

ECONOMIC NEWS

DECEMBER 2021

Contrary to the average **turnover** of the manufacturing sector in Europe, the printing industry did not reach the pre-pandemic level. It remains approximately at 10% below the turnover level of 2019.

Graphic paper consumption also did not reach back the pre-pandemic level. The level of consumption in September 2021 was also 10% below the level of September 2019.

Pressure on **pulp** remains high in Europe. Demand is high and there are continuous bottlenecks in logistics chains. The combination of both makes the market very tight and the pressure on prices high.

Following continuous price increases for most of 2021 and a month of steady levels in October, **recovered paper** prices started to drop across Europe in November. This is attributed to improving collection volumes and lower exports levels, increasing the available volumes on European markets. Prices remain however at a high level. It is not clear whether the trend will continue as further lockdown measures and logistics issues may play against further decreasing prices.

With the application by paper suppliers of energy surcharges, **graphic paper prices** have increases for all paper grades across Europe.

The higher end of the price range for newsprint 45-g rose to £535/tonne in the UK and to € 630/tonne in Germany and France and up to € 655/tonne and € 700/tonne in Italy and Spain, respectively. Negotiations for deliveries in 2022 are currently ongoing and are reported to be finalised with a three-month validity.

Supercalendered 56-g prices rose to € 650-655/tonne on the high end of the range in Germany and France, while they rose to € 700/tonne and € 680/tonne, respectively, in Italy and France. Lightweight coated offset paper 60-g prices reached a level of € 800-850/tonne in continental Europe, although higher prices were also reported. Magazine paper demand remained strong, driven by the Christmas catalogue season.

Coated and uncoated woodfree paper in sheet rose to respectively € 850/tonne and € 930/tonne on the high end.

Printing industry turnover Source: Eurostat

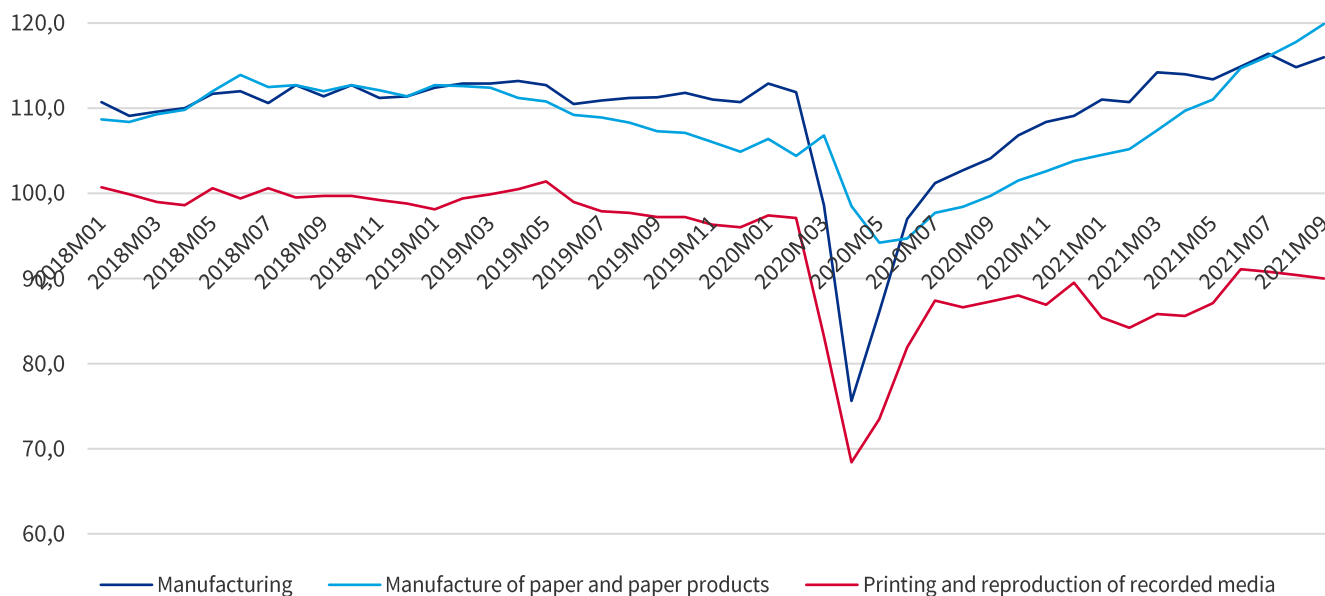
Index of turnover for printing and reproduction of recorded media

Short-term indicators are published by Eurostat as indexes which show the changes of the indicator in comparison with a fixed reference year (2015).

