



# Global Containerboard Markets Update and Outlook

Paul van Bezouw – WCO

Osaka, 21<sup>st</sup> of May 2025

# What will be covered?

- I. How did we get where we are today?**
- II. Where do we expect to go from here?
- III. Focus on Europe: Roadmap to Net Zero by 2050

# Important notes upfront - Disclaimer

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# Economic Activity

## Global GDP

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| GDP IN % (Y/Y-1)                     | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------------------------------|------|------|------|------|------|------|------|
| <b>WORLD</b>                         | +3,5 | +2,6 | -3,6 | +5,8 | +3,3 | +2,9 | +2,3 |
| <b>ASIA PACIFIC</b>                  | +6,0 | +4,0 | -1,1 | +6,1 | +3,2 | +4,3 | +3,7 |
| <b>EASTERN EUROPE</b>                | +3,2 | +2,4 | -2,5 | +5,9 | +1,1 | +2,8 | +2,4 |
| <b>LATIN AMERICA</b>                 | +1,4 | +0,6 | -6,6 | +6,1 | +3,8 | +2,2 | +1,5 |
| <b>MAIN ARABIAN &amp; AFRICAN C.</b> | +1,1 | -0,2 | -3,9 | +3,6 | +4,9 | +1,9 | +2,8 |
| <b>USA</b>                           | +2,9 | +2,2 | -3,4 | +5,7 | +1,9 | +2,9 | +2,2 |
| <b>EURO ZONE</b>                     | +1,9 | +1,3 | -6,5 | +5,3 | +3,4 | +0,5 | +0,5 |



SOURCE: CONSENSUS + BANKS

# Economic Activity

## *Global inflation*

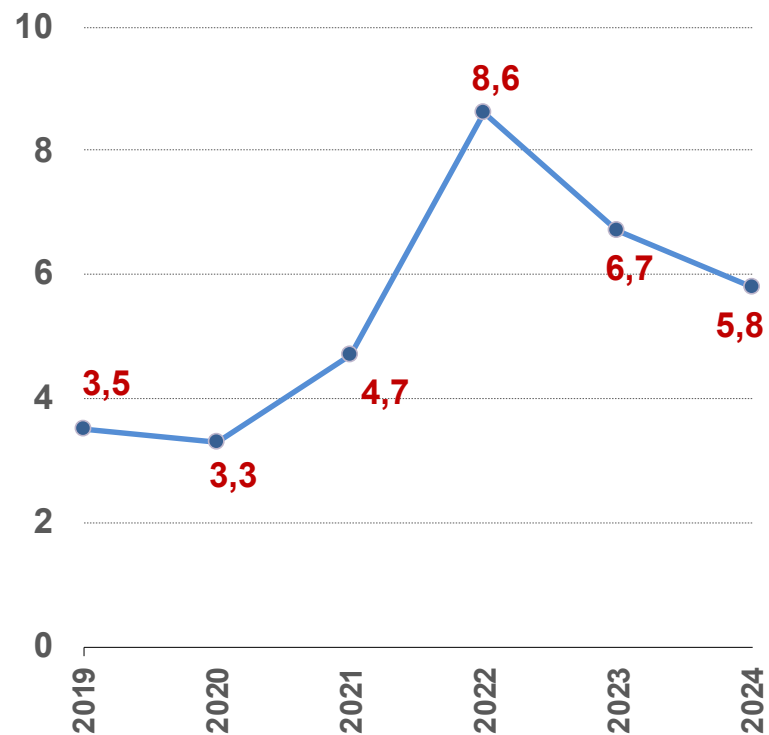
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### GLOBAL INFLATION

(Y / Y-1 in %)



