

Pulp & Paper Price Tracker

Quiet week with LNY; European mills looking to increase containerboard prices

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 up \$0.94/t w/w to \$653.87/t for hardwood but down \$0.03/t w/w to \$732.89/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	653.87	0.94	0.14%
HW China Resale Net (Eucalyptus)	USD/t	606.30	0.00	0.00%
HW Europe List	USD/t	1,140.28	43.36	3.95%
HW Europe Net	USD/t	800.62	30.44	3.95%
HW US List	USD/t	1,175.00	0.00	0.00%
Market Pulp - Softwood				
SW China Net	USD/t	732.89	-0.03	0.00%
SW China Resale Net (NBSK)	USD/t	701.52	0.00	0.00%
SW China Futures Net	USD/t	669.97	0.29	0.04%
SW Europe List	USD/t	1,343.34	42.25	3.25%
SW Europe Net	USD/t	962.30	30.27	3.25%
SW US List	USD/t	1,380.00	0.00	0.00%
Printing & Writing - Uncoated				
China Offset Reel	USD/t	933.75	0.00	0.00%
Europe Offset Reel	USD/t	1,296.15	-4.53	-0.35%
Printing & Writing - Coated				
China Offset Reel	USD/t	850.34	0.00	0.00%
Europe Offset Reel	USD/t	1,170.31	-4.09	-0.35%
Packaging - Containerboard				
Kraftliner China	USD/t	559.39	0.00	0.00%
Kraftliner Europe	USD/t	719.27	-1.06	-0.15%
Testliner China	USD/t	473.34	0.00	0.00%
Testliner Europe	USD/t	519.69	-5.35	-1.02%
White-top Kraftliner China	USD/t	772.91	0.00	0.00%
White-top Kraftliner Europe	USD/t	898.39	-1.31	-0.15%
Packaging - Boxboard				
Duplex China	USD/t	505.73	0.00	0.00%
Duplex Europe	USD/t	1,233.05	-1.72	-0.14%
Old Corrugated Cardboard				
OCC China	USD/t	251.33	0.00	0.00%
OCC Europe	USD/t	105.75	-0.44	-0.41%
OCC US	USD/t	91.00	0.00	0.00%

Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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HW: hardwood

SW: softwood

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Refer to important disclosures on page 12 to 13.

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Timestamp: 16 February 2024 02:59PM EST

Weekly news flow

Asia: quiet week on Lunar New Year

FOEX reported pulp prices mixed w/w in China this week, with imported hardwood (HW) up \$0.94/t to \$653.87/t and imported softwood (SW) down \$0.03/t w/w to \$732.89/t. There were no updates on resale and future pulp prices this week, given the LNY (Lunar New Year) holiday.

Europe: mills looking to increase containerboard prices

PPI Europe reported that containerboard producers in Europe are looking to increase prices in the next months. According to PPI contacts, the hike would be driven by higher costs, rather than by an improvement in demand. Currently 50-80% of recycled containerboard mills in Europe would be loss making. Market participants reckon that the demand has improved in 2024, but that is mostly due to week 2023 level, rather than actual solid demand. According to the publication, producers were seeking EUR 80/t hikes for RCCM (Recycled Containerboard), effective in March, with no public announcements so far. Meanwhile, OCC (Old Corrugated Containers) prices in Europe have been pressured since December, given high supply. Due to the disruptions at the Red Sea, shipping companies announced \$3,000 surcharges, which led export orders to be canceled and OCC availability in Europe to increase. The higher costs, combined with general uncertainty are keeping Asian buyers away from European OCC.

Americas: box shipments +5.3% y/y & +6.9% m/m in Jan

Empapel reported today preliminary figures for Brazilian shipments of boxes, accessories and sheets of corrugated board in January. Total shipments of 337.120Kt rose 5.3% y/y and 6.9% m/m (Exhibit 2), to the highest level ever recorded for January. On a per workday (pwd) basis, shipments were up 5.3% y/y, as there were as many working days in Jan-24 and Jan-23 and up 2.7% m/m to 12.966Kt. The Brazilian index of corrugated board (IBPO) rose 5.3% y/y to 150.1 points but dropped 0.4% on a seasonally adjusted basis to 153.7pts.

Exhibit 2: Shipments of boxes, accessories and sheets of corrugated board – Jan 2024

Total shipments of 337Kt rose 5.3% y/y in January

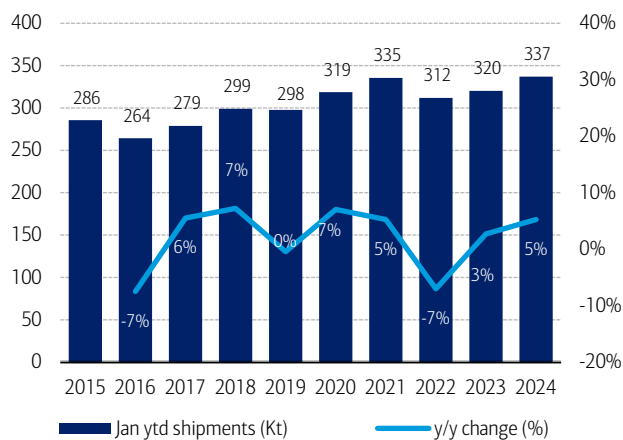
Kt	Jan-24	Dec-23	m/m	Jan-23	y/y	2024 ytd	ytd %
Expeditions	337.1	315.5	6.9%	320.3	5.3%	337	5.3%
Expeditions per working day	13.0	12.6	2.7%	12.3	5.3%	13.0	5.3%

