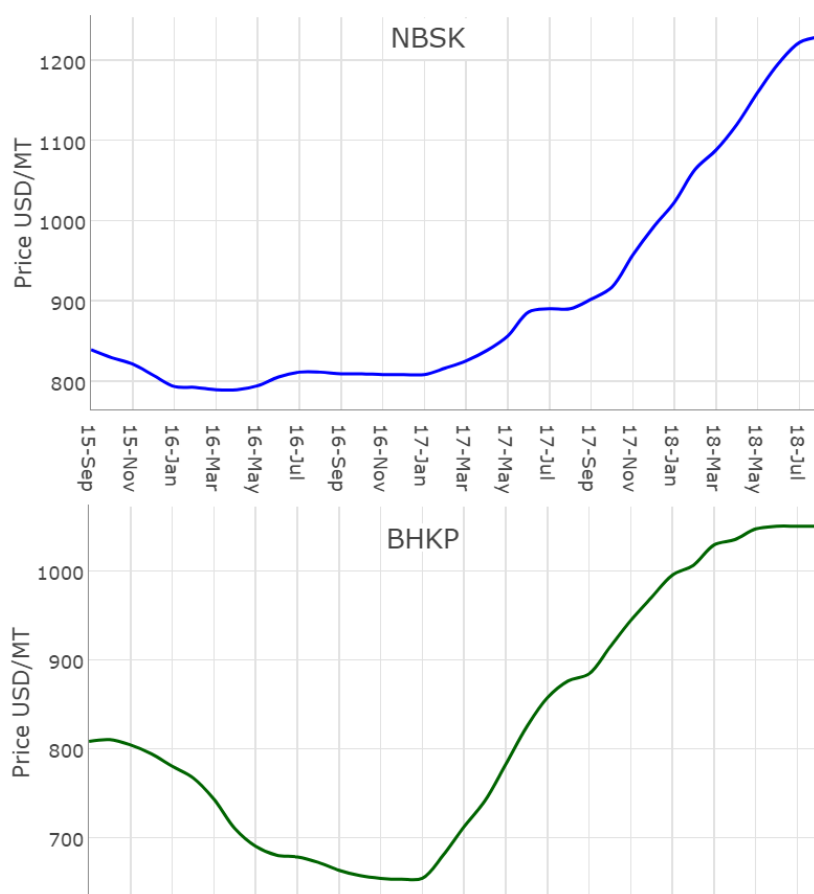BAUSTELLE
INTERNATIONAL

Pulp&Paper • News&Trends • Your September Newsletter

Pulp Buyers in Europe Hope That Prices Will Recede from Autumn Onwards
After months of price increases in the pulp segment and a recent stabilisation in prices, particularly for long fibre, first hopes arise that prices might recede in autumn. Pulp buyers believe that the price trend may see a reversal especially for NBSK pulp. However, supply remains short and NBSK pulp producers therefore tend to dismiss customers' expectations as wishful thinking.

Although summer quiet has set into the pulp market, demand had not really eased in the segment for softwood pulp qualities in August. Supply was restricted due to production problems at certain mills. Prices only went up in cases where producers had not implemented full hike the previous month.

However...

Fine Paper Producers Call for Further Hikes in the UK from October
High pulp costs and pressure on margins remained fine paper producers' greatest concerns in August. Only a few producers of uncoated fine papers had informed their customers about specific measures.

Coreboard Producers Announce Price Adjustments for the German Market
Although availability is starting to improve on Germany's coreboard market, another price round has been initiated. Suppliers seek to charge more from September or October.

Kimberly-Clark: Price to Increase for Cottonelle, Other Paper Products
Consumers will soon pay more for paper towels and bathroom tissue as Kimberly-Clark Corp. announced in August it will increase the prices of many paper products. It joins peers like Colgate and P&G that have flagged concerns about raising commodity costs in recent weeks.

Svetlogorsk Pulp and Board Mill starts Exporting Pulp
Since the Svetlogorsk sulfate bleached pulp plant became operational in July, the company has already manufactured over 6,000 ton (equivalent to ~ 60% capacity). When the plant reaches its designed capacity, it will produce 400,000 ton of pulp annually, of which 300,000 ton will be slated for export.

Pulp Producers in High Trend
Companies in Pulp, Paper, and Packaging continue to outperform the market. The SBI Pulp, Paper, and Packaging index is currently 8% above the S&P 500 and has doubled in value since October 2012. For instance, Fibria's 2Q net revenue soared 70% as a result of the 32% increase in the average net pulp price in USD.

Organic Tissue Paper Market Bound to Grow
Organic tissue papers are made from organic raw material which includes bamboo pulp, straw pulp, mix wood pulp and others. Organic tissue paper is becoming popular among consumers with skin sensitivity across the globe. Organic tissue paper made from recycled pulp has become the most profitable product for key players due to low raw material investment.

What are YOU doing about cost savings?

Kimberly-Clark Banks on FORCE Program to Offset Costs
Kimberly-Clark has been taking strategic initiatives to curtail costs through its ongoing Focus on Reducing Costs Everywhere or FORCE Program. Kimberly-Clark Corporation's (KMB - Free Report) robust cost-saving efforts and regular innovation have helped the company to outpace the industry in the past three months.

M&A Activity
ASKO, Pennsylvania wear parts maker, **acquired by Andritz**
Clearwater Paper sells Wisconsin plant & plans to invest in North Carolina facility by adding a new machine
Kimberly-Clark invests $150M in Chester mill

New Developments
Crecia-Kasuga starts-up new Valmet tissue machine in **Japan**
Valmet to supply an extensive paper machine grade conversion rebuild for Burgo Group in **Italy**

Valmet to supply an Advantage tissue production line to CMPC Tissue in **Argentina**

Valmet will supply a new Advantage DCT tissue production line to Papelera San Andrés de Giles in **Argentina**

Andritz starts up new production technologies and equipment for SCA's Östrand pulp mill in **Sweden**

Valmet will supply BCTMP plant conversion, slab press and conveyor systems to **Estonian** Cell

Andritz to supply two tissue machines to Taison Pulp in **China**

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