Source : IMF

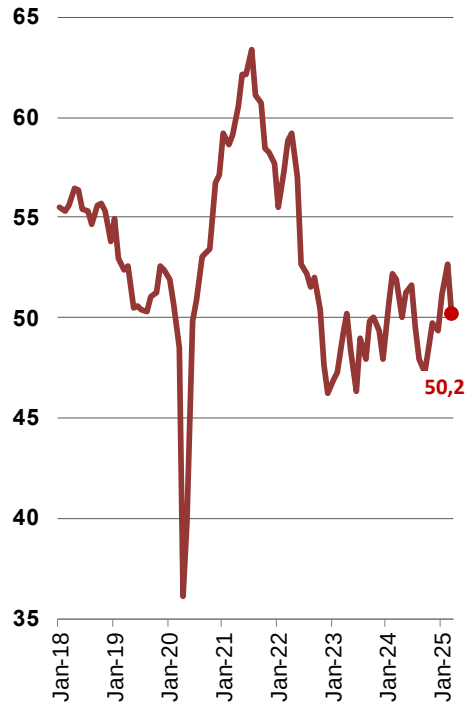
# Economic Activity

## Manufacturing production & IHS Markit Index

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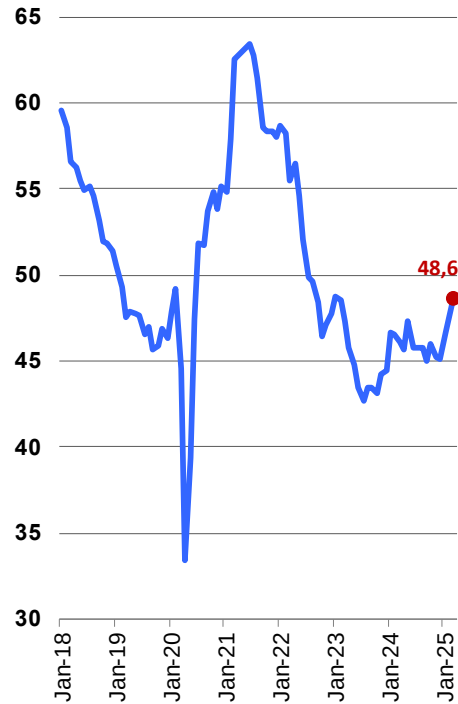
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**USA**  
**MANUFACTURING PMI**  
(in points - last point March 25)