Source: BofA Global Research, Empapel

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Exhibit 3: Brazilian ytd shipments of boxes, accessories and sheets of corrugated board, as of September (Kt)

Shipments rose 5.3% ytd in January to 337Kt

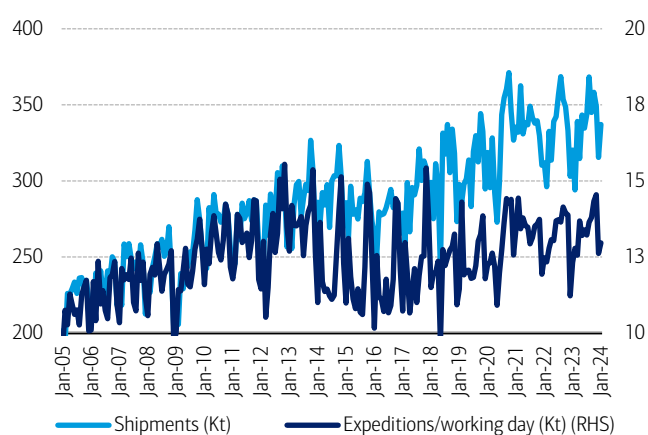


Source: BofA Global Research, Empapel

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Exhibit 4: Brazilian monthly shipments of boxes, accessories and sheets of corrugated board (Kt)

January shipments rose 6.9% m/m and rose 5.3% y/y to 337Kt



Source: BofA Global Research, Empapel

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Exhibit 5: Summary of Pulp & Paper price movements

Pulp prices rose \$0.94/t w/w to \$653.87/t for hardwood and dropped \$0.03/t w/w at \$732.89/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	653.87	0.94	0.14%	-101.71	-13.46%	16-Feb-24
HW China Resale Net (Eucalyptus)	USD/t	606.30	0.00	0.00%	-159.02	-20.78%	9-Feb-24
HW Europe List	USD/t	1,140.28	43.36	3.95%	-192.38	-14.44%	13-Feb-24
HW Europe Net	USD/t	800.62	30.44	3.95%	-135.08	-14.44%	13-Feb-24
HW US List	USD/t	1,175.00	0.00	0.00%	-405.00	-25.63%	12-Jan-24
Market Pulp - Softwood							
SW China Net	USD/t	732.89	-0.03	0.00%	-169.04	-18.74%	16-Feb-24
SW China Resale Net (NBSK)	USD/t	701.52	0.00	0.00%	-222.92	-24.11%	9-Feb-24
SW China Futures Net	USD/t	669.97	0.29	0.04%	n.a.	n.a.	12-Feb-24
SW Europe List	USD/t	1,343.34	42.25	3.25%	-50.75	-3.64%	13-Feb-24
SW Europe Net	USD/t	962.30	30.27	3.25%	-36.35	-3.64%	13-Feb-24
SW US List	USD/t	1,380.00	0.00	0.00%	-320.00	-18.82%	30-Jan-24
Printing & Writing - Uncoated							
China Offset Reel	USD/t	933.75	0.00	0.00%	-118.68	-11.28%	9-Feb-24
Europe Offset Reel	USD/t	1,296.15	-4.53	-0.35%	-71.05	-5.20%	16-Feb-24
Printing & Writing - Coated							
China Offset Reel	USD/t	850.34	0.00	0.00%	-27.09	-3.09%	9-Feb-24
Europe Offset Reel	USD/t	1,170.31	-4.09	-0.35%	-112.94	-8.80%	16-Feb-24
Packaging - Containerboard							
Kraftliner China	USD/t	559.39	0.00	0.00%	-99.45	-15.10%	9-Feb-24
Kraftliner Europe	USD/t	719.27	-1.06	-0.15%	-150.41	-17.30%	16-Feb-24
Testliner China	USD/t	473.34	0.00	0.00%	-63.01	-11.75%	9-Feb-24
Testliner Europe	USD/t	519.69	-5.35	-1.02%	-162.06	-23.77%	16-Feb-24
White-top Kraftliner China	USD/t	772.91	0.00	0.00%	-116.63	-13.11%	9-Feb-24
White-top Kraftliner Europe	USD/t	898.39	-1.31	-0.15%	-87.55	-8.88%	16-Feb-24
Packaging - Boxboard							
Duplex China	USD/t	505.73	0.00	0.00%	-99.89	-16.49%	9-Feb-24
Duplex Europe	USD/t	1,233.05	-1.72	-0.14%	-223.95	-15.37%	16-Feb-24
Old Corrugated Cardboard							
OCC China	USD/t	251.33	0.00	0.00%	-18.88	-6.99%	9-Feb-24
OCC Europe	USD/t	105.75	-0.44	-0.41%	31.28	42.00%	16-Feb-24
OCC US	USD/t	91.00	0.00	0.00%	58.00	175.76%	1-Feb-24
Margins - China							
Uncoated Paper	USD/t	279.88	-0.94	-0.33%	-16.97	-5.72%	16-Feb-24
Coated Paper	USD/t	196.47	-0.94	-0.48%	74.62	61.23%	16-Feb-24
Kraftliner	USD/t	67.27	0.01	0.02%	-5.49	-7.55%	16-Feb-24
Testliner	USD/t	222.00	0.00	0.00%	-44.13	-16.58%	9-Feb-24
Coated Duplex	USD/t	13.62	0.01	0.11%	-5.93	-30.33%	16-Feb-24
White-top Kraftliner	USD/t	79.53	-0.46	-0.57%	18.75	30.84%	16-Feb-24
Margins - Europe							
Uncoated Paper	USD/t	495.53	-34.98	-6.59%	64.03	14.84%	16-Feb-24
Coated Paper	USD/t	369.69	-34.54	-8.54%	22.14	6.37%	16-Feb-24
Kraftliner	USD/t	185.25	-15.97	-7.94%	-147.88	-44.39%	16-Feb-24
Testliner	USD/t	413.94	-4.91	-1.17%	-193.34	-31.84%	16-Feb-24
Coated Duplex	USD/t	270.75	-31.98	-10.56%	-187.60	-40.93%	16-Feb-24
White-top Kraftliner	USD/t	-63.90	-31.57	97.64%	-51.20	403.01%	16-Feb-24
Pulp Spreads							
HW Europe - China (Net)	USD/t	146.75	29.50	61.85%	-33.37	-18.52%	16-Feb-24
SW Europe - China (Net)	USD/t	229.41	30.30	15.22%	132.69	137.18%	16-Feb-24
SW - HW China	USD/t	79.02	-0.97	-1.21%	-67.33	-46.01%	16-Feb-24
SW - HW Europe	USD/t	161.67	-0.18	-0.11%	98.72	156.82%	13-Feb-24

Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 6: 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	653.87	652.93	654.75	755.58	592.93	615.93	FOEX
HW China Resale Net (Eucalyptus)	606.30	606.30	603.62	765.33	588.88	611.69	RISI
HW Europe List	1,140.28	1,096.92	1,061.66	1,332.66	1,008.61	976.89	FOEX
HW Europe Net	800.62	770.18	745.42	935.70	708.17	687.19	BofA/FOEX
HW US List	1,175.00	1,175.00	1,175.00	1,580.00	1,191.50	1,184.23	RISI
Market Pulp - Softwood							
SW China Net	732.89	732.92	738.41	901.93	741.01	751.54	FOEX
SW China Resale Net (NBSK)	701.52	701.52	702.86	924.44	734.78	749.89	RISI
SW China Futures Net	669.97	669.68	686.77	n.a.	679.88	n.a.	RISI
SW Europe List	1,343.34	1,301.09	1,289.18	1,394.09	1,252.91	1,141.62	FOEX
SW Europe Net	962.30	932.03	923.50	998.65	897.52	819.09	BofA/FOEX
SW US List	1,380.00	1,380.00	1,360.00	1,700.00	1,412.14	1,399.11	RISI
Printing & Writing - Uncoated							
China Offset Reel	933.75	933.75	933.40	1,052.42	943.32	976.08	RISI
Europe Offset Reel	1,296.15	1,300.68	1,305.63	1,367.20	1,323.27	1,144.64	RISI
Printing & Writing - Coated							
China Offset Reel	850.34	850.34	850.02	877.43	839.22	875.19	RISI
Europe Offset Reel	1,170.31	1,174.40	1,178.87	1,283.25	1,208.82	986.16	RISI
Packaging - Containerboard							
Kraftliner China	559.39	559.39	559.18	658.84	583.20	680.51	RISI
Kraftliner Europe	719.27	720.33	735.75	869.69	772.22	797.91	FOEX
Testliner China	473.34	473.34	473.16	536.35	475.27	593.35	RISI
Testliner Europe	519.69	525.04	531.84	681.75	570.65	606.60	FOEX
White-top Kraftliner China	772.91	772.91	772.62	889.54	795.04	870.49	RISI
White-top Kraftliner Europe	898.39	899.70	913.62	985.95	938.30	922.80	FOEX
Packaging - Boxboard							
Duplex China	505.73	505.73	505.54	605.61	520.06	651.99	RISI
Duplex Europe	1,233.05	1,234.77	1,246.10	1,457.00	1,371.54	n.a.	RISI
Old Corrugated Cardboard							
OCC China	251.33	251.33	244.99	270.22	242.55	332.58	RISI
OCC Europe	105.75	106.19	107.44	74.47	100.07	126.56	FOEX
OCC US	91.00	91.00	87.00	33.00	57.77	72.46	RISI
Margins - China							
Uncoated Paper	279.88	280.82	278.65	296.84	350.39	360.14	FOEX/RISI
Coated Paper	196.47	197.41	195.27	121.85	246.29	259.26	FOEX/RISI
Kraftliner	67.27	67.26	67.48	72.77	91.42	138.45	FOEX/RISI
Testliner	222.00	222.00	228.17	266.13	232.72	260.77	FOEX/RISI
Coated Duplex	13.62	13.60	13.84	19.54	28.28	109.93	FOEX/RISI
White-top Kraftliner	79.53	79.98	76.04	60.78	128.07	186.76	FOEX/RISI
Margins - Europe							
Uncoated Paper	495.53	530.51	560.21	431.50	615.10	457.45	FOEX/RISI
Coated Paper	369.69	404.23	433.45	347.55	500.65	298.96	FOEX/RISI
Kraftliner	185.25	201.22	220.28	333.12	273.42	325.09	FOEX
Testliner	413.94	418.85	424.40	607.28	470.58	480.04	FOEX
Coated Duplex	270.75	302.74	322.60	458.35	474.03	446.69	FOEX/RISI
White-top Kraftliner	-63.90	-32.33	-9.88	-12.70	40.78	103.71	FOEX
Pulp Spreads							
HW Europe - China (Net)	146.75	117.25	90.67	180.12	115.25	71.26	FOEX
SW Europe - China (Net)	229.41	199.11	185.09	96.72	156.50	67.56	FOEX
SW - HW China	79.02	79.99	83.66	146.35	148.09	135.60	FOEX
SW - HW Europe	161.67	161.85	178.08	62.95	189.34	131.90	FOEX

Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

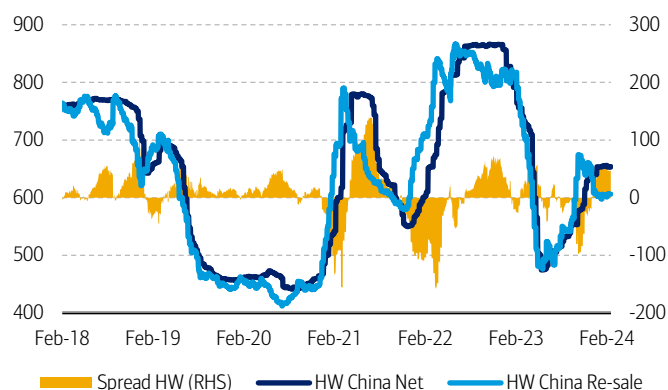
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Key charts

Main global pulp price references

Exhibit 7: China HW net price (US\$/t)

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

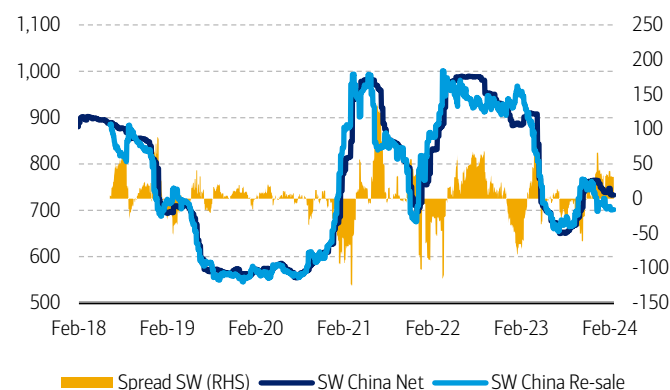


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 8: China SW net price (US\$/t)

Softwood prices began to drop



Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 9: 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



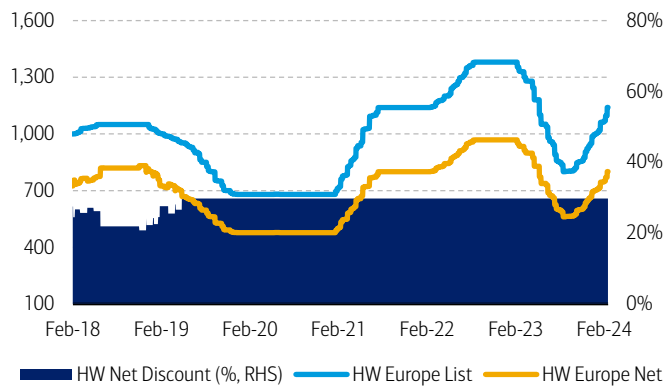
Source: BofA Global Research, Shanghai Futures Exchange, Fastmarkets FOEX

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

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Exhibit 10: Europe HW list vs. net price (US\$/t)

Europe Hardwood list prices are still rebounding

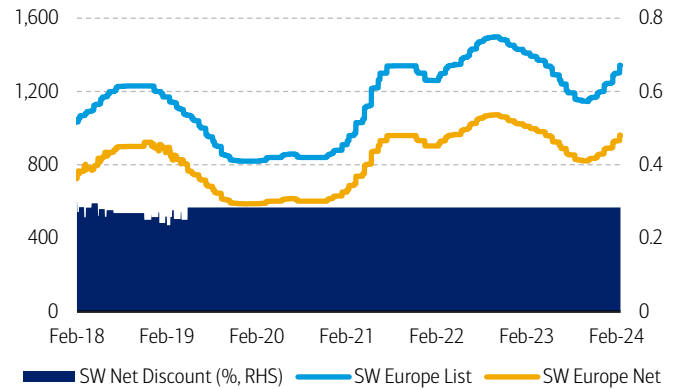


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 11: Europe SW list vs. net price (US\$/t)

