

Pulp and Paper Markets

Timber Committee forecasts by

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Expert presentation by

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Discussion



Highlights of draft Forest Products Market Analysis 2002-2004 (1-3)

- 2002 was a year of recovery for paper in EU/EFTA countries as production rose to near record levels after the 2001 downturn, as output and demand levels increased.
- Although an upturn was under way in 2002 and into 2003, signs of market weakness reappeared in the second quarter of 2003, with faltering momentum in prices.
- The rise of the euro in relation to the dollar and other currencies changed the relative competitive position of major producers on world markets.



Highlights of draft Forest Products Market Analysis 2002-2004 (4-6)

- In the Other Europe subregion, woodpulp production declined in 2002, although paper and paperboard output and consumption increased.
- The Other Europe subregion remains a net importer of paper and paperboard, although exports have been increasing, particularly for packaging paper.
- In the Commonwealth of Independent States (CIS) subregion, Russia continued to experience stable and relatively robust growth in 2002, with pulp production up by 4.3%, and total paper and paperboard up by 5.2%.



Highlights of draft Forest Products Market Analysis 2002-2004 (7-9)

- Along with continued growth in Russia, there was continued restructuring and realignment of the industry, by ownership and by product specialty.
- With United States industrial production still well below peak levels, North American paper and paperboard demand remains relatively soft.
- The gradual market upturn that was evident through 2002 yielded to persistent weakness and uncertainty in the first half of 2003.

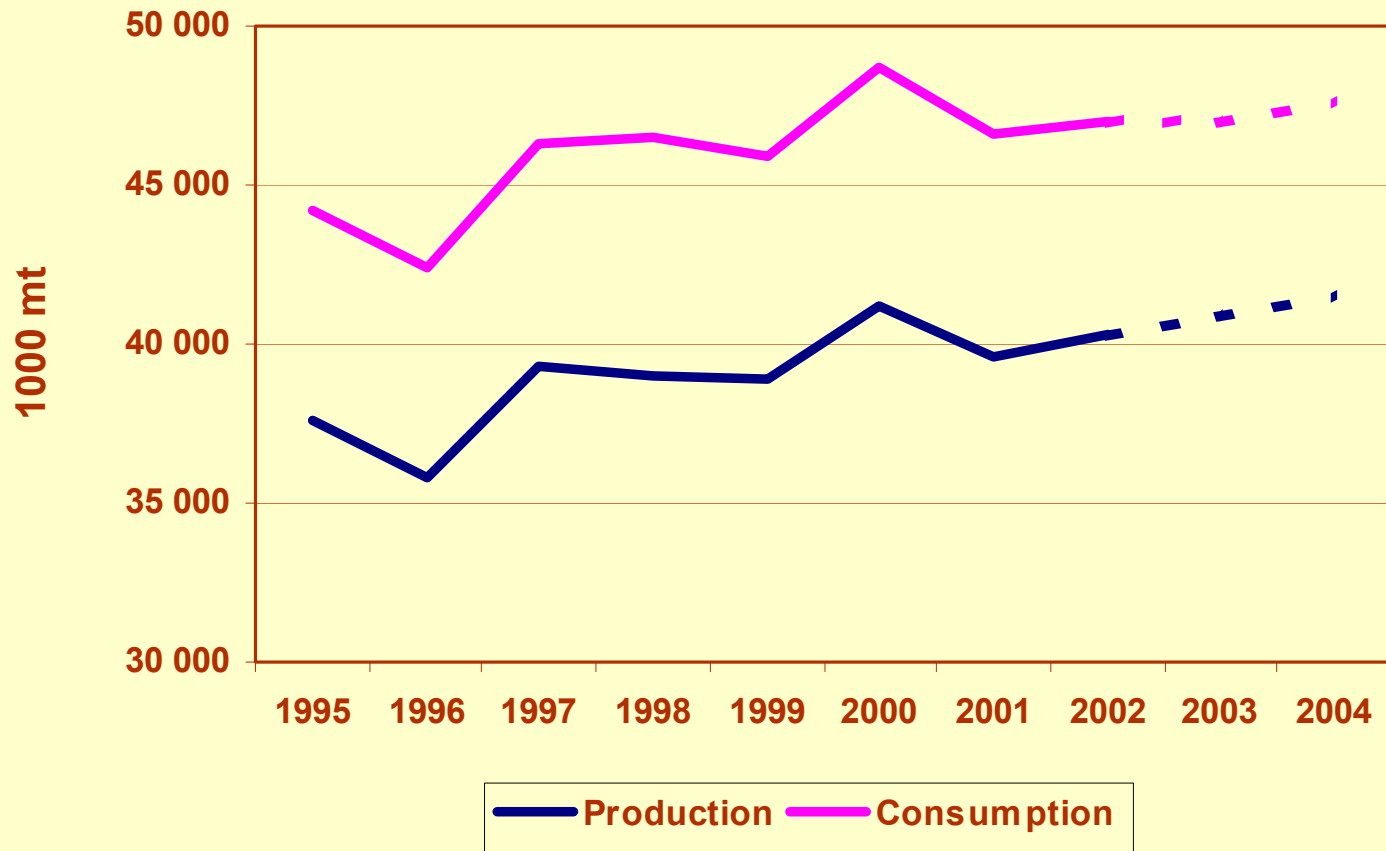


Highlights of draft Forest Products Market Analysis 2002-2004 (10-11)

