



HAWKINS WRIGHT

Pulpwatch

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

A full-page background image showing a dense forest of evergreen trees. The scene is misty or foggy, with a soft, ethereal light filtering through the trees. The sky above is a mix of deep blue and teal colors, suggesting a dawn or dusk setting. The overall mood is serene and natural.

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 developing 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** and **commodity markets**.

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.

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
- Prices for imported and domestically sourced wood chips in China
- **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.

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.



Sample pages

PulpWATCH

Monthly news and analysis of the international pulp market

Discount creep and robust demand in China prompt worldwide price announcements

- Prices for imported market pulp increased in China during December. BEKP prices increased by \$15-25/t to ~\$560/t net, if not higher. NBSK prices increased by \$10-25/t to within a range of \$680-690/t net.

MARKET PULP DEMAND in China remained broadly firm during the closing weeks of 2025, while demand in North America and Europe was seasonally subdued. In these mature markets, the muted demand environment was primarily attributable to the continued weakness in printing and writing paper consumption, compounded by a degree of buyer hesitancy ahead of anticipated meaningful discount creep taking effect this month.

During December, BEKP list prices in North America increased by around \$50-60/t to reach \$1,275/t. In China, BEKP net prices strengthened by \$15-25/t to a range of \$545-565/t. For NBSK, list prices in North America edged lower by approximately \$0-\$25/t, while net prices in China increased by \$10-25/t, reaching levels of up to \$690/t.

In China, market sentiment in December was heavily shaped by an appreciating renminbi which strengthened past 7 per US dollar for the first time since May 2023. This tailwind for pulp prices was further supported by robust demand as operating rates increased across the P&B sector, as is seasonally the norm ahead of the Lunar New Year Holiday period.

In the event, BEKP prices rose to around \$565/t net, with multiple suppliers announcing a further \$20/t increase for January ship-

CONTENTS... Printing & writing paper and tissue markets 4 Exchange rates focus 6 Industry focus Wood cost review and outlook 8 Indonesian flooding update 11 Key statistics Demand 12 Inventories 13 China analysis 14 Costs & commodities analysis 15 Shipping analysis 16 Market pulp price indications 17

For more resources visit www.hawkinswright.com

Copyright: Hawkins Wright Ltd. For Subscribers only.

Industry focus

Wood cost review and outlook

Nordic pulpwood costs, rose sharply over recent years. The trend has now reversed.

Wood costs have been a central concern for pulp producers over the past twelve months. This note assesses the current situation in two key regions: the Nordics and China. In both markets, wood costs have declined in recent months, with the full impact expected to materialise over the coming quarters.

Nordics

Nordic pulpwood costs, including in Finland and Sweden, increased sharply over the past few years. This trend has now reversed, with prices beginning to decline, driven primarily by weaker demand as pulp producers across the region have taken significant market-related downtime.

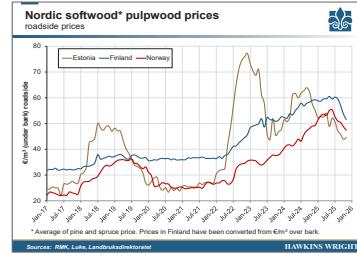
That said, the transmission of lower wood costs into pulp producers' financial results is subject to a material time lag. Lead times are long, and it typically takes several months before changes in pulpwood pricing are reflected in reported costs.

As such, care is required when comparing and interpreting statistics from different sources. In the Nordic region, pulpwood prices are often agreed in advance of harvesting, with volumes measured post-harvest and payments made only after transportation to the mill. Depending on contract terms, this can further delay the point at which lower wood costs are recognised by pulp mills.

We begin with Finland, where the most timely and reliable data are available. Standing sales remain the dominant transaction model for industrial roundwood. Prices reported by the Natural Resources Institute reflect the basic stumpage price only, excluding harvesting and transport costs, and are recorded at the time contracts are signed. As a result, even when prices decline in the statistics, several months typically elapse before the "standing inventory" of lower-cost wood is harvested and delivered to mills. Delivery sales represent the second most common sales model. Under this structure, the forest owner is responsible for harvesting and transport to the roadside, with prices quoted on a roadside basis.