As for Softwood, list prices are rebounding slightly

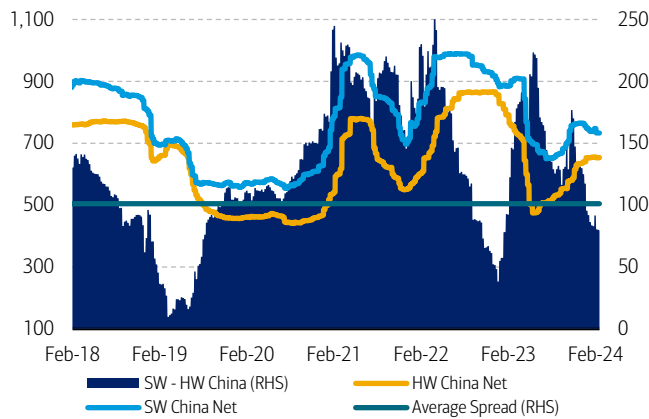


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 12: China SW – HW spread (US\$/t)

SW-HW spreads in China are below the historical average

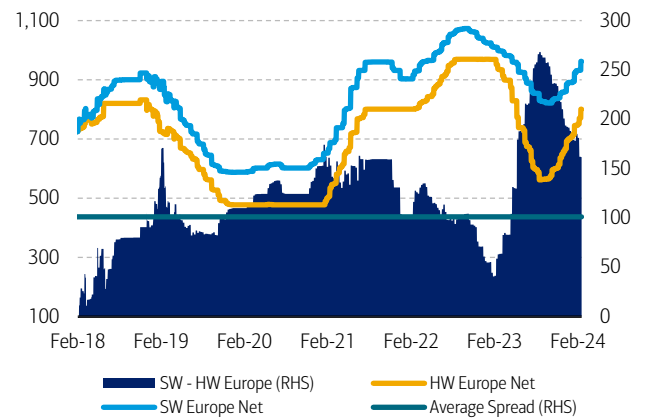


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 13: Europe SW – HW spread (US\$/t)

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

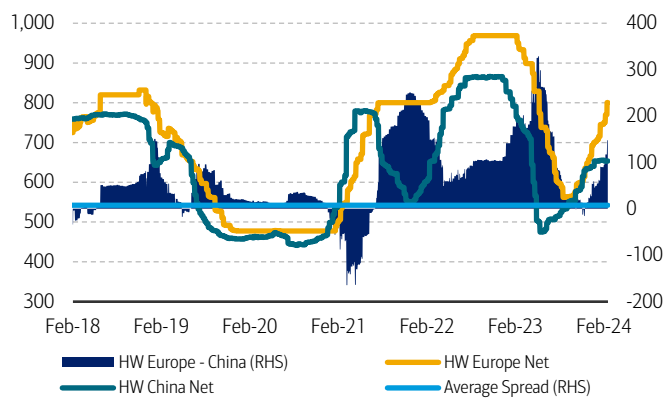


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 14: Europe HW vs. China HW price (US\$/t)

Europe prices are at a premium to prices in China

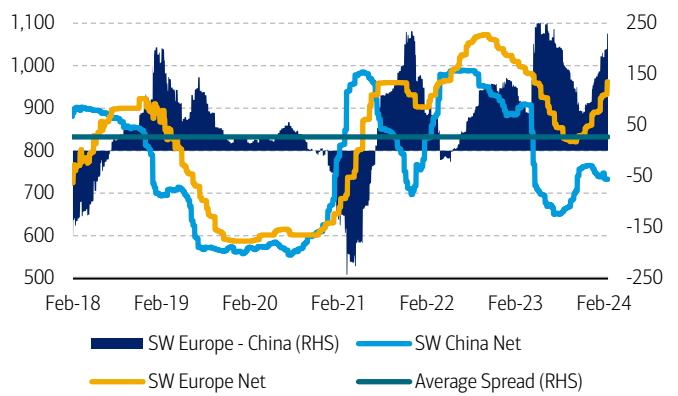


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 15: Europe SW vs. China SW price (US\$/t)

As for Softwood, EU-CH spread has been increasing

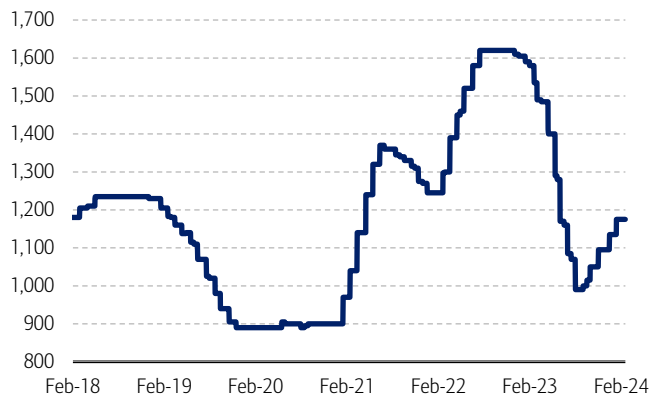


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 16: US HW list price (US\$/t)