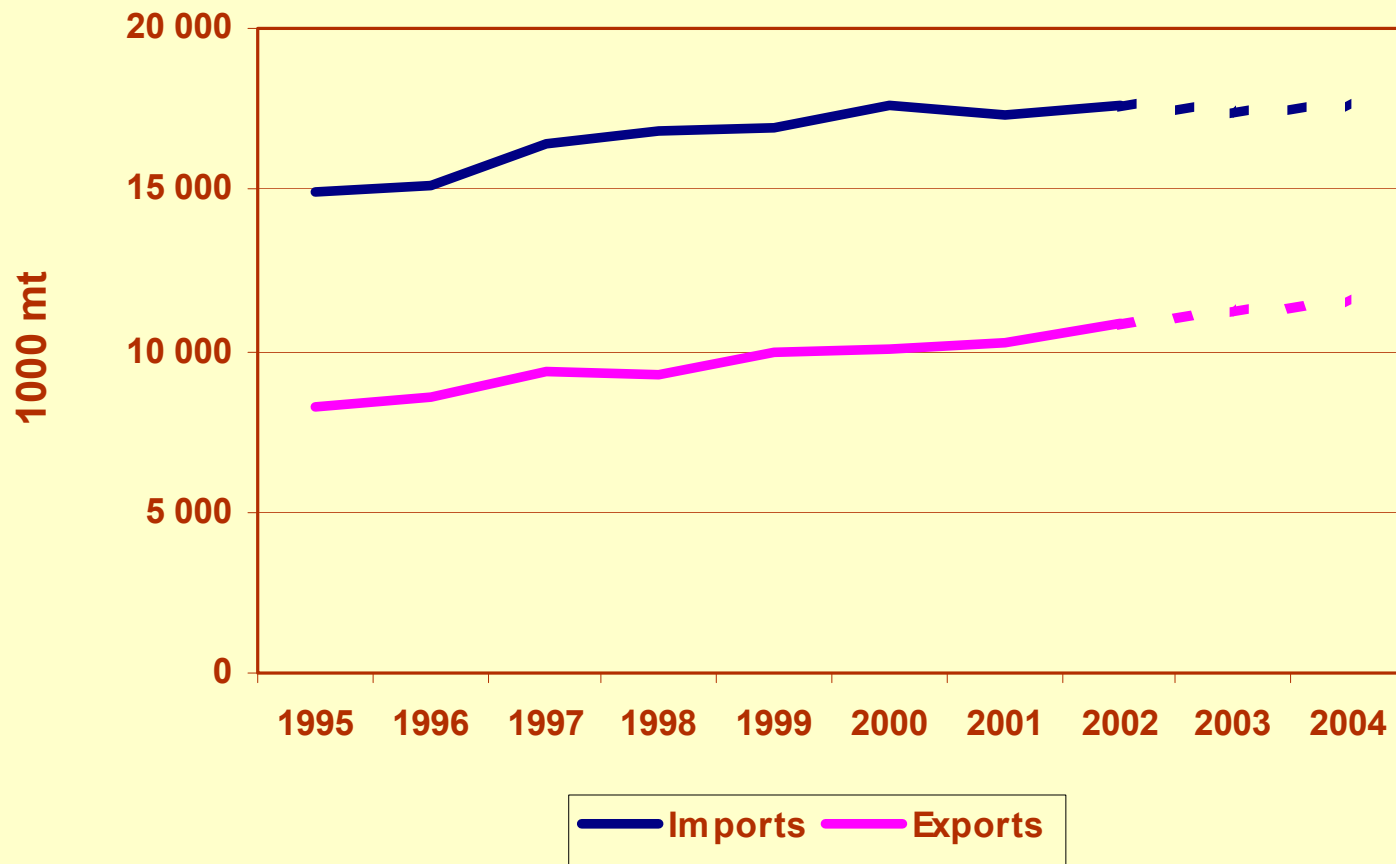
- Forest policies related to pulpwood supply are more of an immediate concern in Europe than in North America, where pulpwood markets show a contemporary surplus of fibre supply.
- Consumption of paper and paperboard grew strongly in Russia and steadily in the CEEC, while in EU/EFTA and North America it stagnated or declined.