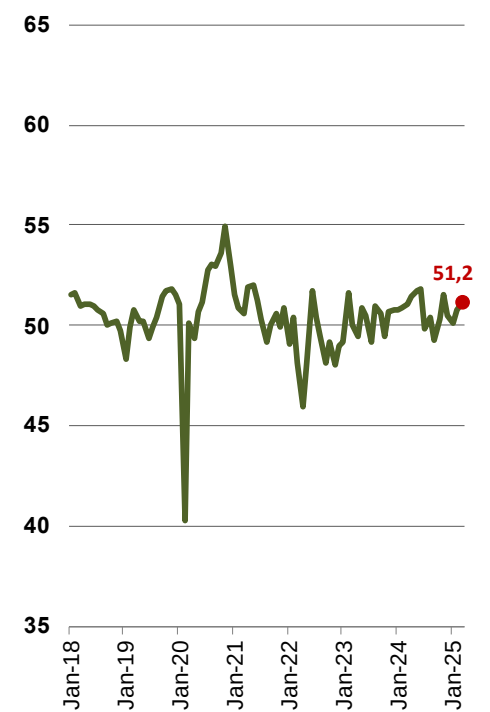
SOURCE IHS - MARKIT

**EURO ZONE**  
**MANUFACTURING PMI**  
(in points - last point March 25)



SOURCE IHS - MARKIT

**CHINA**  
**MANUFACTURING PMI**  
(in points - last point March 25)



SOURCE IHS - MARKIT

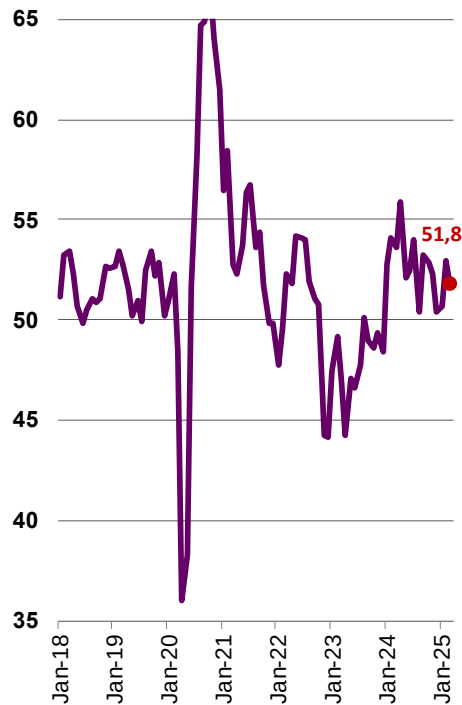
# Economic Activity

## Manufacturing production & IHS Markit Index

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**BRAZIL**  
**MANUFACTURING PMI**  
(in points - last point March 25)



SOURCE IHS - MARKIT

**JAPAN**  
**MANUFACTURING PMI**  
(in points - last point March 25)



SOURCE IHS - MARKIT

# Containerboard Developments

## Global Demand 2022-2024<sup>e</sup>

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After two flat years, global demand picked up in 2024...

### CONTAINERBOARD DEMAND

(In% Y/Y-1- based on metric tons)



Source: WCO Global Outlook – January 2025



# Containerboard Developments

## *Supply vs Demand 2019-2024<sup>e</sup>*

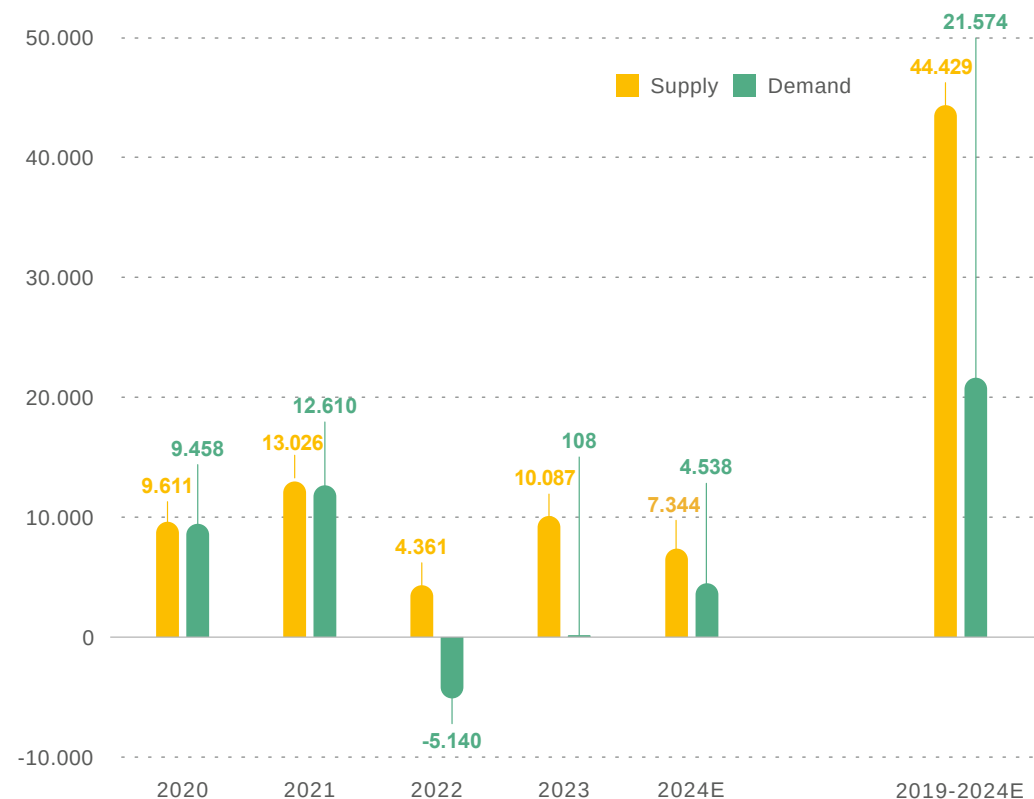
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...however, globally, supply outpaced demand.  
Especially during post-COVID years

