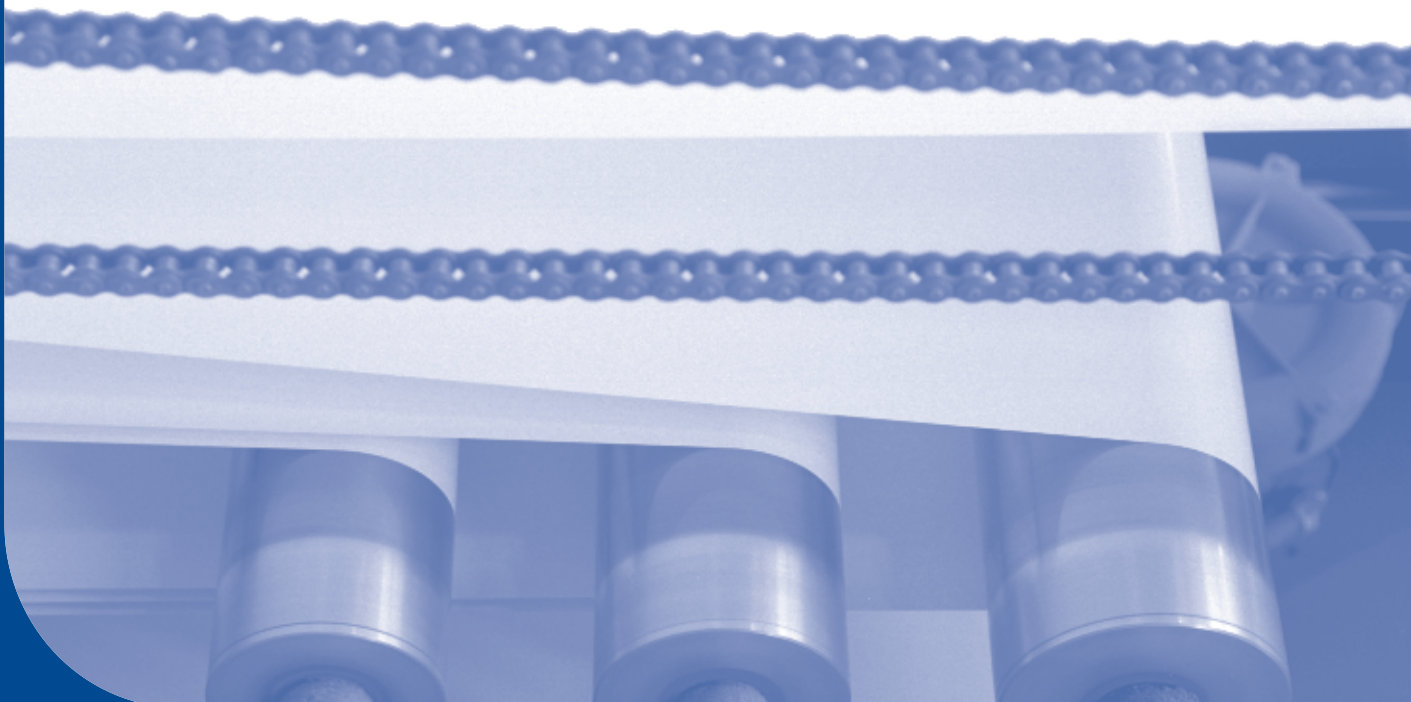


EUROPEAN WOODFREE

**FORECAST REPORT - INCLUDING FORECASTS OF
DEMAND, SUPPLY AND PRICES**

JULY 2024



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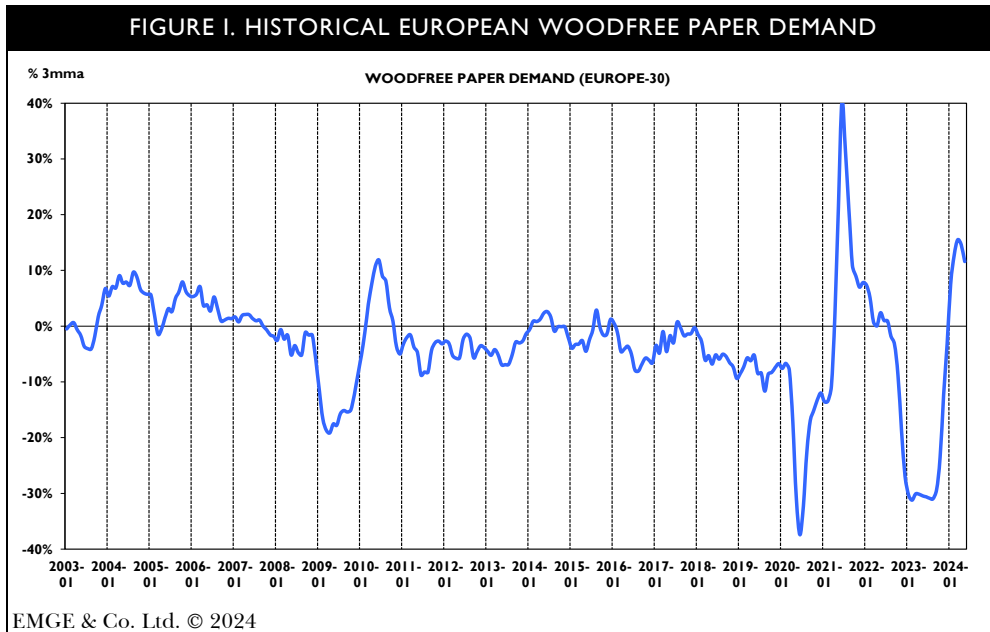
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Introduction