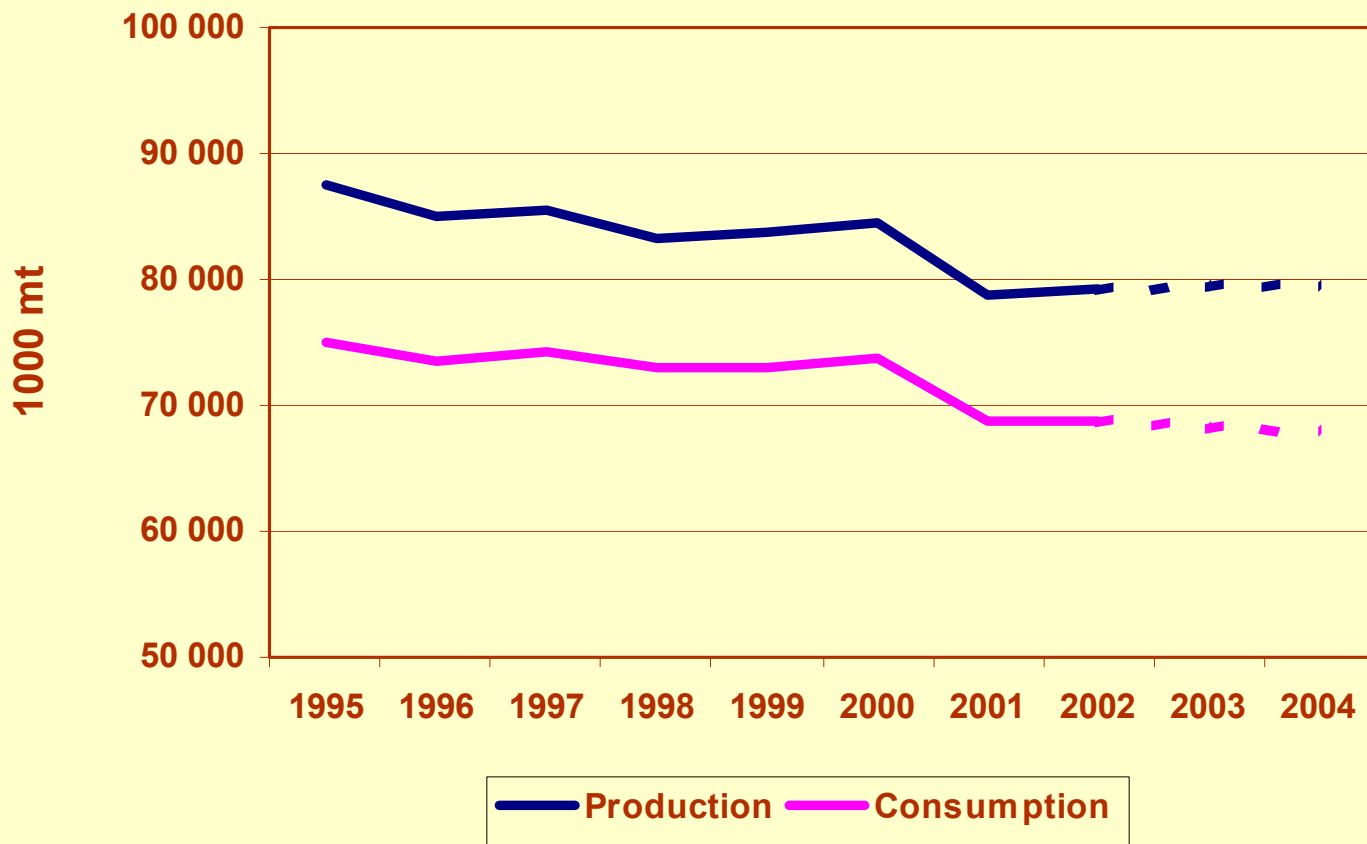
Europe: Wood pulp



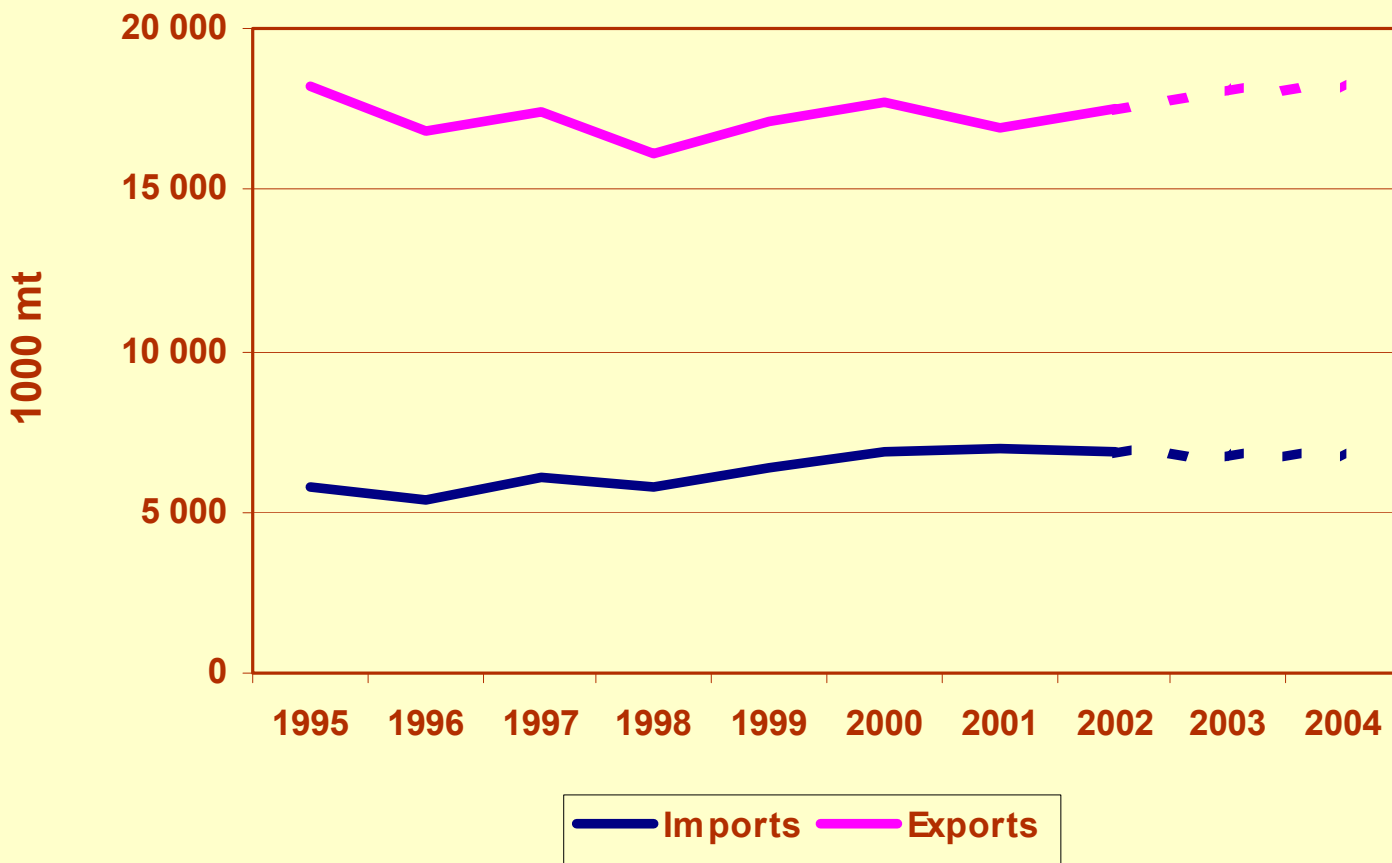
Europe: Wood pulp



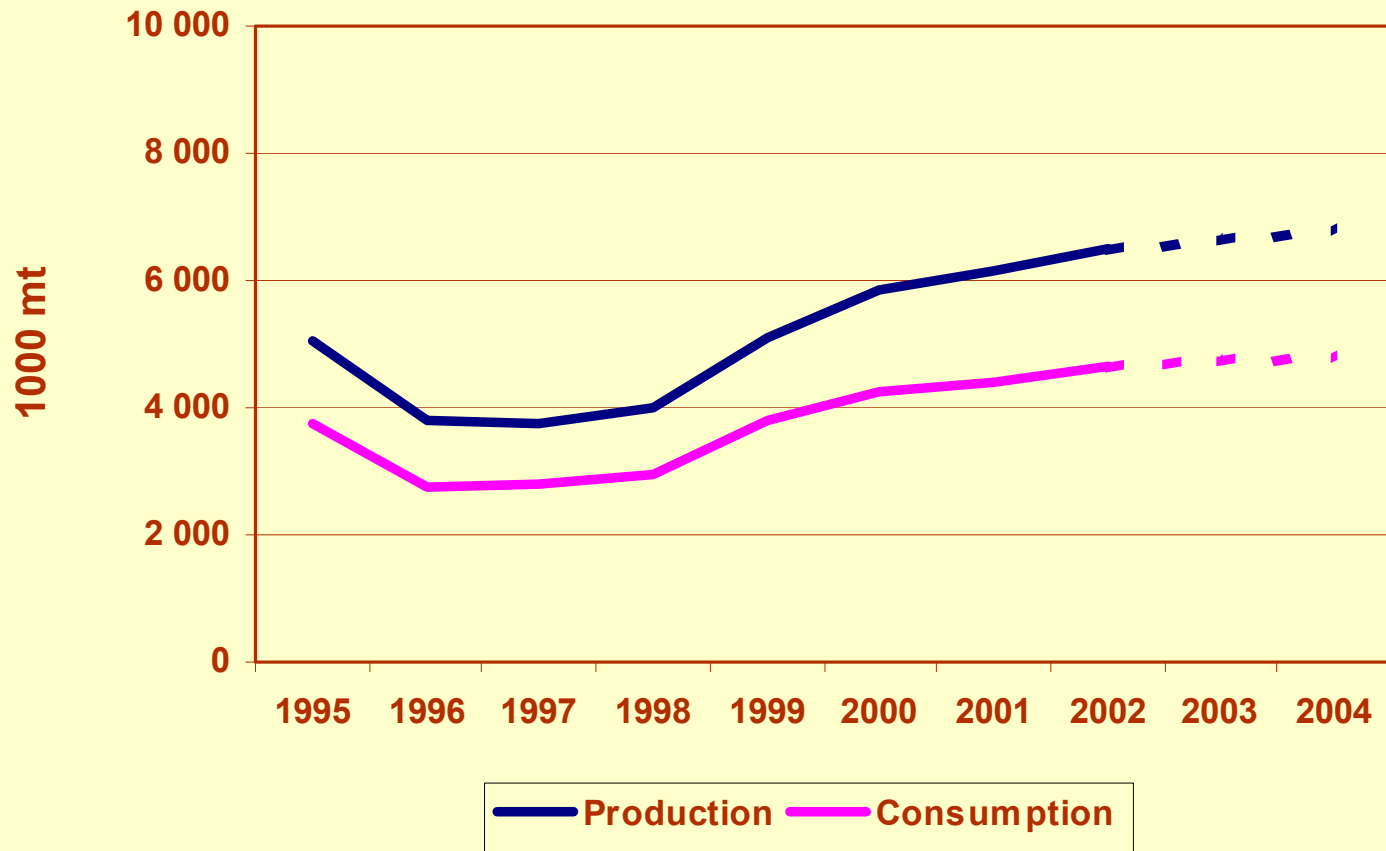
North America: Wood pulp



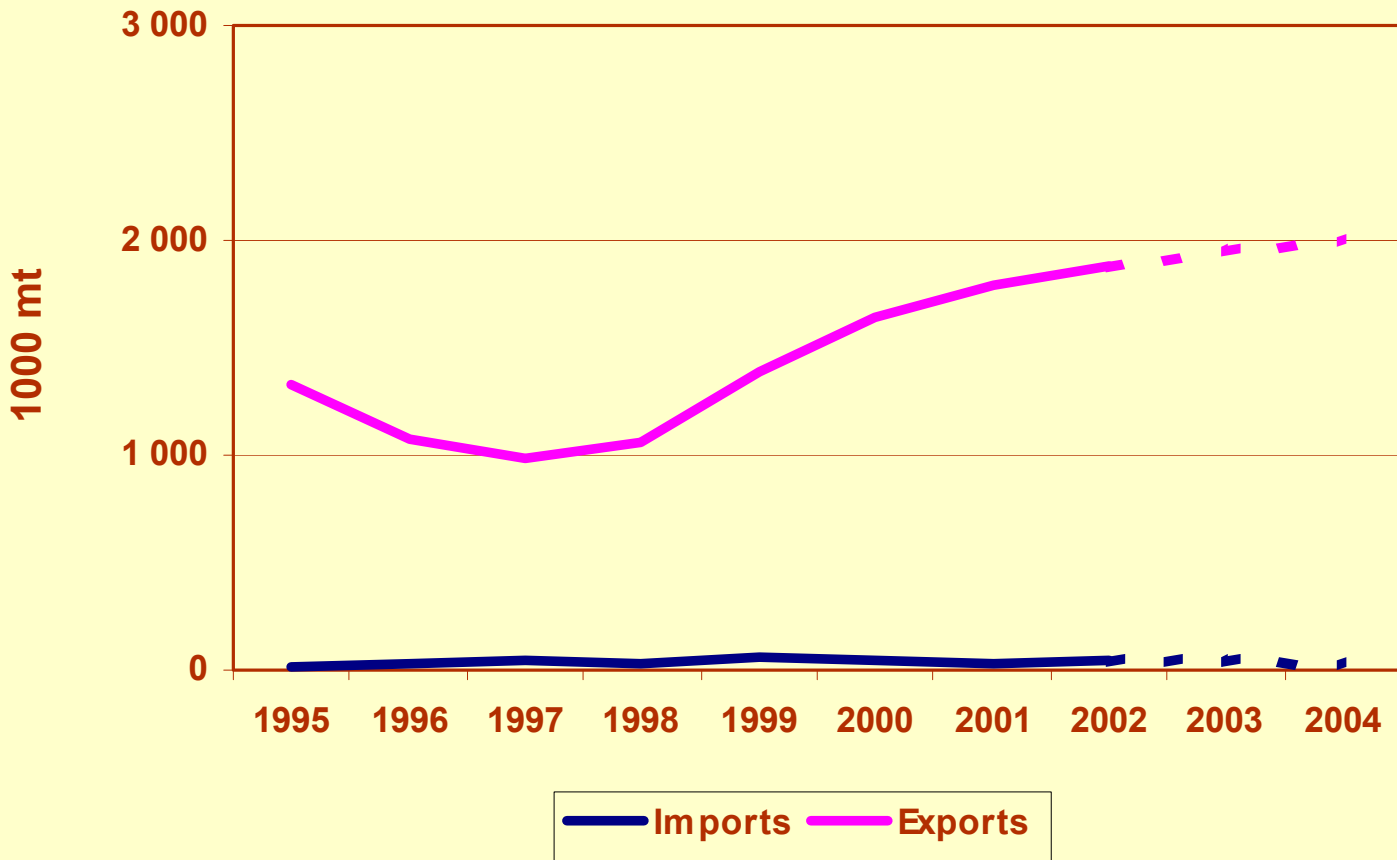
