Pulpwatch

Monthly analytical newsletter and podcast covering developments in the international pulp and paper markets.

www.hawkinswright.com
What our Pulpwatch service offers...

Market pulp is an internationally traded commodity at the heart of the global fibre cycle, serving as a sustainably sourced raw material to an increasing amount of industries. Pulp markets are dynamic and complex; the factors driving their monthly fluctuations are often obscured by a lack of price transparency. Pulpwatch strives to present a timely and objective analysis of such fluctuations, essential to develop an understanding of the market’s likely future direction. Over the years, our readership has grown to include companies controlling over 85% of global market pulp capacity.

Drawing on decades of industry expertise and an unparalleled network of industry contacts – cultivated by our extensive travels and frequent interactions with industry leaders – our market commentary interprets and contextualises the constantly changing balances in the pulp market, taking a view on the market’s short and medium-term prospects. Other regular sections of the newsletter focus on changes in printing and writing paper and tissue markets, and on the impact of exchange rates.

The Pulpwatch newsletter also includes a unique Industry Focus section each month, providing the reader with an in-depth analysis of a particular development or market dynamic that is shaping our industry. The coverage includes, for example, a review of the important pulp producing and consuming markets; the impact of investment plans on regional and world pulp and paper supply/demand balances; the influence of changing raw material costs and exchange rates on producers’ competitive advantages.

Every report is accompanied by a new Pulpwatch, the Podcast episode, summarising the market commentary for those who wish to tune into market developments on the go. The podcast is typically released within a day of the written report.

The Key Statistics section of Pulpwatch is the most timely and comprehensive source of publicly available pulp and paper market data, including:

- Printing and writing paper shipments by region
- Papermakers’ converting margins by region
- Shipments of bleached chemical market pulp by region and by grade
- Pulp producer’s operating rates
- Consumers’ inventories of purchased pulp by region
- Producer stocks in days of supply
- China’s import of pulp by grade and origin
- Market pulp price indications (30 pulp price series are updated monthly)

All of the data published in Pulpwatch is available to subscribers in Microsoft Excel format. Most is available online at http://www.hawkinswright.com/

About Hawkins Wright

Hawkins Wright is an independent consultancy providing a range of strategic, forecasting, market intelligence and business information services to the international forest products and bioenergy industries.

Since 1982 Hawkins Wright has provided authoritative and cost-effective services based on in-depth research of the global forest, pulp & paper and bioenergy industries. These services include private consultancy assignments covering a full range of marketing and strategic subjects as well as regular multi-client reports and newsletters.

Our consultancy services build on our global perspective of the macro- and micro-economic trends driving the international forest industry and downstream product markets. Assignments can range from advice on a client’s business development or feedstock sourcing strategies to highly detailed market feasibility assessments of prospective projects.
Low producer stocks prompt further price hikes but significant growth imminent

The displacement of recovered fibre by virgin fibre

The economic incentive for using deinked pulp has been steadily rising for several years, and this trend seems to have accelerated through most of 2014.

Fibre costs the line balance of tissue produced using virgin fibre vs. NCP

The cost of using virgin fibre for most of the large grades, OCC and CFP, is now generally lower compared to the balance of grades that use recovered fibre. However, those with high quality recoverable grades like bleached unbleached and hand-made have found that the use of virgin fibre can help them to improve overrun and therefore reduce waste. The highest quality grades of hand-made remain as the market for office paper and large grades, which are mainly served from document stockpiling after tissue, newsprint and magazine grades. Non-paper pulp installations using these grades of waste paper have been brought back into virgin fibre firing for the past few years gradually, in the tissue sector. The economic incentive for using deinked pulp has been steadily rising for several years, and this trend seems to have accelerated through most of 2014.

The key statistics - Demand

The demand for bleached chemical pulp

The market pulp price indications

As pulp prices trend higher, so do the market pulp price indications. This follows generally similar movements to those seen in LME prices over recent years. In 2014, the market pulp price indications have generally been slightly higher than in 2013. However, the key drivers pushing up prices have been the strong demand for bleached chemical pulp and the strong demand for deinked pulp. The market pulp price indications have been higher for bleached chemical pulp, with the exception of the bleached mechanical pulp, which has been lower due to the low demand for bleached mechanical pulp. The market pulp price indications have been higher for deinked pulp due to the strong demand for deinked pulp.
## Subscription scope and order form

The cost of a **single user 12 month subscription** to the Pulpwatch service is **£1,380** (or the equivalent in US dollars or euros). An single annual subscription includes:

- twelve Pulpwatch reports, published at the beginning of each month, providing in-depth analyses of the market’s short and medium-term prospects
- access to historic data, charts and analysis upon request (e.g. wood pellet prices)
- access to a personalised client area at www.hawkinswright.com, where both current and historic reports can be accessed at any time

The cost of a **corporate user 12 month** subscription to the Pulpwatch service is **£2,500** (or the equivalent in US dollars or euros). A corporate annual subscription includes all of the above, plus:

- a licence to distribute the Pulpwatch newsletter and data throughout your company or organisation, along with an unlimited number of online accounts with access to the Pulpwatch website (within reason).

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