

## ***Download spiral in old corrugated containers` prices***

Date: 27 January 2016

Source: Recycling Portal

<http://recyclingportal.eu/Archive/20762>

Brussels – Oil prices continued their downward journey during the final quarter of 2015, which helped to sustain lower sea freight rates in a rather sluggish market. Global demand continued to hold at the levels seen in the previous quarter, with occasional bursts in the order cycle. The strengthening US dollar and the weakness of Asian currencies did not help in moving prices upwards.

According to Ranjit Baxi, President of the Bureau of International Recycling, export prices remained low owing to increased competition from other supplying regions, supported by increased domestic collections in various Asian markets, including China. More and more Asian mills have been opting to use increased volumes of domestic fibre, which have tended to be cheaper, in order to enable them to compete amid weakening prices for finished goods. Therefore, this also has an effect on their import volumes.

The downward spiral in old corrugated containers (OCC) prices continued during last year's fourth quarter: Having started the period at around US-\$ 165 per tonne, prices dropped to US-\$ 155+ by the middle of the quarter before ending the year at just below US-\$ 150. Similarly, prices for mixed paper began the quarter at US-\$ 130+ per tonne and continued to weaken, ending 2016 at around US-\$ 112+ .