North America: Wood pulp



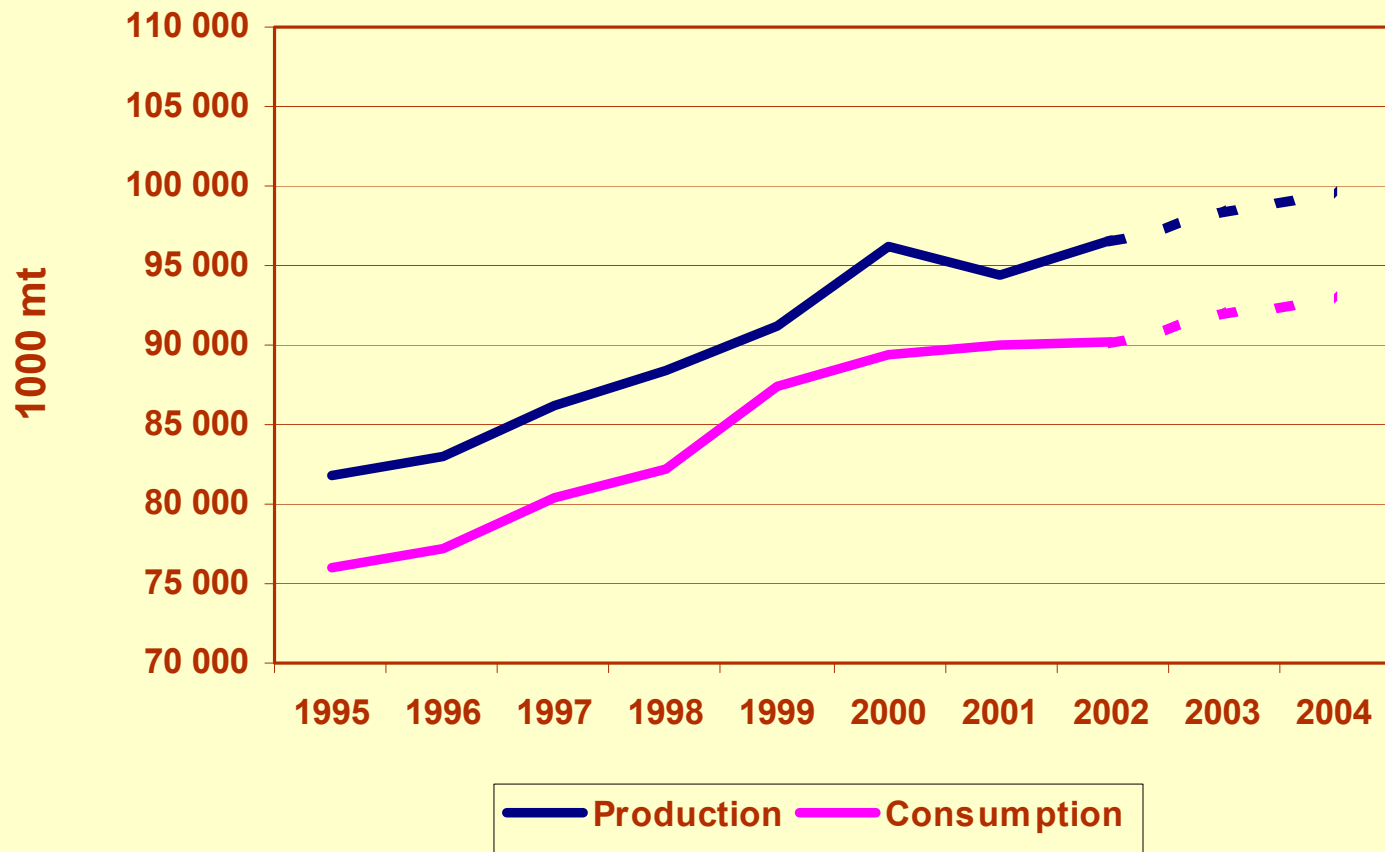
Russian Federation: Wood pulp



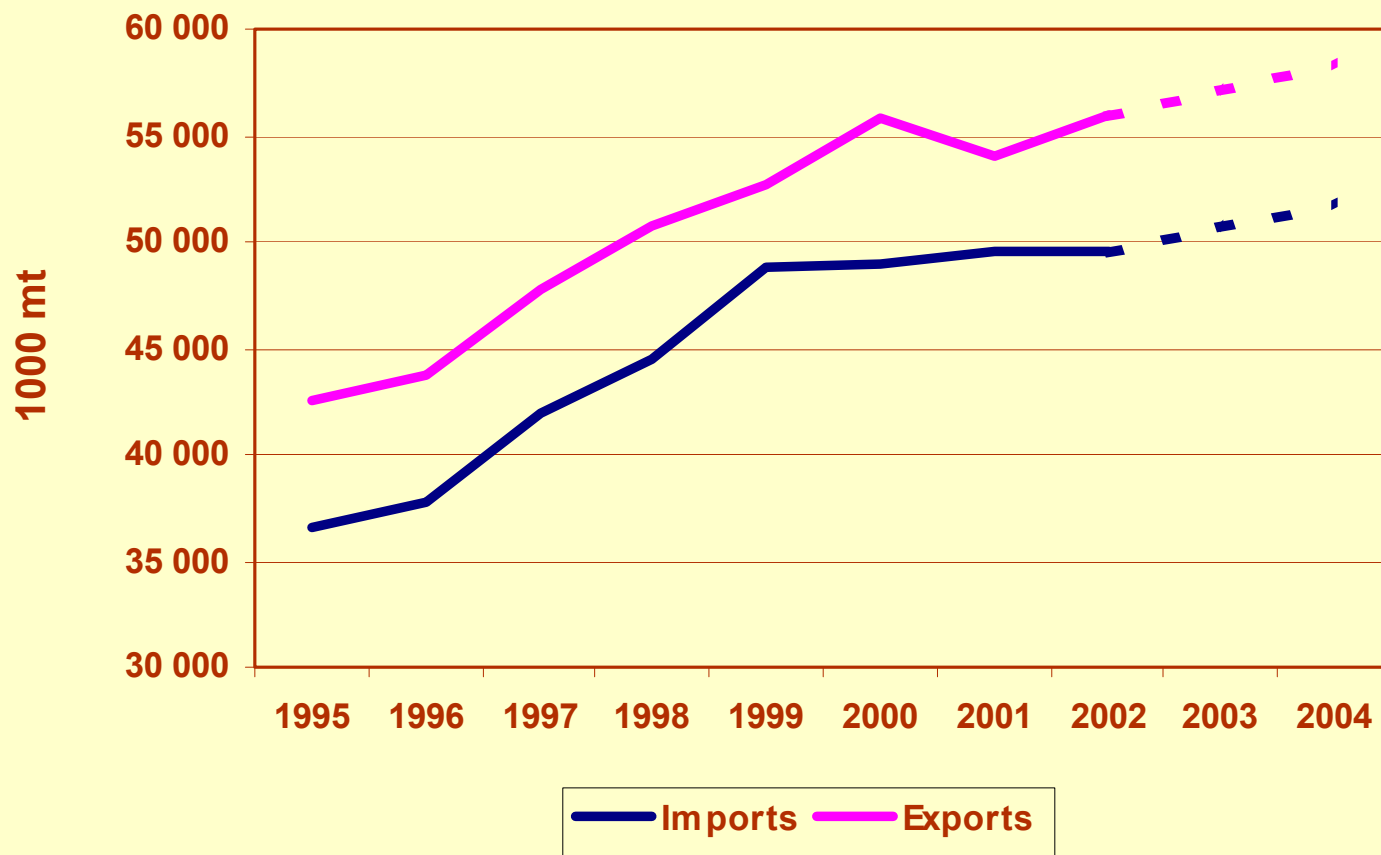
Russian Federation: Wood pulp



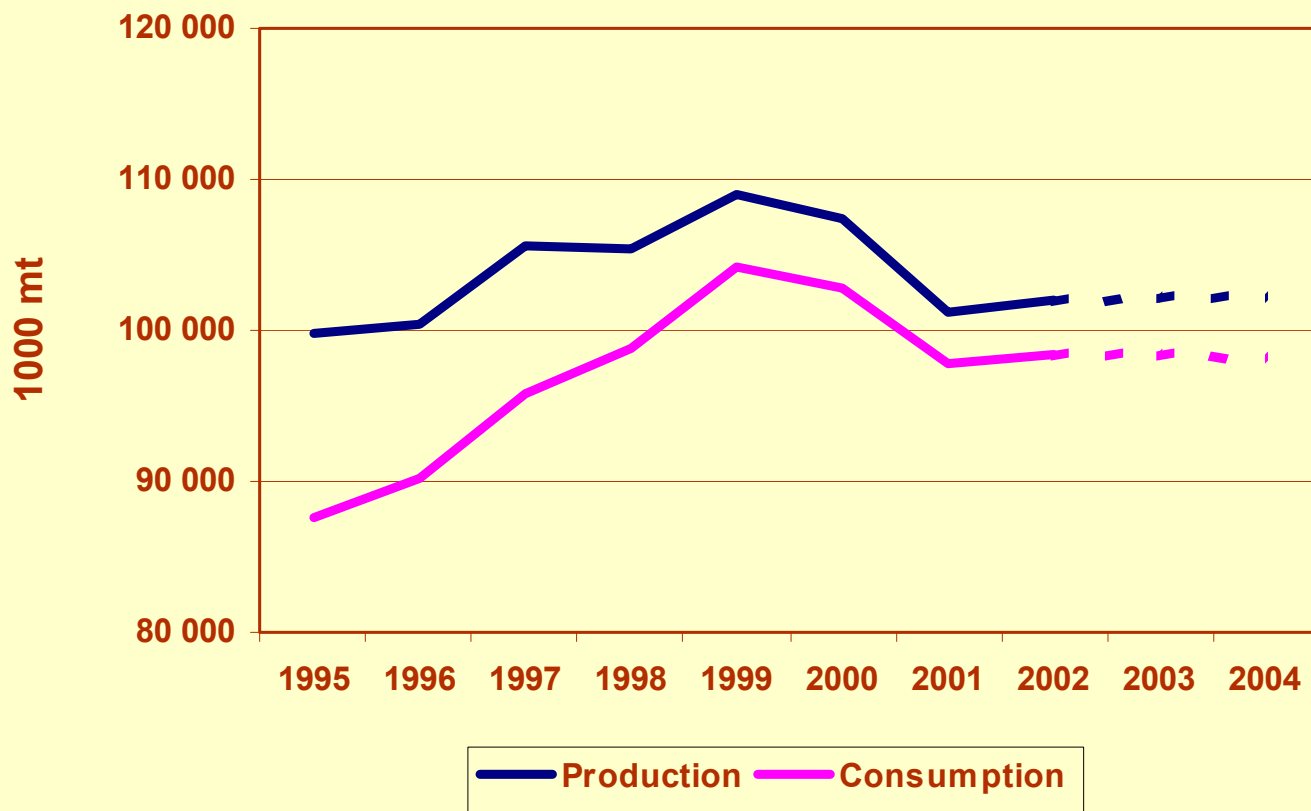
Europe: Paper and paperboard