### CAPACITY BY REGION

Supply vs Demand variations in T, 2019-2024E



### WORLD

DEMAND 194 KT

SUPPLY 245 KT



# Containerboard Developments

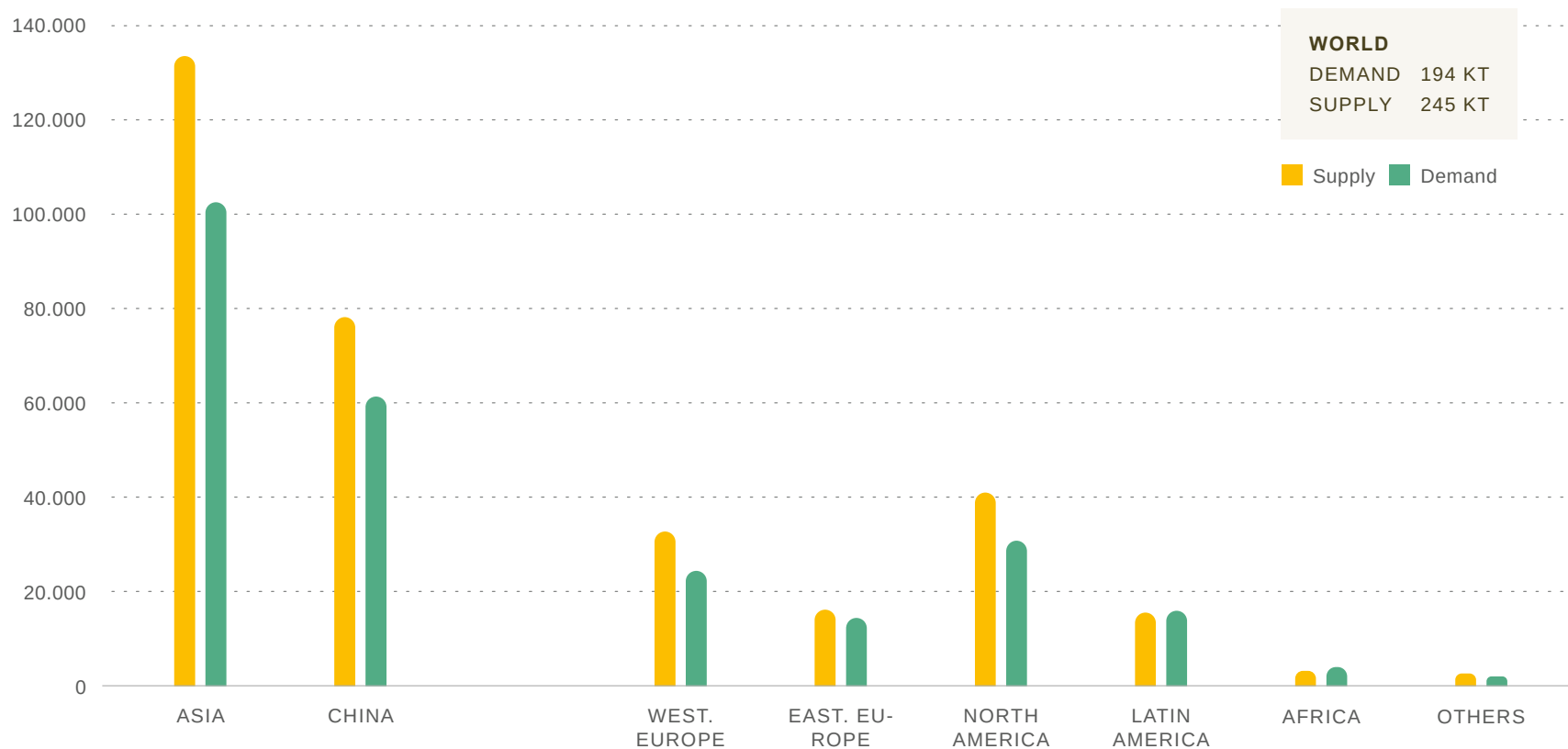
## *Supply and Demand by Region 2024<sup>e</sup>*