This chart shows the EMGE European Woodfree Paper demand growth rates historically on a 3-month moving average (3mma) basis.

This forecast report (**EUROPEAN WOODFREE – JULY 2024**) is an update in the EMGE series EUROPEAN WOODFREE FORECASTS. In this report, we present updated European Woodfree paper market **forecasts to 2028** (base year is 2023).

Based on the most recent data available and combining the latest developments in the markets, we present an updated outlook for demand, trade, investment, capacity, operating rates and prices for the European Woodfree paper markets.

The regional coverage is **Europe-30**, sub-divided into **W.Europe-16** and **E.Europe-14**.

The sub-grades covered include Coated Woodfree (CWF) Sheets and Reels, as well as Uncoated Woodfree (UWF) Cut-Size, Folio Sheets and Reels. The report does not cover speciality grades or I-side Coateds.

The companion report, **EMGE WORLD GRAPHIC PAPERS**, evaluates the outlook for the **global** supply-demand balance for **Newsprint** and all **Printing/Writing** paper grades, including Coated Woodfree (CWF) and Uncoated Woodfree (UWF).

Definitions

The EMGE European Woodfree Report is structured to include both Western Europe and Central/Other Europe region (excluding Russia), together with European-wide totals.

Specifically, there are 3 main geographical groupings in this report (W.Europe-16, E.Europe-14 and Europe-30), which are composed as follows:

W. Europe-16:

Germany, France, UK, Italy, Finland, Norway, Sweden, Belgium, Luxembourg, Netherlands, Spain, Portugal, Austria, Switzerland, Denmark, Ireland.

Within this:

Nordic = Finland, Norway, Sweden, Benelux = Belgium, Luxemburg, Netherlands, Iberia = Portugal, Spain, Others = Austria, Denmark, Ireland, Switzerland

E. Europe-14:

Poland, Greece, Czech Republic, Hungary, Romania, Slovakia, Estonia, Latvia, Lithuania, Slovenia, Bulgaria, Cyprus, Malta, Iceland.

Europe-30:

All the above.

Base Capacity is the capacity of existing and known projects, including new machines and major upgrades that have been approved, ordered and financed, as well as firm closure plans.

Unspecified Capacity changes are EMGE's assumptions for capacity changes, over and above projects that have been confirmed by papermakers themselves. Unspecified Capacity is EMGE's assumption of additional closures or expansions that have not so far been confirmed, but which we consider realistic and probable.

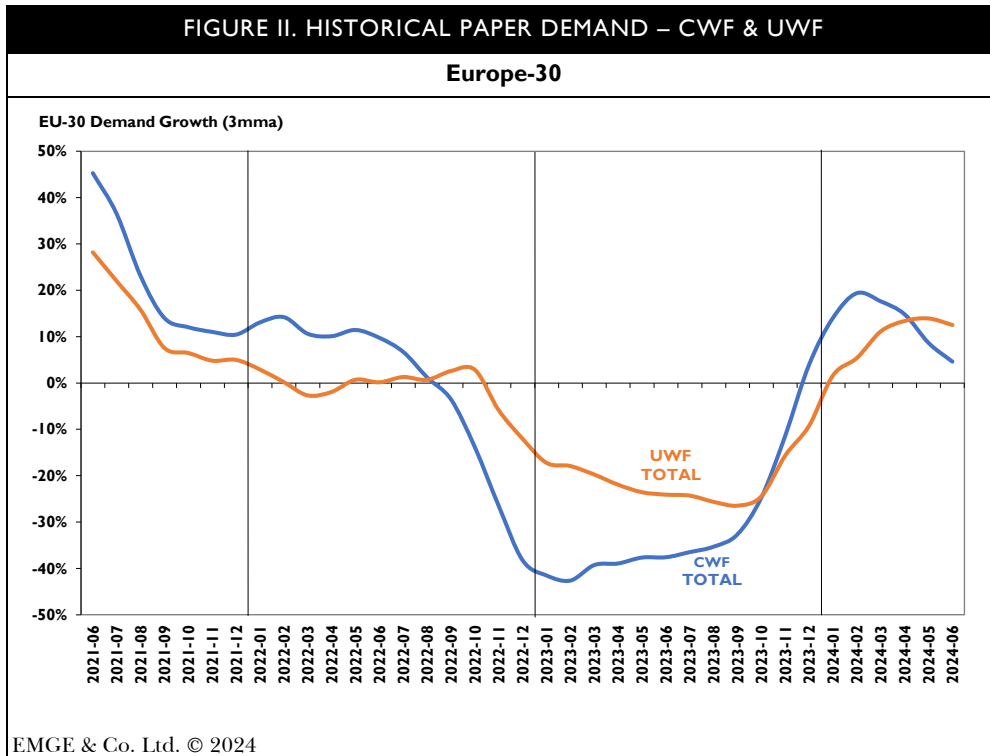
NOTE: The "Unspecified" capacity numbers in the above table show the cumulative capacity changes/closures.

