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FIS

Pulp Paper Futures Weekly Report

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

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Market News

S&D

Weak demand and inventory buildup led to all-time high inventories for worldwide chemical market pulp producers. The Pulp and Paper Products Council reported a 51-day supply of inventory in February, with shipments down 3.6% YoY. This two-day rise corresponded to a 270,000-tonne increase vs January. February's estimated 7.253 million tonnes is an all-time high on a tonnage basis. The month closed with a 51-day supply, up three days from the originally reported 48 days in January, which the PPPC revised up one day to the 49-day level.

China

Global pulp suppliers and Chinese buyers are deadlocked after talks during Shanghai Pulp Week. Customers demand up to \$150 per tonne cuts for BSK and more for BHK, while sellers refuse to comply. This has led to clients pausing buying and suppliers holding back on offers. BSK May futures prices fell to \$723 per tonne, and the influx of spot NBSK tonnage is being ignored by customers due to the stalemate. Assessed Canadian NBSK levels stayed at \$910-930 per tonne, while Nordic NBSK is down \$10 per tonne at \$800-900 per tonne. South American producers maintain offer prices of \$680-700 per tonne for hardwood. PIX BHKP China index settled at \$716.78 per tonne on March 24, down 1.06%.

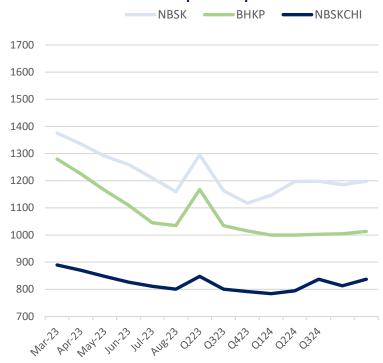
Futures

2H23 remains in focus for hedgers. NBSK 2H23 traded at 1140 in 500tpm and BHKP traded 1025 for 1ktpm. Further interest remains in covering on both grades for this period (2H23).

	Softwood		Hardwood	Paper
NOREXECO:	NBSK	NBSKCHI	ВНКР	Recycled
Mar-23	1375	890	1280	74
Apr-23	1335	870	1225	77
May-23	1291	848	1165	79
Jun-23	1260	827	1110	79
Jul-23	1210	811	1045	79
Aug-23	1160	801	1035	79
Q223	1295	848	1167	74
Q323	1163	801	1035	79
Q423	1117	792	1015	79
Q124	1147	784	1000	83
Q224	1197	795	1000	85
Q324	1198	837	1003	86
CAL24	1185	813	1005	85
CAL25	1198	837	1013	86

Source: NOREXECO

NOREXECO Pulp and Paper Futures



Contact

Kieran Walsh

(+44) 204 519 2856

(+44) 7749701509

KieranW@freightinvestor.com

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