Turnover index (2015=100) (seasonally and calendar adjusted)	September 2021 index	% change Sept 2021/Sept 2020	% change Sept 2021/Sept 2019
Austria	79,0	12,2%	-11,5%
Belgium	94,5	5,4%	-1,3%
Czechia	113,7	6,2%	2,2%
Denmark	82,0	-6,7%	-14,2%
Finland	72,5	-5,7%	-13,5%
France	89,9	7,2%	-5,3%
Germany	79,4	-0,4%	-11,5%
Greece	99,9	9,9%	2,5%
Hungary	124,3	13,4%	9,2%
Italy	95,6	6,1%	-8,5%
Latvia	125,4	0,8%	4,6%
Lithuania	104,4	-7,3%	-13,8%
Netherlands	80,7	-0,9%	-12,3%
Norway	73,1	-3,6%	-13,3%
Poland	126,6	11,7%	4,8%
Portugal	108,7	2,9%	-4,7%
Romania	149,6	4,3%	16,6%
Spain	83,8	-0,9%	-11,3%
Sweden	76,3	-4,7%	-16,3%
Europe EU27+NO	90,0	3,1%	-7,4%

Data not available for Bulgaria, Croatia, Cyprus, Estonia, Ireland, Luxembourg, Malta, Slovakia, Slovenia, Switzerland.

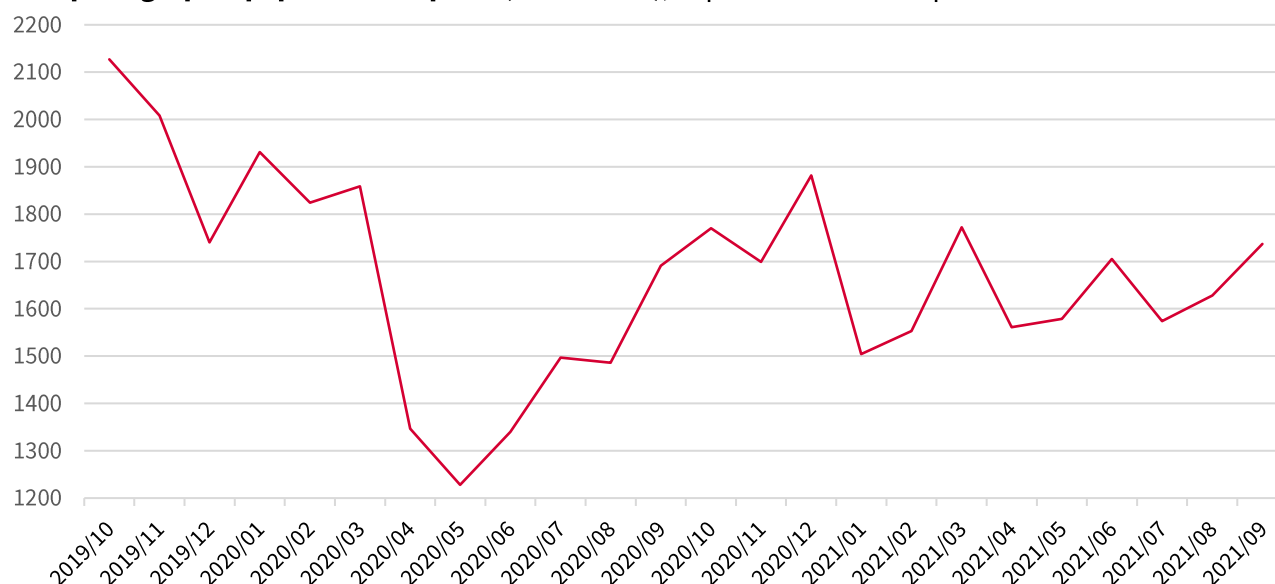
Index of turnover (2015=100) for EU-28, for printing and reproduction of recorded media (C18), manufacture of paper and paper products (C17) and manufacturing sector (C), January 2018 – September 2021