US hardwood prices increased from the bottom

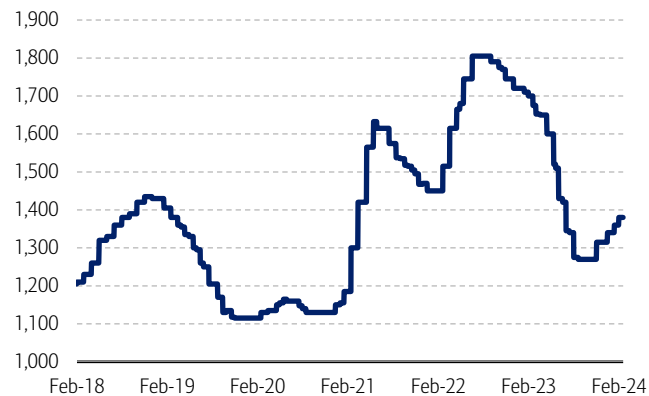


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 17: US SW list price (US\$/t)

US softwood prices have remained close to the bottom

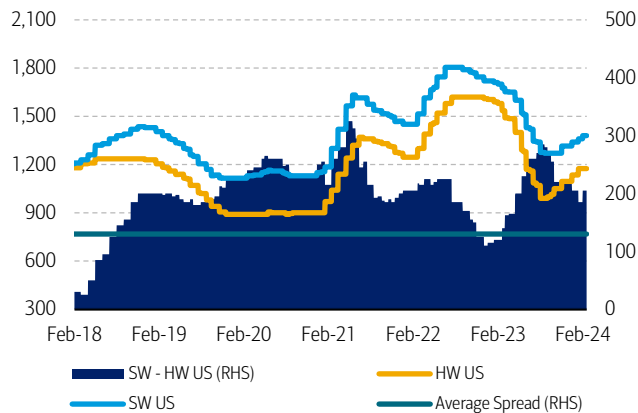


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 18: 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 19: US OCC (US\$/t)

OCC prices have recovered from the recent bottom



Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

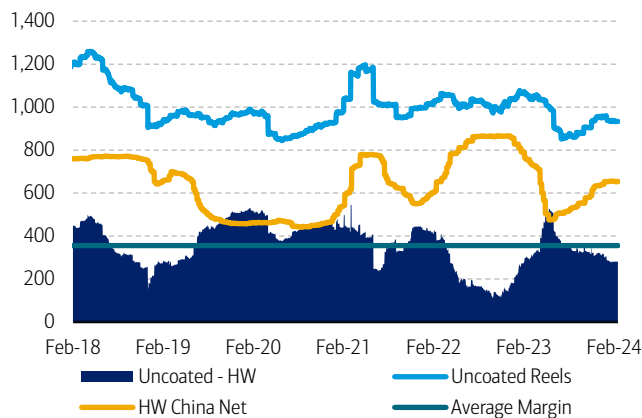
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Key charts

Main global paper price references

Exhibit 20: China uncoated reels price and margin (US\$/t)

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

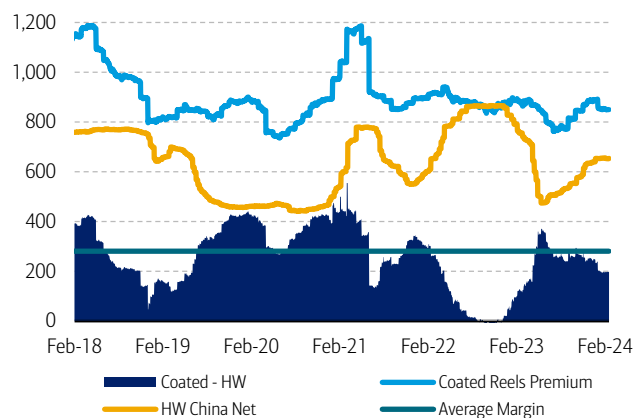


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 21: China coated reels price and margin (US\$/t)

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

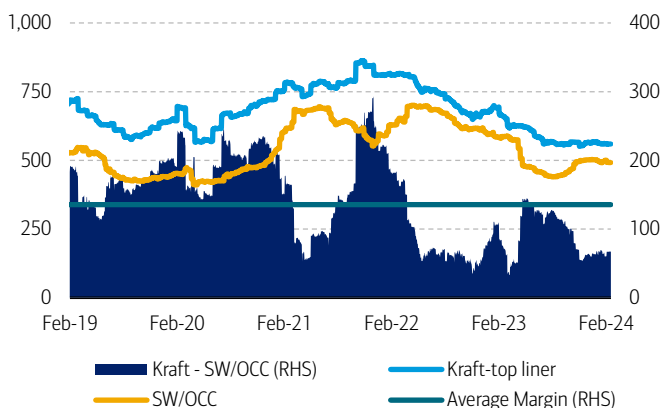


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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

