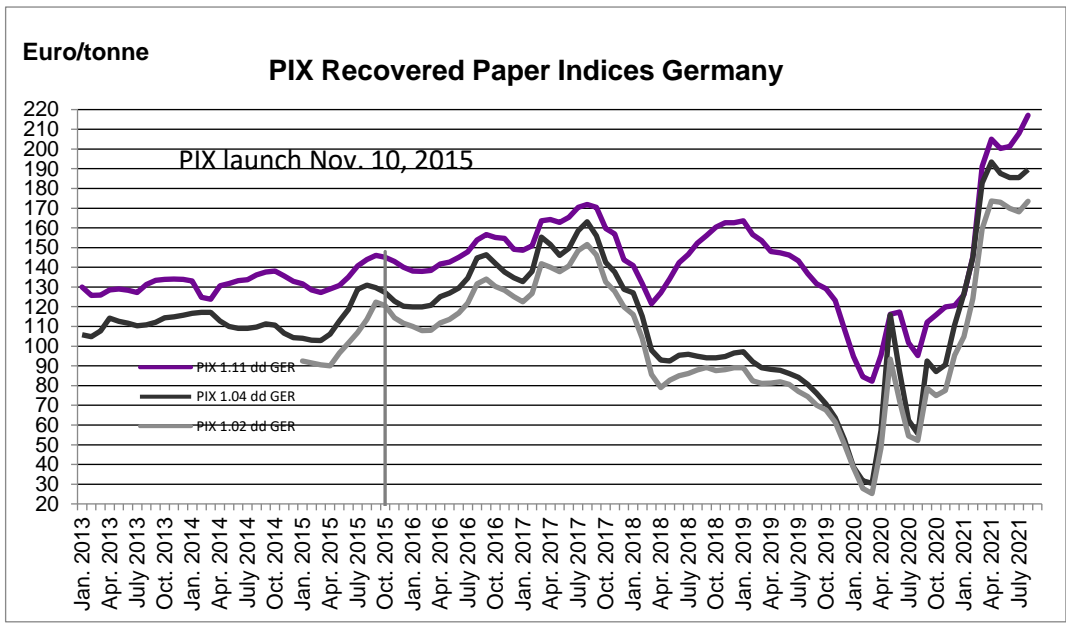


# PIX Recovered Paper Indices Germany

August 2021 ██████████

## PIX Recovered Paper – September 14, 2021

Grade	Index value		Change	Confidence interval (95%)		
<b>Mixed papers and board (sorted)</b> PIX RCP Mixed 1.02 GER	EUR	<b>173.51</b>	5.34	172.40	-	174.62
<b>Corrugated paper &amp; board</b> PIX OCC 1.04 GER	EUR	<b>189.62</b>	4.28	188.52	-	190.72
<b>Sorted graphic paper for deinking</b> PIX ONP/OMG 1.11 GER	EUR	<b>217.10</b>	9.25	212.59	-	221.61



Please note that using the PIX indices commercially is subject to approval by Fastmarkets FOEX.

**Recovered paper Germany** – Low availability and high demand were once again the main factors that set the scene for another round of price increases on the German recovered paper market in August. Following a month of only minor changes in July, market insiders reported moderate increases for sorted mixed paper and board (1.02), while comments on the price development for corrugated paper and board (1.04) differed somewhat, with some saying that levels remained steady in August and others mentioning mild price hikes.

All in all, the August PIX Index for 1.02 rose by around Euro 5.34/tonne month on month to Euro 173.51/tonne. At Euro 189.62/tonne, the PIX Index for 1.04 was some Euro 4.28/tonne higher than in July. For comparison, the PIX Indices for 1.02 and 1.04 amounted to approximately Euro 52.18/tonne and Euro 55.54/tonne, respectively, in August last year.

“Although maintenance stops reduced the recovered paper consumption of some paper mills, demand still exceeded supply as collection volumes were still weak. At the same time, buyers had to struggle with an increasing lack of trucks, and this resulted in more price increases,” a contact said. “Collection volumes increased somewhat after the end of the main vacation period, but the rise was insufficient to cater for high demand from paper mills, some of which took advantage of the vacation period for some downtime and came back from the break with low inventories,” another one added.

As in the previous months, exports were too low to further disrupt the domestic market in August. “Demand from the Far East was there with good prices, but the volumes that were actually shipped were low, as insufficient container availability still affected export operations,” a market insider commented.

Prices for sorted graphic paper for deinking (1.11) also accelerated in August. At Euro 217.10/tonne, the PIX Index for the grade was around Euro 9.25/tonne higher than in July. For comparison, the August 2020 PIX Index for 1.11 amounted to some Euro 95.23/tonne.

Market insiders attributed the development to low collection volumes and the generally reduced share of newspapers and magazines in household collections. “With the small price difference between 1.02 and 1.04 and the deinking grades in the past few months, sorting became less attractive. At the same time, demand from paper mills remained high, resulting in price increases for 1.11,” a market insider noted. “We have to live with what we get. With all the online shopping, the share of packaging material in the stream is constantly growing, while newspaper and magazine consumption is in structural decline. Suppliers simply can’t generate as much material as we would need,” another one said.

Others continued to point to the difficult supply situation both paper mills and market players further down the stream have started to face. “Some paper mills have already had to stop production due to insufficient supplies. Most of them announced hefty price increases, and this puts enormous pressure on printers who are not really able to pass on the hikes to their customers,” one of them noted.

The next edition of PIX Recovered Paper Indexes Germany will be published on October 12, 2021.

(Sources: PIX Indices, index development: Fastmarkets FOEX; Market commentary: Fastmarkets RISI.)