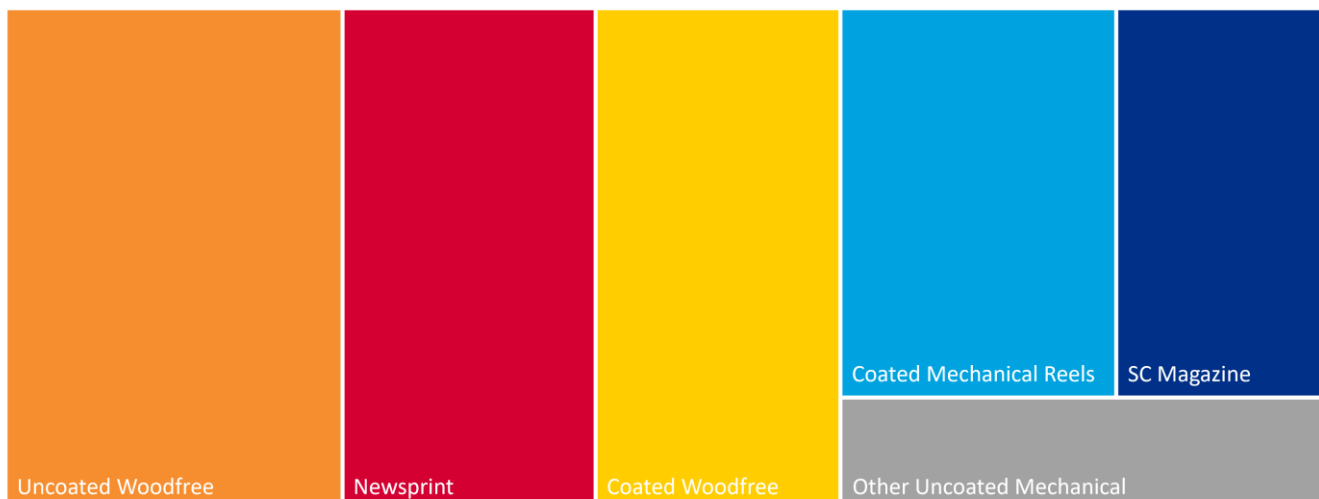
European graphic paper consumption Source: Eurograph

Paper types	Sept 2021 (in tonnes)	% change Sept 2021/Sept2020	% change Sept 2021/Sept 2019	% change first half 2021/first half2020
Newsprint	331	-1,49%	-17,46%	-4,1%
SC Magazine	221	-3,49%	-11,60%	0,9%
Coated Mechanical Reels	280	2,94%	-16,67%	2,4%
Other Uncoated Mechanical	145	1,40%	4,32%	8,0%
Coated Woodfree	320	14,29%	-8,31%	7,0%
Uncoated Woodfree	441	2,32%	-4,55%	5,6%
Graphic paper	1737	2,72%	-10,33%	2,9%

European graphic paper consumption ('000 tonnes), September 2019 – September 2021



European graphic paper consumption per paper type, in '000 tonnes, September 2021

