

## Paper/Forest Products

## Pkgg/Paper Wrap-up, Daily – 3/6/24: Wood prices mostly higher; OCC up

Industry Overview

## Futures Tracker

## Exhibit 2: Lumber Futures

Summary of lumber futures w/w

	Date	Price	w/w (%)
<b>Lumber (\$/bft)</b>			
Lumber (CME \$/bft) Mar 24	06-Mar-24	\$575.00	2.0%
Lumber (CME \$/bft) May 24	06-Mar-24	\$606.00	3.4%
Lumber (CME \$/bft) Jul 24	06-Mar-24	\$613.00	2.9%
Lumber (CME \$/bft) Sep 24	06-Mar-24	\$625.00	2.8%
Lumber (CME \$/bft) Nov 24	06-Mar-24	\$631.00	2.8%

Source: FactSet as of 3/6/24 intraday, BofA Global Research

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## RL Midweek shows (+) wood pricing, though plywood (-)

Random Lengths' (RL) Midweek report showed that the Framing Lumber Composite increased \$13/MBF to \$411/MBF compared to midweek prices reported on February 27<sup>th</sup>. Random Lengths noted that price trends were supported by an increase in demand, although uncertainty remained ahead of the spring building season. CME lumber futures (March 24 contract) increased ~2% at \$575/MBF compared to last week. Meantime, the Structural Panel index was up \$12/MSF at \$604/MSF. In oriented strand board (OSB), North Central and South East prices were up \$25/MSF at \$425/MSF and \$395/MSF, respectively. RL's report of tight supplies led to the rally, as most mills remained off the market. As for plywood, the recent weakness continued as prices were down \$11/MSF at \$623/MSF.

## March OCC price climbs further...

Fastmarkets RISI reported on March 5<sup>th</sup> that prices rose for domestic old corrugated containers (OCC) in March. According to RISI's pricing survey and market report, OCC prices increased by \$12/ton to \$103/ton given tight supplies and increased export demand following the Chinese Lunar New Year holiday. This marks a \$70/ton rise when compared to March 2023 pricing levels. Our expert panel on Recycled Fibers at last week's Global Agriculture & Materials Conference saw higher OCC prices for the year ([see here for our conference report](#)).

## Chinese pulp market rebounds post Lunar New Year

Fastmarkets RISI reported on March 1<sup>st</sup> that prices for imports of bleached softwood kraft (BSK) and bleached hardwood kraft (BHK) pulp edged up following the Lunar New Year in China. According to RISI, producers in China are likely to accept the \$30/tonne increase effective in March, which will increase prices to ~\$680-690/tonne and would signal a seasonally stronger spring. We will continue to monitor commentary on demand patterns and consider any implications for our supply/demand forecast.

06 March 2024

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## Exhibit 1: Paper/Packaging Research

Summary of recent BofA notes

	Date	Link
<b>Notes</b>		
Weekly	5-Mar	<a href="#">BofA Global Ag &amp; Mats Conf.</a>
Weekly	23-Feb	<a href="#">Earnings Review ahead of Conf.</a>
Weekly	16-Feb	<a href="#">Pricing Friday Preview - Feb.</a>
Weekly	8-Feb	<a href="#">The sound and the fury</a>
Weekly	2-Feb	<a href="#">Red Sea Implications</a>
Weekly	26-Jan	<a href="#">Euro Commentary</a>
Weekly	19-Jan	<a href="#">Pricing Friday Preview - Jan.</a>
Weekly	12-Jan	<a href="#">WestRock price hikes</a>
Weekly	7-Jan	<a href="#">Red Sea: Price hikes</a>
Year-Ahead	2-Jan	<a href="#">Year-Ahead Note</a>
<b>Daily</b>		
Daily	18-Jan	<a href="#">Investor Comments</a>
Daily	21-Feb	<a href="#">Wood/Lumber</a>
Daily	20-Feb	<a href="#">Commodity Tracker</a>

Source: BofA Global Research

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