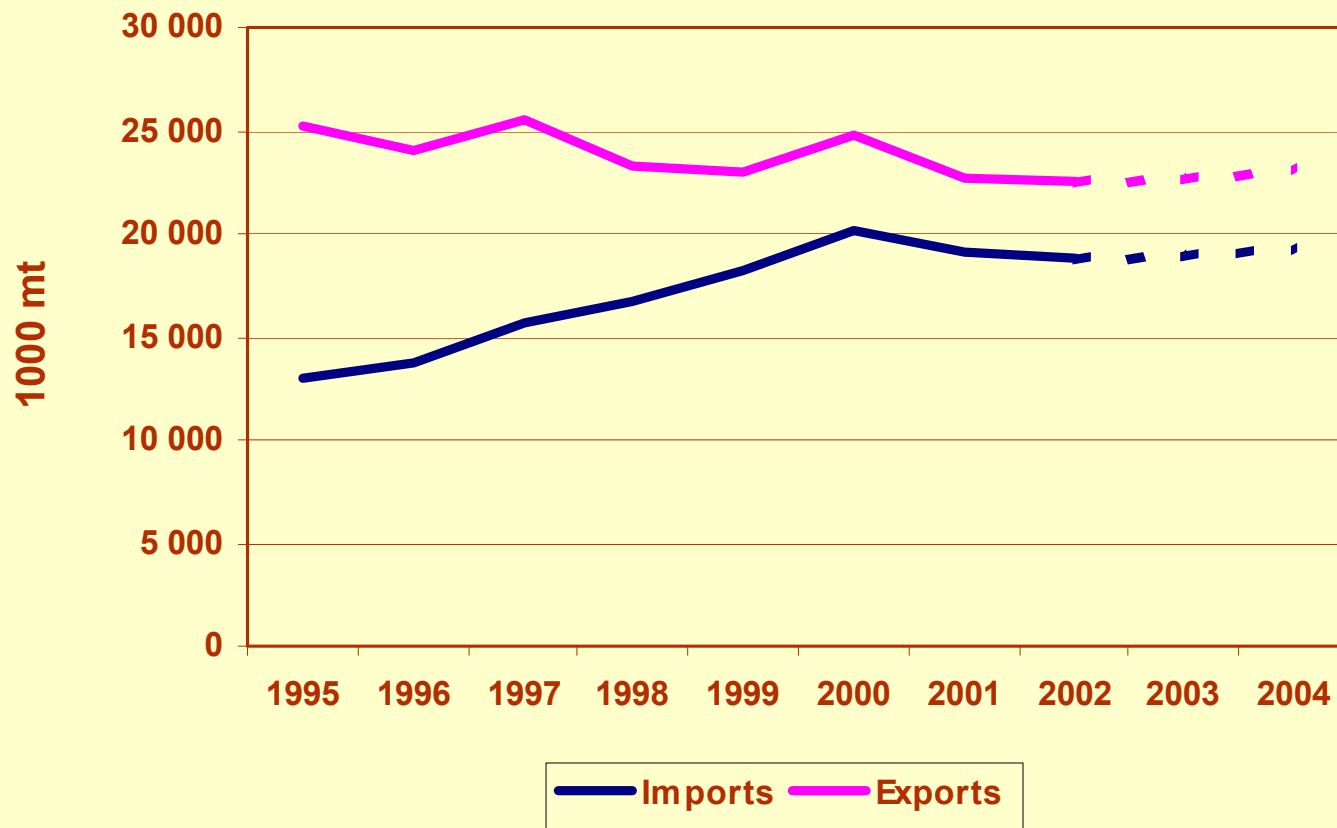
Europe: Paper and paperboard



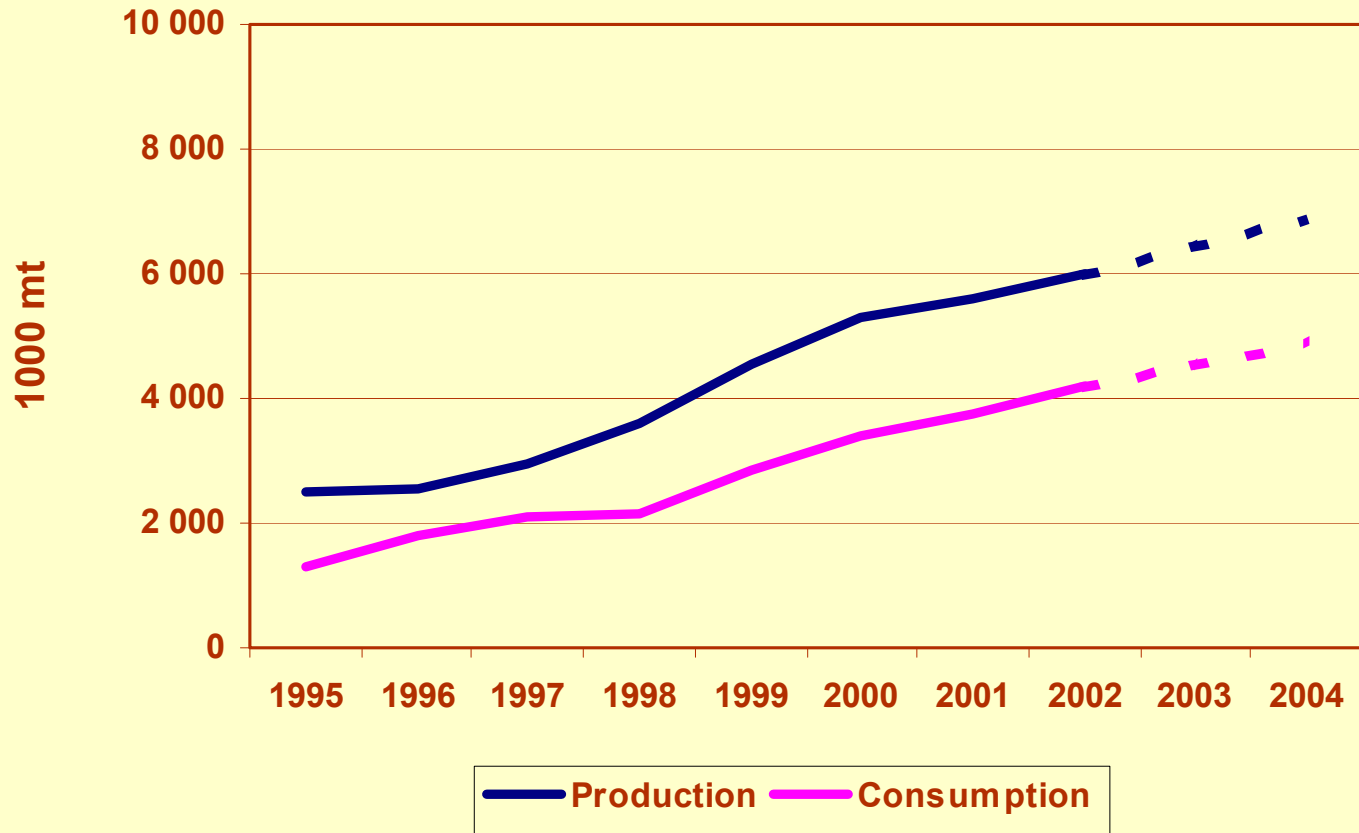
North America: Paper and paperboard



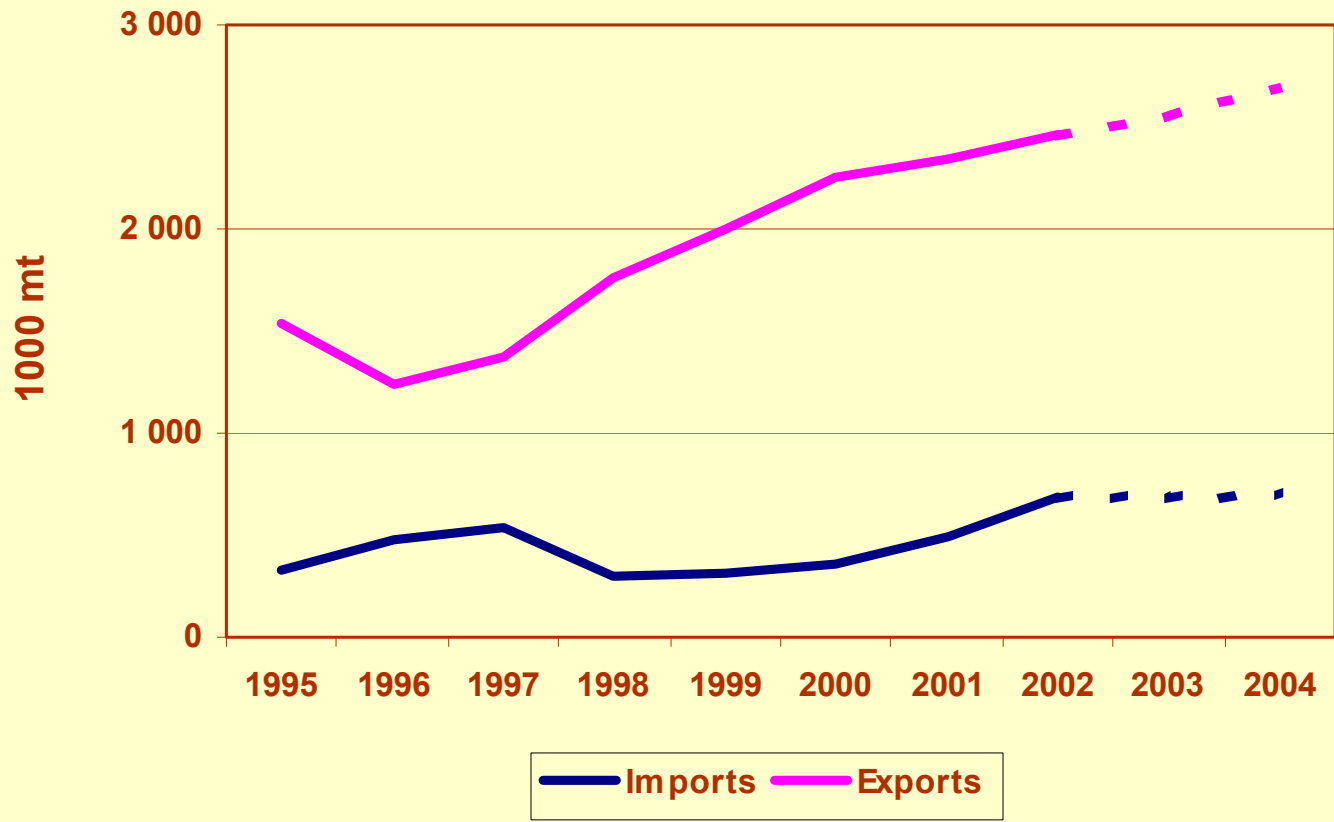
North America: Paper and paperboard