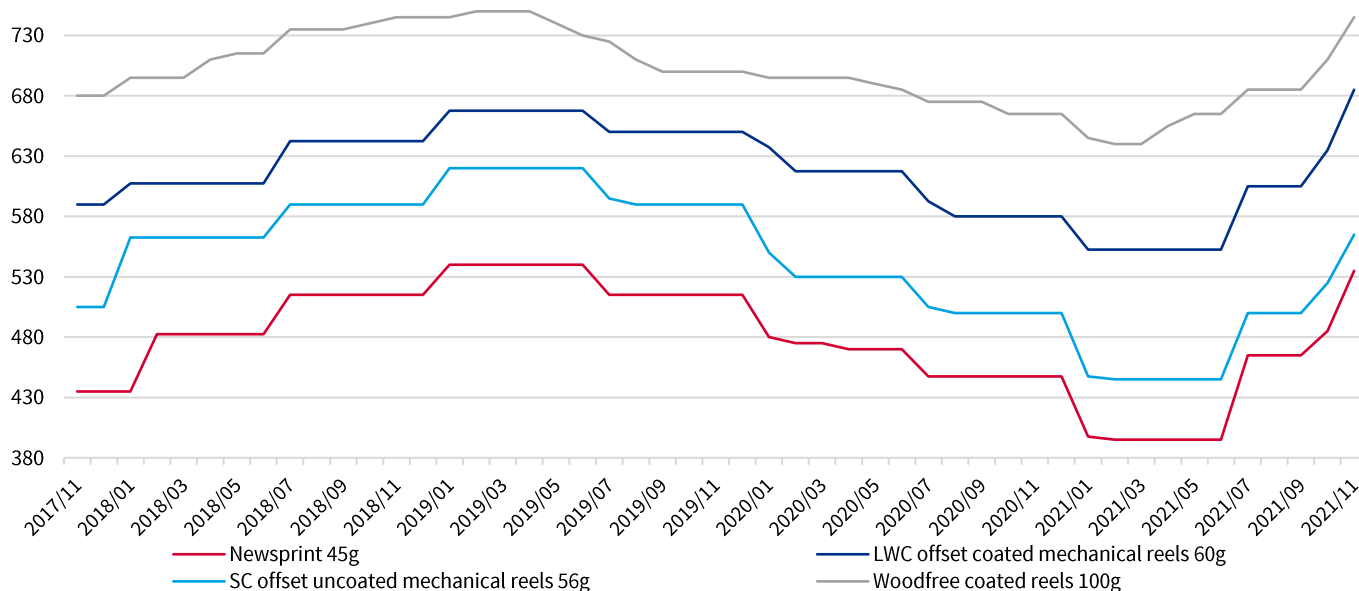


Paper prices Source: Fastmarkets RISI – information is for internal use and should not be widely disclosed

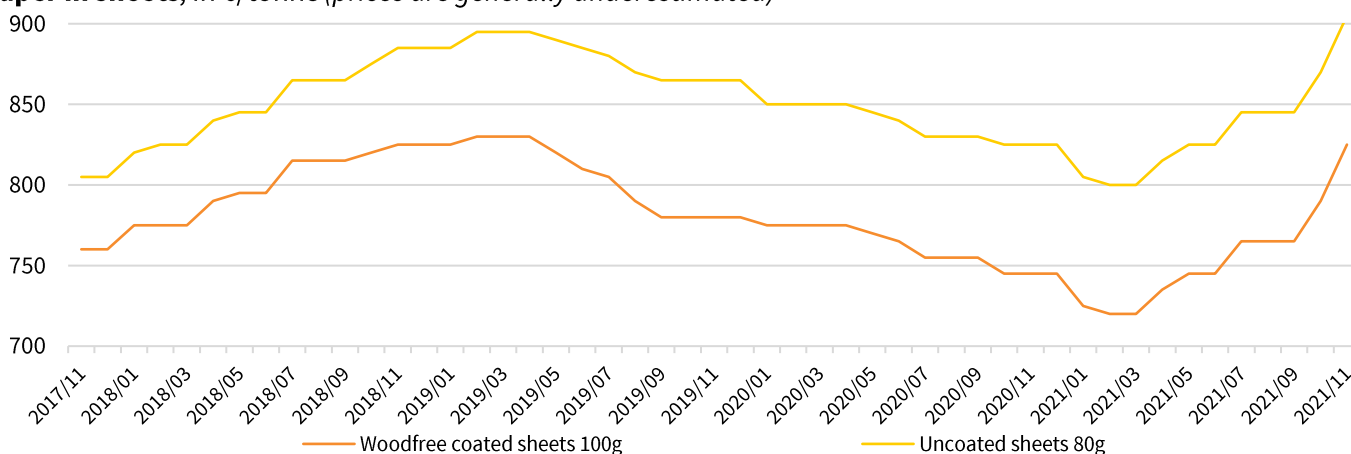
Paper prices are presented as average prices in **€ per tonne**, based on surveyed paper buyers and sellers. The table and graphs below show the evolution of paper prices in **Germany**; other countries for which paper prices are available (the UK, France, Germany, Spain), tend to show similar trends.

