

# FIS Pulp Paper Futures Weekly Report

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## Market News

Another relatively subdued week on the pulp markets, with pulp prices relatively flat in China and Europe.  
Further softening of the CNY against the US dollar prompted some Canadian suppliers to cut their NBSK list prices to China this week from \$950 to \$930 /mt. Some major BSK producers from the Nordics and Canada remain undecided on cutting prices to contract buyers for November. Canadian NBSK prices remained flat at \$920-970 /mt, as did Nordic NBSK at \$930-960 /mt. SHFE futures in the most liquid January contract were at 6846 Monday morning.

In the European futures markets, there was some activity on the OTC BHKP swaps market with a European producer looking to cover some of their 2023 exposure. Offering 1060 for the Cal '23 initially, this offer appeared to be withdrawn later in the week when commercial sentiment changed.

OCC showed continued weakness globally – with low demand and high stock levels at paper mills. Higher input costs (most notably energy and gas) have pushed prices to extreme lows. Francisco Donoso, of Spain's Dolaf Servicios Verdes S.L., told the BIR World Recycling Convention in Dubai: "The high cost of energy - and specifically gas - is one of the reasons for this as it has become by far the largest production cost for mills. They cannot pass on this cost in their sales prices because demand for their products is also low owing to the financial crisis, and neither can they reduce their energy costs. Therefore, the only cost they can manage is what they pay for their raw material." In the USA, Mr Donoso said, prices for mixed paper had reached zero dollars in some locations and thousands of tonnes were being landfilled. Prices had fallen fastest in Europe and he anticipated further downtime, suggesting "it is difficult to know where the bottom is".

## Contact

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NOREXECO:	Softwood		Hardwood	Paper
	NBSK	NBSKIFCH	BHKP	Recycled
Oct-22	1489	946	1380	103
Nov-22	1465	927	1370	93
Dec-22	1450	895	1350	93
Jan-23	1410	870	1300	93
Feb-23	1370	860	1250	95
Mar-23	1340	855	1200	97
Q422	1468	923	1367	96
Q123	1373	862	1250	95
Q223	1272	815	1110	105
Q323	1171	789	950	110
Q423	1110	784	900	110
Q124	1130	784	925	117
CAL23	1232	813	1053	105
CAL24	1170	819	970	120

Source: NOREXECO

## NOREXECO Pulp and Paper Futures