Russian Federation: Paper and paperboard

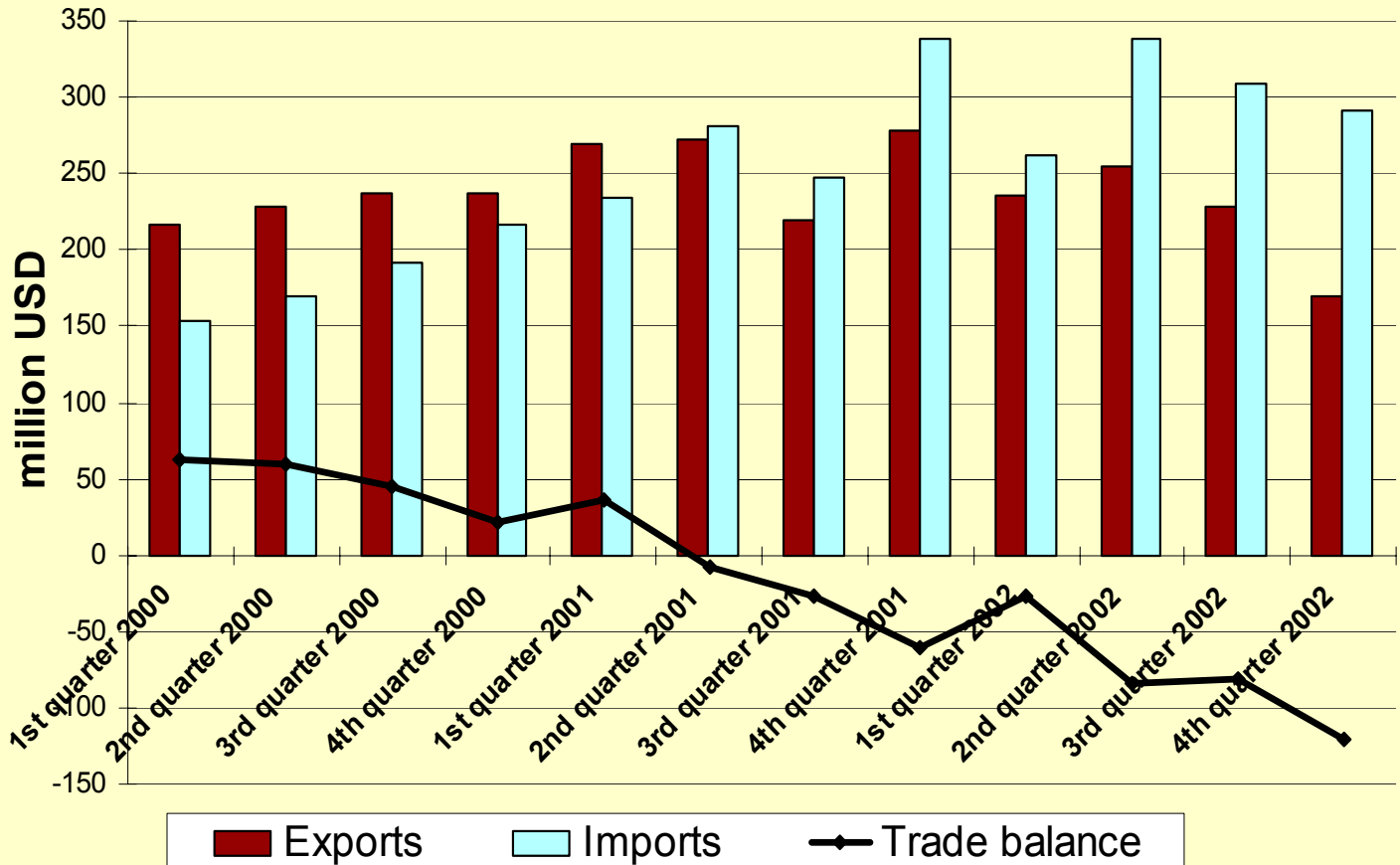


Russian Federation: Paper and paperboard





Russia's Trade Balance on Paper and Paperboard, 2000-2002 (million USD)



Concluding remarks

- Implementation of the energetic biofuel programme in Europe allows us to take a new view of the prospects for development of the Russia's Forest Sector with expanding exports of integrated in-depth wood processing products.
- The Russia's negative trade balance on paper and paperboard coupled with the stable domestic market development raises a problem of increasing output of the most science-intensive paper grades (of higher added value).



Next presentation

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