in €/tonne	Feb 2019	Feb 2020	Feb 2021	% change Feb 2021/ Feb 2020	% change Feb 2021/ Feb 2019	% change Feb 2021/ Feb 2018
Coated sheets 100g	830	775	720	-7,1%	-13,3%	-7,1%
Uncoated sheets 70g	895	850	800	-5,9%	-10,6%	-3,0%
Newsprint 45g	540	475	395	-16,8%	-26,9%	-18,1%
LWC offset coated mechanical 60g	667,5	617,5	552,5	-10,5%	-17,2%	-9,1%
SC offset uncoated mechanical 56g	620	530	445	-16,0%	-28,2%	-20,9%
Woodfree coated reels 100g	750	695	640	-7,9%	-14,7%	-7,9%

Paper in reels, in €/tonne (prices are a good reflection of reality)



Paper in sheets, in €/tonne (prices are generally underestimated)

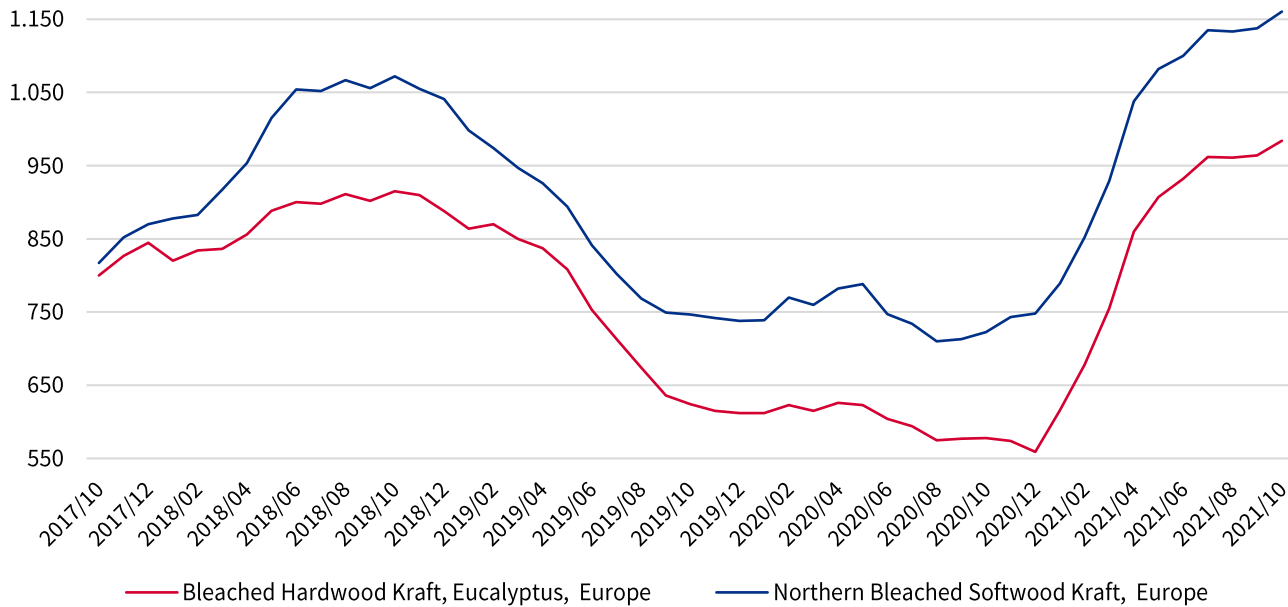


SC: Supercalendered paper
LWC: Lightweight coated paper

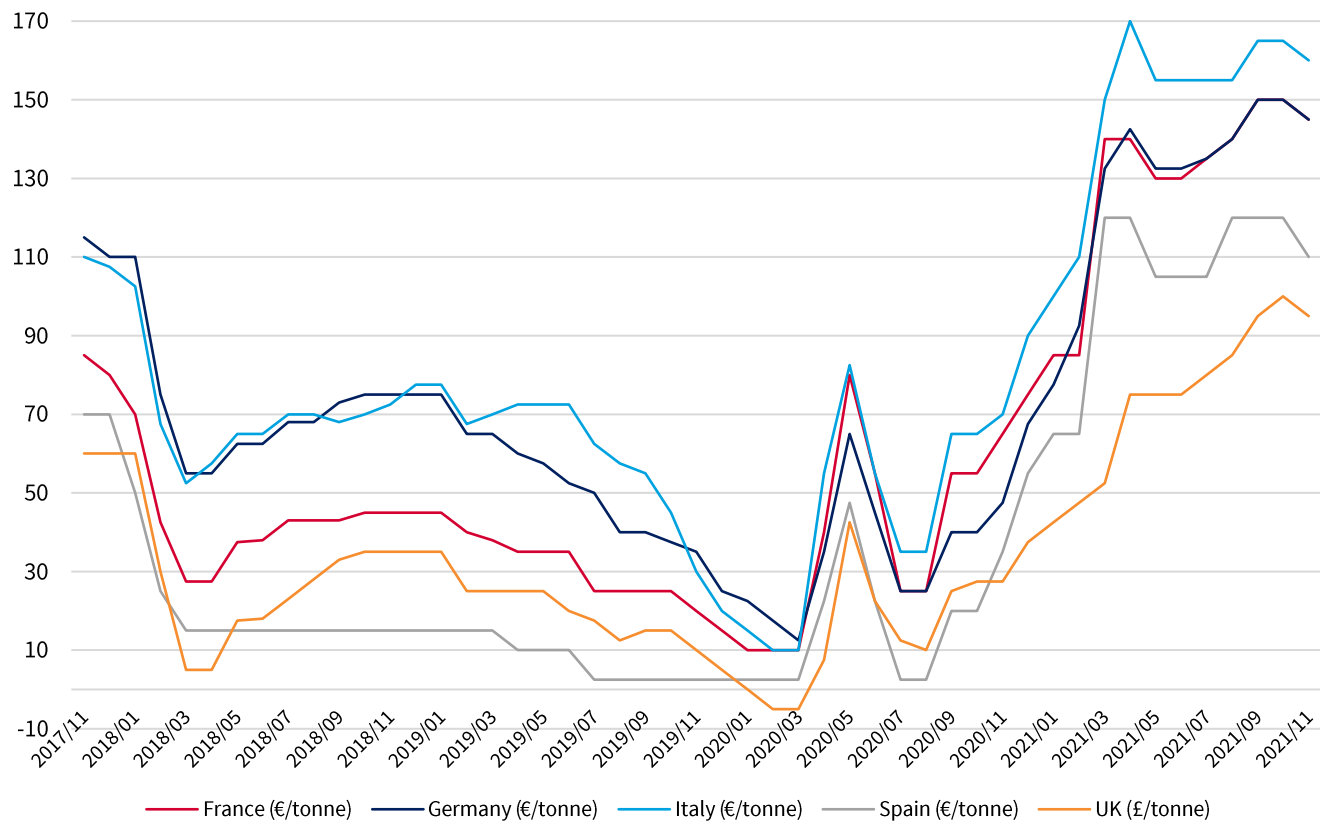
Pulp and recovered fibres Source: Fastmarkets RISI

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Pulp prices, €/tonne



Recovered paper prices, €/tonne (sorted mixed paper and board)

