

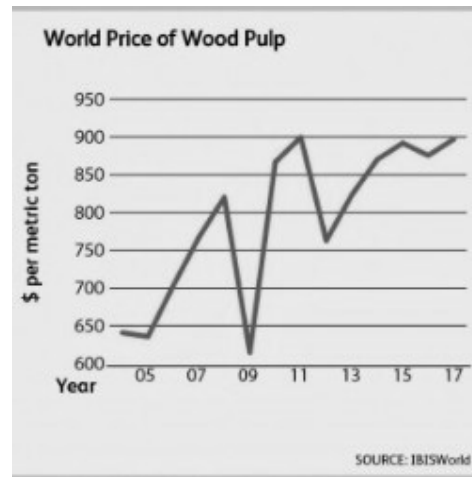


## *Pulp&Paper • News&Trends • Your November Newsletter*

### **Pulp Price Increase in November**

Fibria, Ence, Altri are set to increase prices for bleached eucalyptus kraft (BEK) pulp by another \$30/t for November 2017 deliveries. Ence's new list price in Europe at \$970/t.

["The increase in demand clearly outpaces the supply keeping the stock levels low. Specifically in China prices for virgin pulp are stronger day by day"](#)



### **Pulp and Paper Prices**

In 2011, the pulp and paper industry experienced the highest price point in more than 30 years. The industry had an inflationary trend that experts projected would last through 2011, but in 2015 a new record price was beaten. Again, we are seeing high pulp and paper prices. The question remains. **When will pulp and paper prices finally stabilize? Will this inflationary trend continue?**

According to IBISWorld, the price of wood pulp is forecasted to rise even further at an annualized rate of 5% in the two years to 2019. One factor driving the current price increase is supply not being able to keep up with the growing demand for paper products.

## Paper industry affected by hurricanes

According to Bergmil, a total of 18 pulp and paper mills from Texas to Georgia and Florida were forced to shut down due to damages from Hurricane Harvey and Irma. The total combined production capacity of these mills is near \$6.5 million tons a year. As you can imagine, this resulted in an immediate supply disruption on materials coming from that region. The demand for pulp and paper products continues to increase, particularly in China, but supply rests at its lowest point to date.

Will this affect the pulp and paper industry? Do we expect any more increases in the near future? Well, if we compare Hurricane Harvey and Irma to a similar disaster in the past, like Hurricane Katrina, we can get an understanding on **price increases coming our way**.



### Big Paper Prices Debate

A number of questions remain unanswered about the future direction of the British paper and board market in the light of what is happening in China.

[Find Out More](#)