

FIS Pulp Paper Futures Weekly Report

London +44 (0)204 519 2856 | KieranW@freightinvestor.com | www.freightinvestorservices.com

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Market News

China

Ongoing stevedore strike in Finland and restricted BSK availability in China prompted Nordic suppliers to increase NBSK imports by \$20/tonne in the Chinese market, following Canadian NBSK price hikes of \$20-30/tonne earlier this month. Concerns arise among customers about the sustainability of the BSK uptick due to falling BHK prices and weak demand from China's slow economic recovery. Resale NBSK and BSK futures declined in the domestic market this week. Nordic NBSK prices increased by \$10-20/tonne to \$890-920/tonne, while Canadian NBSK remained steady at \$910-930/tonne. Some hardwood producers reportedly lowered South American BHK prices to \$720-730/tonne, down from the benchmark grade of \$730-760/tonne last week. The PIX BHKP China index settled at \$741.04/tonne on February 24, down 2%.

US

US spot market prices for softwood and hardwood kraft pulp grades have declined due to weak demand for incremental tonnage. Northern bleached softwood kraft (NBSK) decreased to \$850-890/tonne net delivered in the US East and Midwest, while US southern bleached softwood kraft (SBSK) dropped to \$830-870/tonne net delivered. Meanwhile, bleached hardwood kraft (BHK) markets suffered from an influx of imported bleached eucalyptus kraft (BEK) tonnage from Latin America, causing price erosion for North American-produced grades. Seller contacts believe downtime planned at producers in British Columbia will help shore up NBSK prices down the line.

Europe

Finnish market pulp producer Metsä Fibre has declared force majeure due to a stevedores strike at Finnish ports that began on Feb. 15 and is now in its second week. The company said the strike was affecting its supply chain, and would cause delays in pulp deliveries. Metsä Fibre has a total market pulp capacity of 3.25 million tonnes per year, producing northern bleached softwood kraft (NBSK), unbleached kraft (UKP), and bleached hardwood kraft (BHK).

Contact

Kieran Walsh

(+44) 204 519 2856

(+44) 7749701509

KieranW@freightinvestor.com

NOREXECO:	Softwood		Hardwood	Paper
	NBSK	NBSKCH	BHKP	Recycled
Feb-23	1396	880	1335	70
Mar-23	1358	880	1270	74
Apr-23	1320	850	1210	77
May-23	1276	823	1150	79
Jun-23	1250	807	1099	79
Jul-23	1211	791	1020	79
Q223	1282	827	1153	78
Q323	1186	791	1010	79
Q423	1124	787	980	79
Q124	1147	784	945	83
Q224	1198	795	990	85
Q324	1198	837	993	86
CAL24	1185	813	980	85
CAL25	1198	837	993	86

Source: NOREXECO

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