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

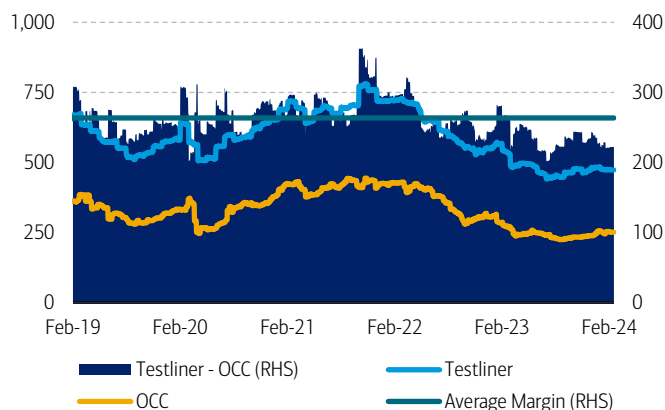


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 23: China testliner (US\$/t)

Testliner margins are below the historical margin

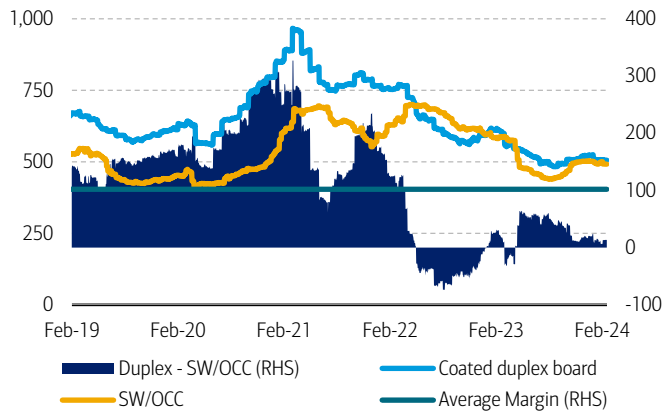


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 24: 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

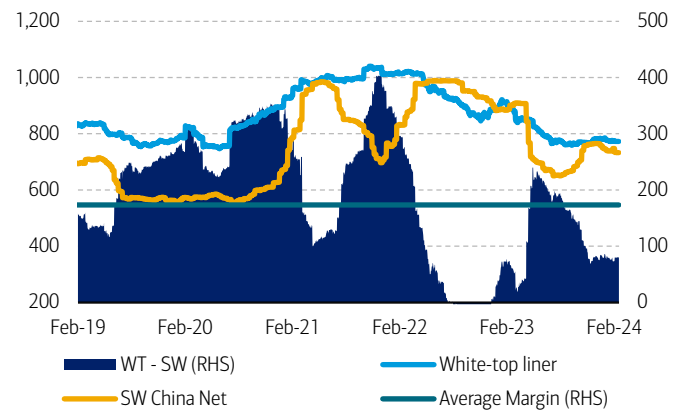


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 25: China white-top liner (US\$/t)

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

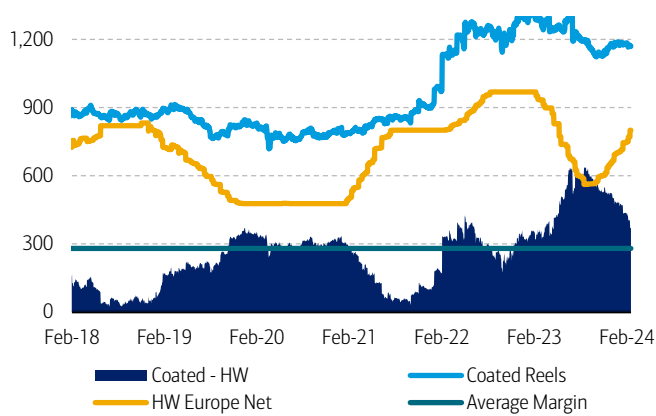


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 26: China ivory board (US\$/t)

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

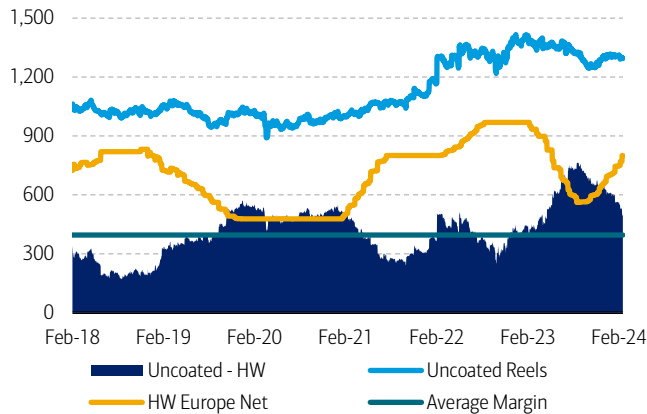


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 27: Europe uncoated reels (US\$/t)