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Asia, and especially China by far the biggest producer and consumer of containerboard

2024E SUPPLY AND DEMAND BALANCE  
(in KT)



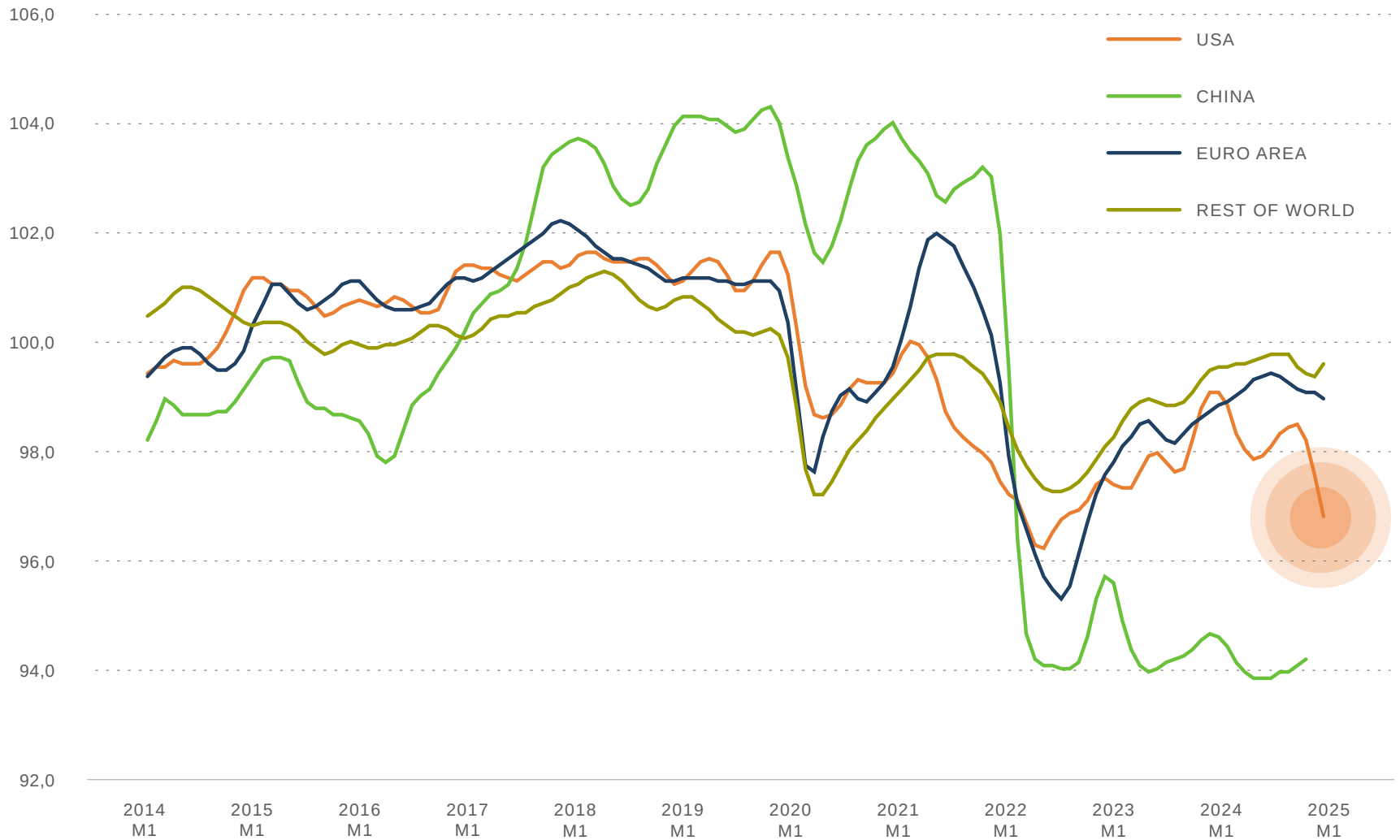
# What will be covered?

