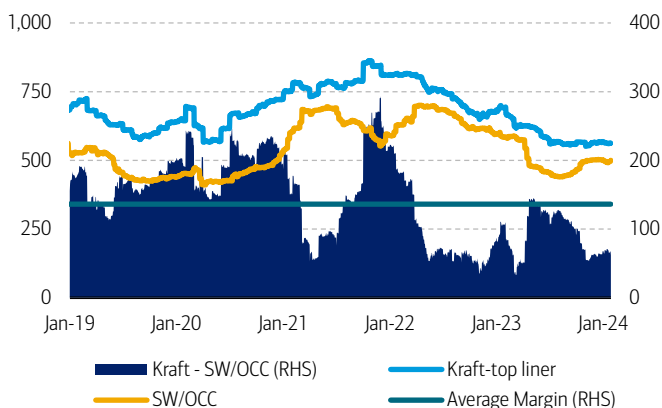


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 20: China kraftliner (US\$/t)

After peak in October 2021, kraftliner margins in China dropped and are now below to avg. of ~US\$150/t

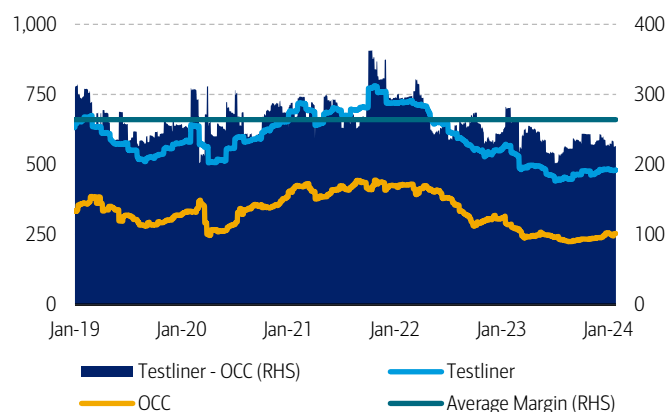


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 21: China testliner (US\$/t)

Testliner margins are below the historical margin

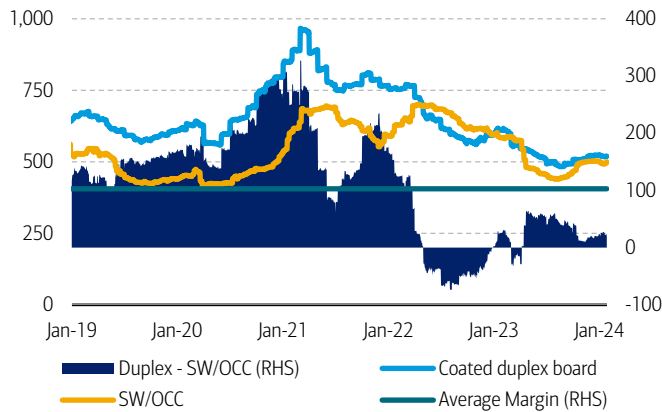


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 22: China duplex (US\$/t)

After recent peak in November, duplex margins in China started to drop and are now below the avg of ~US\$130/t

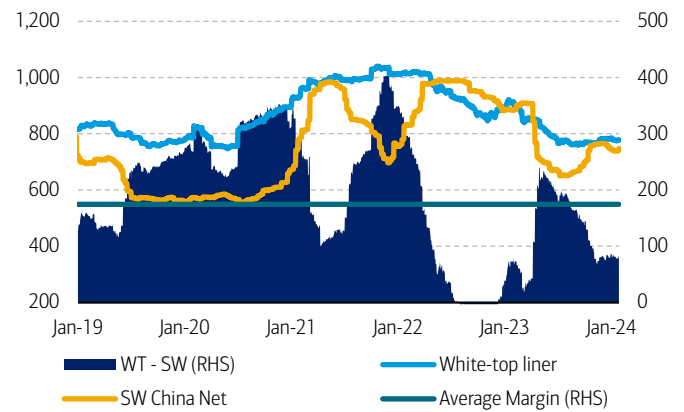


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 23: China white-top liner (US\$/t)

White-top liner also suffered pressure in margins by April 2021, and now returned to levels below avg

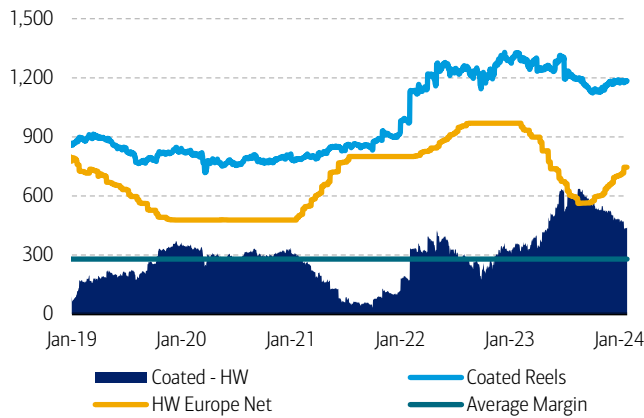


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 24: China ivory board (US\$/t)