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

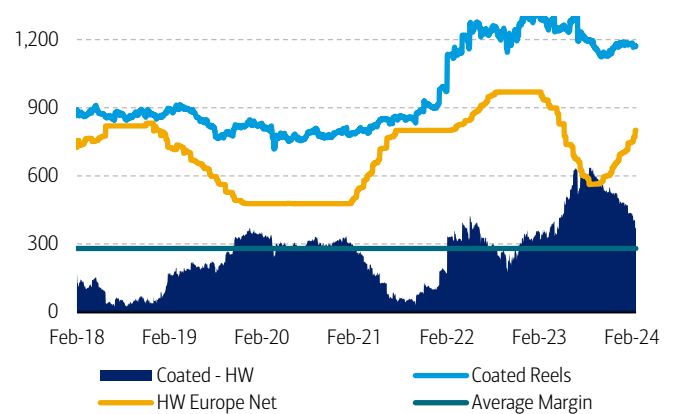


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 28: Europe coated reels (US\$/t)

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

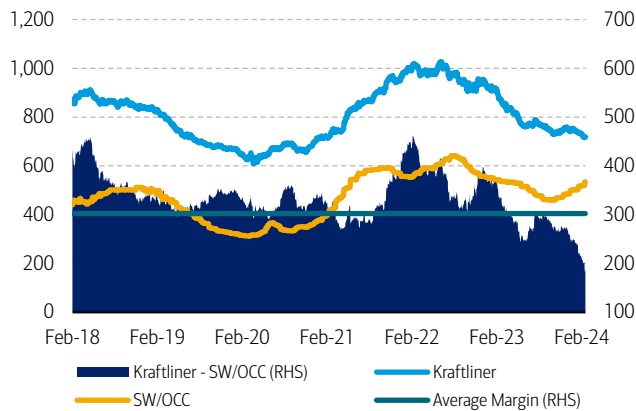


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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

Kraftliner margins are currently below the historical average

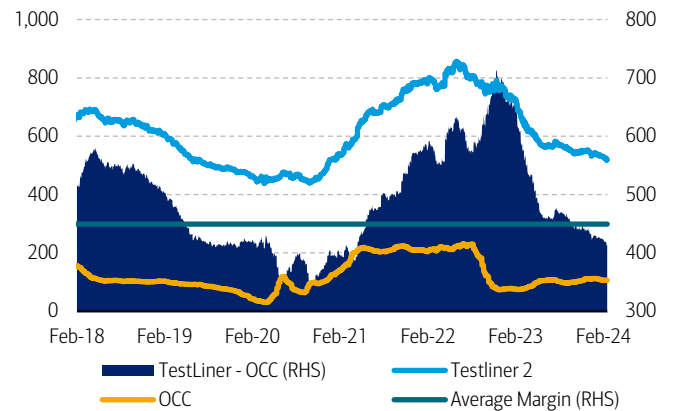


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 30: Europe testliner (US\$/t)

Testliner margins are currently below the historical average

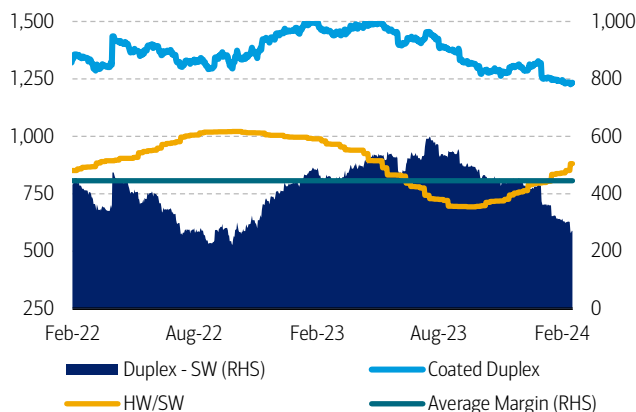


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 31: Europe duplex (US\$/t)

Margins for duplex in Europe are close to the historical average

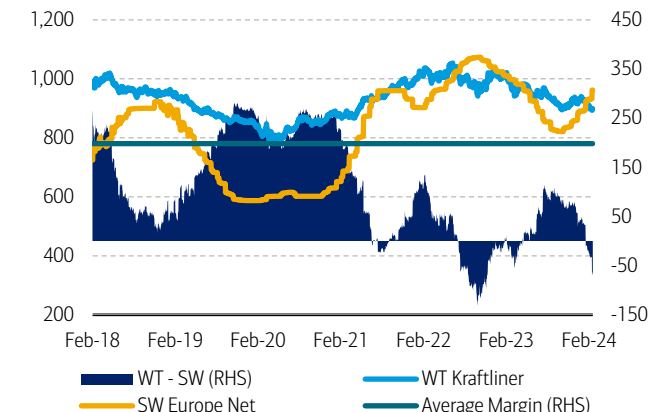


Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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Exhibit 32: Europe white-top liner (US\$/t)

WT kraftliner margins are currently low



Source: BofA Global Research, Fastmarkets FOEX, Fastmarkets RISI

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