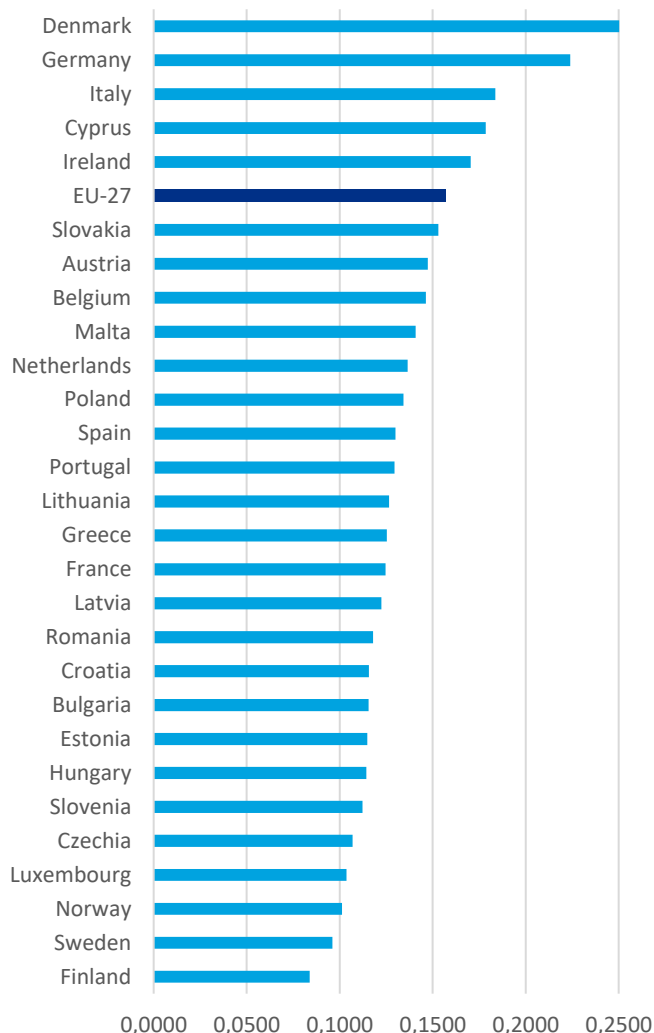


Energy prices Source: European Commission

Electricity prices (in €/KWh)

Electricity prices for industrial consumers (all taxes and levies included), which correspond to medium standard industrial consumption band with an annual consumption of electricity between 500 and 2000 MWh.

in €/KWh	1 st semester 2021	% change 2 nd semester 2020	% change 1 st semester 2020
Austria	0,1474	3,7%	3,1%
Belgium	0,1464	2,7%	4,0%
Bulgaria	0,1155	14,2%	18,0%
Croatia	0,1158	0,2%	-1,8%
Cyprus	0,1786	11,1%	4,7%
Czechia	0,1069	4,9%	4,5%
Denmark	0,2503	6,6%	11,1%
Estonia	0,1148	9,5%	16,2%
Finland	0,0838	-10,9%	-2,8%
France	0,1247	9,2%	-1,4%
Germany	0,2239	2,7%	2,7%
Greece	0,1254	12,0%	10,1%
Hungary	0,1143	-2,1%	-6,8%
Ireland	0,1705	12,7%	13,8%
Italy	0,1837	4,8%	5,7%
Latvia	0,1224	-4,1%	-1,8%
Lithuania	0,1266	1,9%	10,9%
Luxembourg	0,1037	1,7%	2,8%
Malta	0,1409	-0,4%	-0,1%
Netherlands	0,1365	8,9%	5,7%
Poland	0,1343	1,4%	0,5%
Portugal	0,1294	-4,4%	-5,6%
Romania	0,1180	-2,7%	-6,7%
Slovakia	0,1530	-3,1%	-3,5%
Slovenia	0,1123	-5,6%	-6,5%
Spain	0,1300	-8,6%	-0,2%
Sweden	0,0961	3,9%	-1,1%
EU-27	0,1573	3,3%	2,5%
Norway	0,1013	68,0%	59,8%



Electricity prices evolution, EU27, 2007-2021 (in €/KWh)