Prices for both standing sales and delivery timber have declined 8-10/m3 (down 12-17% for delivery sales) over bark from the peak in mid-2025. Delivery sales impact the bottom line of companies as soon as mill inventories are worked through. By contrast, under the more prevalent standing sales model, buyers must first absorb contracted but unharvested volumes, delaying the pass-through of lower prices to the bottom line.

In Sweden, the most common method for industrial roundwood sales is through harvesting assignments. The forest owner agrees with the buyer that final felling or thinning should be performed and a time window for it to be performed. The buyer is then responsible for felling



8

Copyright: Hawkins Wright Ltd. For Subscribers only.

Key statistics - China Analysis

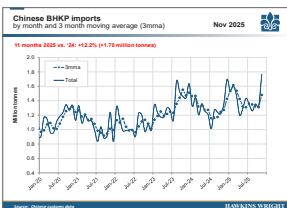
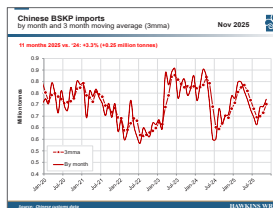
- Chinese imports of market pulp increased 23% m-o-m in November, mostly attributable to a 43% increase in BHKP imports.
- Year-to-date, imports of market pulp are up 9% or 2.0Mt. BSKP imports are up 3% or 0.25Mt y-t-d and BHKP imports have increased 12% or 1.7Mt y-t-d.

Chinese imports of pulp by grade and by origin

Table with columns: Grade & country of origin, Aug-25, Sep-25, Oct-25, Nov-25, Year-to-date (11 months) 2024, 2025, % change. Rows include BSKP - total, Canada, Russia, Chile, USA, Sweden, Finland, Others, BHKP - total, Indonesia, Brazil, Uruguay, Thailand, Chile, Russia, Canada, USA, Others, Mech/Semi-chem, Canada, New Zealand, Nordic, Indonesia, Others, LKP, TOTAL MARKET PULP, MARKET VALUE (million US\$).

Notes:

- 1. / = revised since previous issue.
- 2. e = estimated by Hawkins Wright.
- 3. = not available or not meaningful.
- 4. Source: Chinese Customs & National Bureau of Statistics



14

Copyright: Hawkins Wright Ltd. For Subscribers only.

Market pulp price indications

Table with columns: Region, Price, 2025 August, 2025 September, 2025 October, 2025 November, 2025 December, Announced for January. Rows include WEST EUROPE (CIF), UNITED STATES (delivered), SOUTH KOREA (CIF), CHINA (c&f, 90 days credit, list prices unless otherwise stated).

Notes: Estimated transaction prices for delivery in the period shown, before any loyalty or large order discount. Figures in brackets are unconfirmed or based on partial information.

*The import price expressed in RMB has been estimated by making adjustments for the exchange rate, VAT (13%), local transportation, a port handling fee and a bank charge for insurance and financing (assuming financing is carried out by a third party).

These are price indications and should not be relied upon or used for commercial purposes.

For more resources visit: www.hawkinswright.com

18

Copyright: Hawkins Wright Ltd. For Subscribers only.



Subscription scope and order form

The cost of a **single user 12 month subscription** to the Pulpwatch service is **£1,890** (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 **£3,150** (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).

I would like to subscribe to the **Pulpwatch** service: Single user Corporate user

Name:

Job title:

Company:

Postal address:

City:Post Code/ZIP:

Country:

Telephone:

Email:

I understand that the reports and other materials provided by Hawkins Wright during the course of a subscription are confidential to subscribers and to their wholly-owned subsidiaries. I agree that these materials will not be shared with third parties and that all reasonable steps will be taken to safeguard their confidentiality.

In placing this order I consent to the use of my data in accordance with Hawkins Wright’s privacy policy and terms & conditions. The privacy policy can be found at www.hawkinswright.com/privacy-policy.

Signature: Date:.....

Please return this order form to: **Hawkins Wright Ltd.**, 21/22 Station Point, 121 Sandycombe Road, Richmond, TW9 2AD, UK.

Email: post@hawkinswright.com

An invoice and payment instructions will be sent when your order is received. Payment may be made by bank transfer or credit card.