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# Consumer confidence continues to be weak

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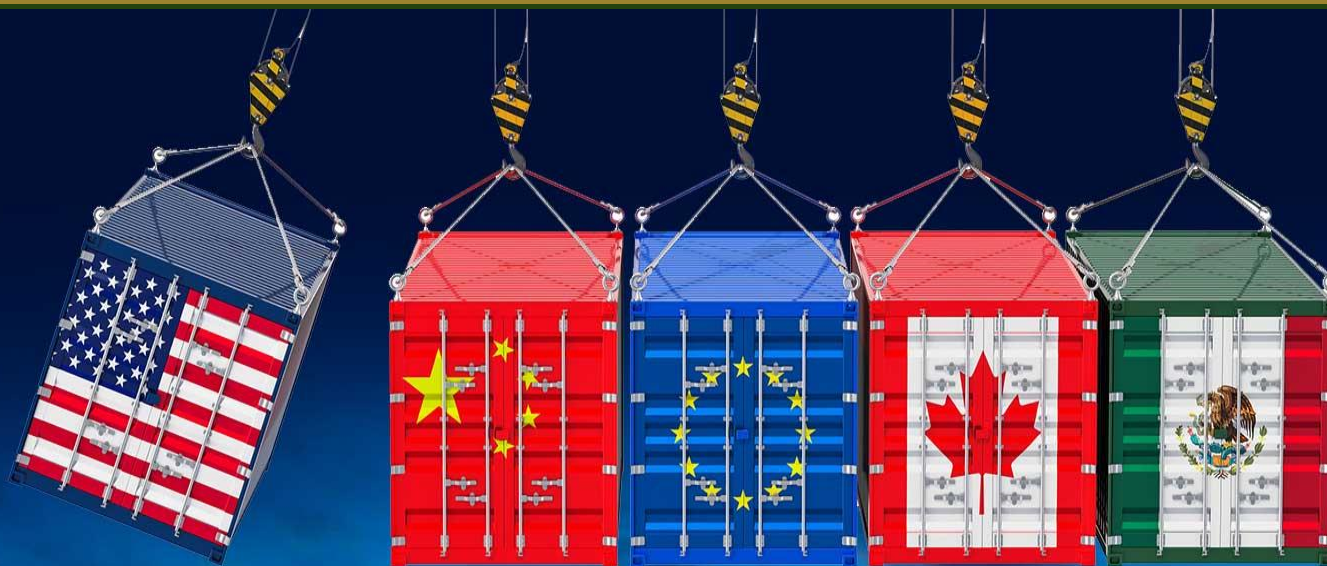
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# Global Trade War? The end of Globalisation? Recession?