EMGE Forecast Capacity = Base Capacity + Unspecified Capacity.

The **EMGE Forecast Capacity** data is used for the forecasts in this report.

Forecast Summary

Recent Events



Dead Cat Bounce Following the inflation- and cost-driven run-up to record-high paper prices in 2022, we witnessed a classic price/inventory downcycle that continued through most of 2023, with buyers emptying their stocks in the race to the bottom of the price trough. This caused European Woodfree Paper demand to collapse by -25% last year. For historical context, that was the biggest annual percentage drop ever - worse than the global financial crisis in 2009 (-13%) and worse than the COVID-19 panic of 2020 (-17%).

Last year's downcycle prompted further graphic paper capacity cuts, which, along with the start of a recovery in some other sectors such as packaging, led to a new pulp and paper price/demand rebound, with buyers refilling the inventories that they had run down during the course of 2023. This rebound continued throughout the first half of 2024, boosting apparent demand into double-digit percentage growth, compared with the terrible 2023.

This is effectively the stereotypical "Dead Cat Bounce" - not real strength in real underlying demand, but nothing like as bad as the awful previous year.

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Publication Papers & Prices



Regions: Germany
UK
USA

Paper Grades: Newsprint, LWC, SC

Information: Prices
Market Analysis
Demand
Capacity Changes
Supply/Demand Balance

Time Period: 3 Years Ahead



Regions: Global

Paper Grades: Newsprint

Information: Market Analysis
Demand
Capacity Changes
Supply/Demand Balance
Leading Suppliers List

Time Period: 5 Years Ahead
Relevant History



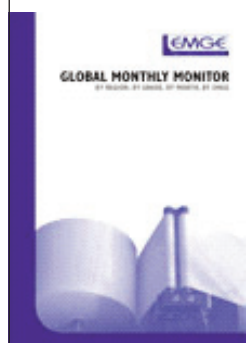
Regions: Global

Paper Grades: Newsprint

Information: Latest Pricing
Demand
Capacity Changes
Supply/Demand Balance
Market Analysis

Time Period: Current Month

Monthly Monitors

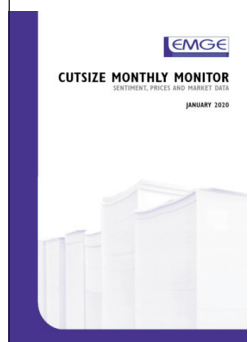


Regions: Global

Paper Grades: Coated Woodfree
Uncoated Woodfree
Coated Mechanical
Uncoated Mechanical

Information: Demand & Drivers
Shipments
Capacity
Supply/Demand Balance
Prices

Time Period: Current Month
Recent History



Regions: Western Europe

Paper Grades: UWF Cut Size

Information: Prices
Inventories
Demand
Delivery Times
Capacity Changes
Supply/Demand Balance

Time Period: Current Month
Recent History

Long-Term Forecasts



Regions: Global

Paper Grades: Coated Woodfree
Uncoated Woodfree
Coated Mechanical
Uncoated Mechanical

Information: Market Analysis
Demand
Capacity Changes
Supply/Demand Balance
Leading Suppliers List

Time Period: 5 Years Ahead
Relevant History



Regions: Western Europe
Eastern Europe
Russia

Paper Grades: Coated Woodfree
Uncoated Woodfree

Information: Market Analysis
Demand
Capacity Changes
Supply/Demand Balance
Leading Suppliers List

Time Period: 5 Years Ahead
Relevant History