

FIS Pulp Paper Futures Weekly Report

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

09-Dec-24

Market News

China:

Market pulp import prices have remained stable despite uncertainty in China, where the renminbi (RMB) continues to depreciate against the US dollar. Arauco's decision to maintain its December offer prices for key pulp grades set the market tone, with most suppliers following suit. This comes amid the collapse of Shandong Chenming Paper, which left a significant gap in the market, triggering price increases for some paper products. However, Chinese mills have been cautious, reluctant to accept price hikes for bleached softwood kraft (BSK) pulp due to concerns over high prices and static demand in the paper sector. Meanwhile, mills have reduced inventory levels and are slowing down production in anticipation of the Lunar New Year holiday.

US OCC:

US recovered paper prices continued to decline into December, driven by flat demand and increased supply. Old corrugated containers (OCC) saw a further drop of \$5-10/ton, marking a six-month slump that reduced prices by 38% from June's average of \$106/ton to \$66/ton in December. Mixed paper prices also fell for the fifth consecutive month, dropping \$5-10/ton, with a \$33/ton decline from July. The reduced demand, coupled with higher inventory levels at mills, led to less need for purchasing, particularly after Thanksgiving. Premiums for OCC also decreased, and mills turned away excess supply. Some mills are preparing for seasonal slowdowns with higher inventories, while maintenance-related downtime was lighter than expected.

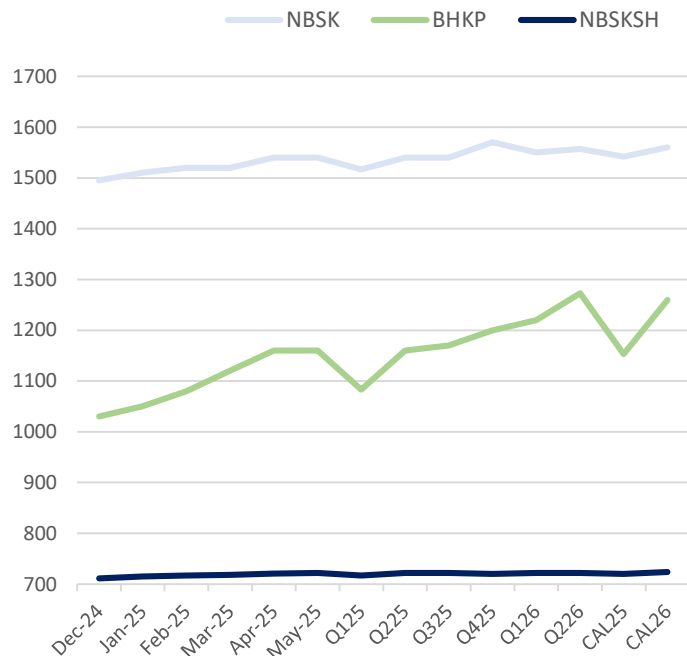
Contact

Kieran Walsh (+44) 204 519 2856
 (+44) 7749701509 KieranW@freightinvestor.com

NOREXECO:	Softwood		Hardwood	Paper
	NBSK	NBSKSH	BHKP	Recycled
Dec-24	1495	711	1030	119
Jan-25	1510	715	1050	121
Feb-25	1520	717	1080	127
Mar-25	1520	718	1120	129
Apr-25	1540	721	1160	137
May-25	1540	722	1160	140
Q125	1517	717	1083	126
Q225	1540	722	1160	139
Q325	1540	722	1170	143
Q425	1570	720	1200	145
Q126	1550	722	1220	146
Q226	1557	722	1273	147
CAL25	1542	720	1153	138
CAL26	1560	724	1260	147

Source: NOREXECO

NOREXECO Pulp and Paper Futures



Disclaimer: This communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information presented was obtained from Bloomberg, Thomson Reuters, Success Farming, Farm Futures, PTI, for the time period specified above and is currently available in the public domain and while it is from sources believed to be reliable, it is not guaranteed to be complete or accurate. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at www.freightinvestorservices.com