Ivory board margin in China is now above the average of ~US\$260/t

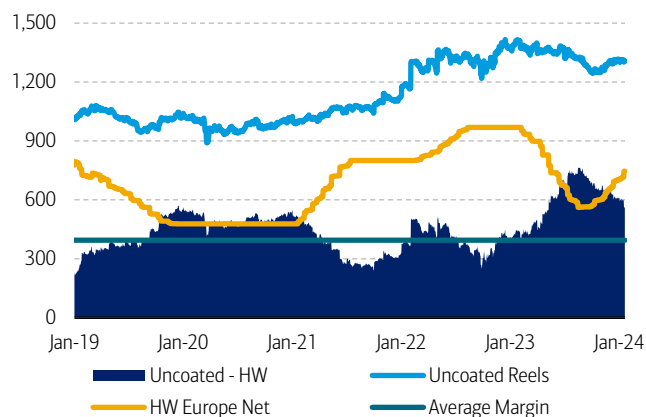


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 25: Europe uncoated reels (US\$/t)

For uncoated in Europe, margins are recently high, and trading above its historical avg of ~US\$380/t

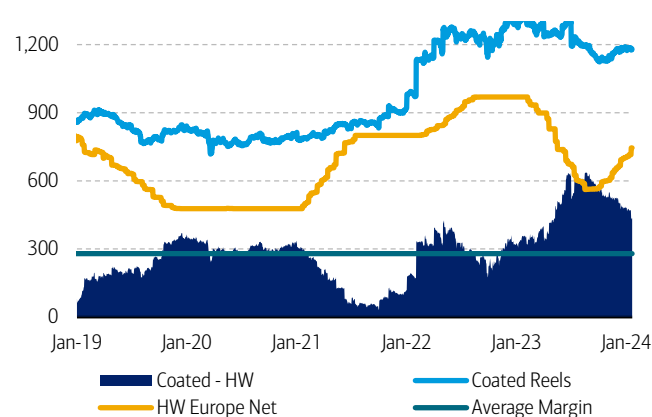


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 26: Europe coated reels (US\$/t)

Margins for coated in Europe recovered from low level reached after peak in 2020 and early 2021

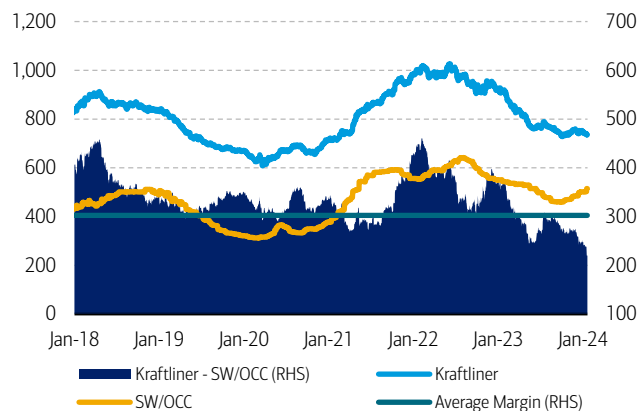


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 27: Europe kraftliner (US\$/t)

Kraftliner margins are currently below the historical average

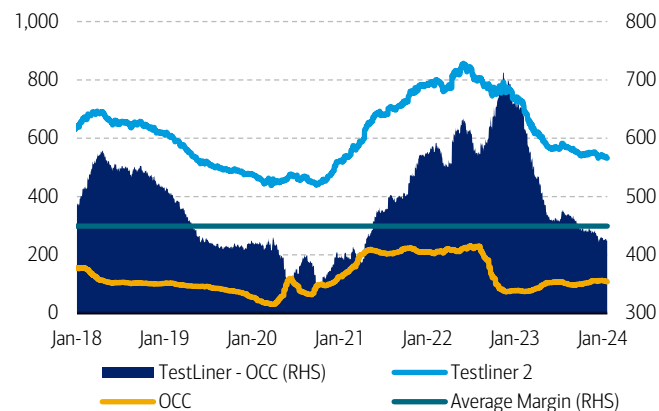


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 28: Europe testliner (US\$/t)

Testliner margins are currently below the historical average

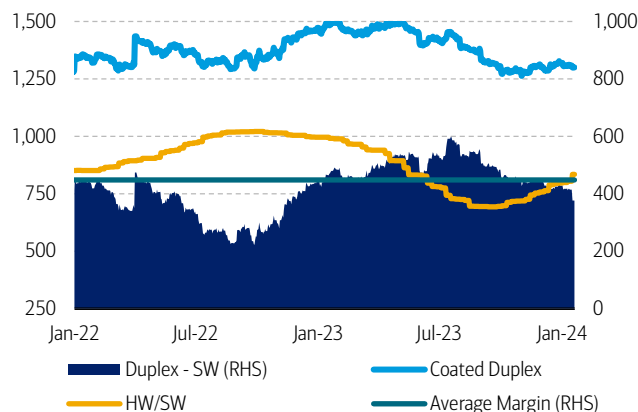


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 29: Europe duplex (US\$/t)

Margins for duplex in Europe are close to the historical average

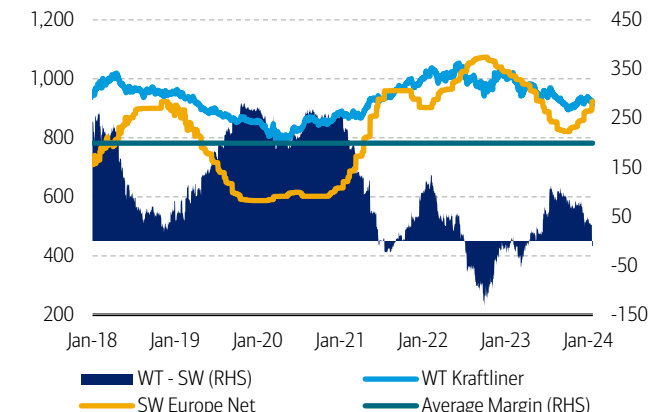


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 30: Europe white-top liner (US\$/t)

WT kraftliner margins are currently low



Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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