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## Investors fear 'dark time ahead for global economy'

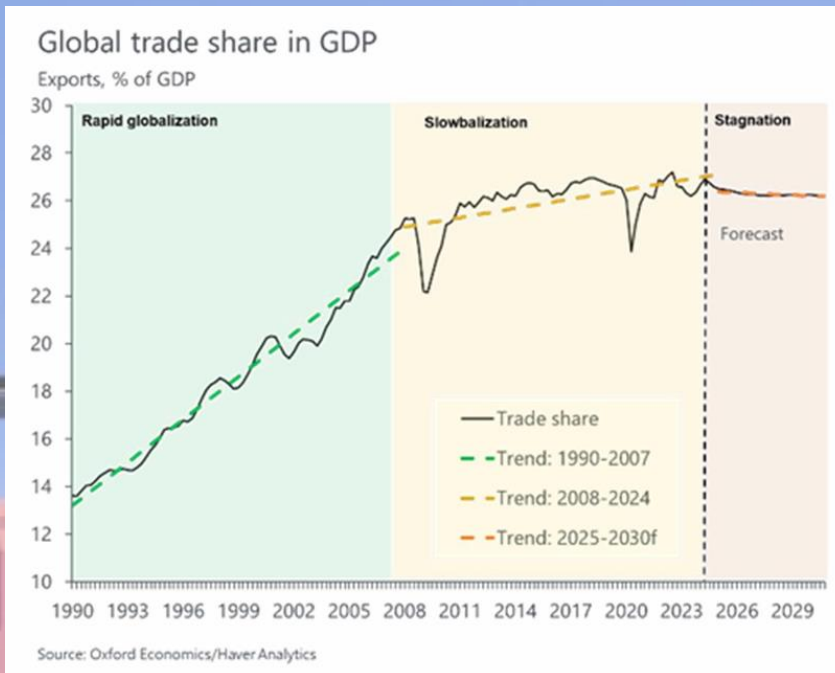
The escalation in the global trade war has amplified the risks for the world economy and markets, investors warn.



Risk management...cost control...flexibility...

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# Shortening Supply Chains



...uncertainty...



# US Containerboard Trade Flows - 2024

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**Imports Into the US (000s Metric Tonnes)**

|                | <u>2023</u>  | <u>2024</u>  | <u>Percentage Change</u> |
|----------------|--------------|--------------|--------------------------|
| North America  | 954          | 1,037        | 9%                       |
| Western Europe | 69           | 93           | 35%                      |
| Oceania        | 85           | 83           | -3%                      |
| Asia           | 11           | 19           | 79%                      |
| Latin America  | 11           | 12           | 6%                       |
| Africa         | 5            | 10           | 88%                      |
| Eastern Europe | 1            | 6            | 841%                     |
| <b>TOTAL</b>   | <b>1,136</b> | <b>1,261</b> | <b>11%</b>               |

**Exports From the US (000s Metric Tonnes)**

|                | <u>2023</u>  | <u>2024</u>  | <u>Percentage Change</u> |
|----------------|--------------|--------------|--------------------------|
| Latin America  | 2,732        | 3,116        | 14%                      |
| Asia           | 968          | 1,164        | 20%                      |
| North America  | 861          | 944          | 10%                      |
| Western Europe | 314          | 383          | 22%                      |
| Africa         | 165          | 196          | 19%                      |
| Eastern Europe | 2            | 2            | 11%                      |
| Oceania        | 0            | 0            | -57%                     |
| <b>Total</b>   | <b>5,042</b> | <b>5,806</b> | <b>15%</b>               |

Source: Numera Analytics – Trade Database



# Growth in advanced economies downgraded

| GDP IN % (Y/Y-1)                     | 2023 | 2024 | 2025 | 2026 |
|--------------------------------------|------|------|------|------|
| <b>WORLD</b>                         | +2,9 | +2,3 | +2,5 | +2,5 |
| <b>ASIA PACIFIC</b>                  | +4,3 | +3,7 | +3,7 | +3,6 |
| <b>EASTERN EUROPE</b>                | +2,8 | +2,4 | +2,7 | +2,7 |
| <b>LATIN AMERICA</b>                 | +2,2 | +1,5 | +2,4 | +2,3 |
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| <b>USA</b>                           | +2,9 | +2,2 | +1,6 | +2,0 |
| <b>EURO ZONE</b>                     | +0,5 | +0,5 | +1,3 | +1,2 |



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# Capacity easier to forecast than Demand

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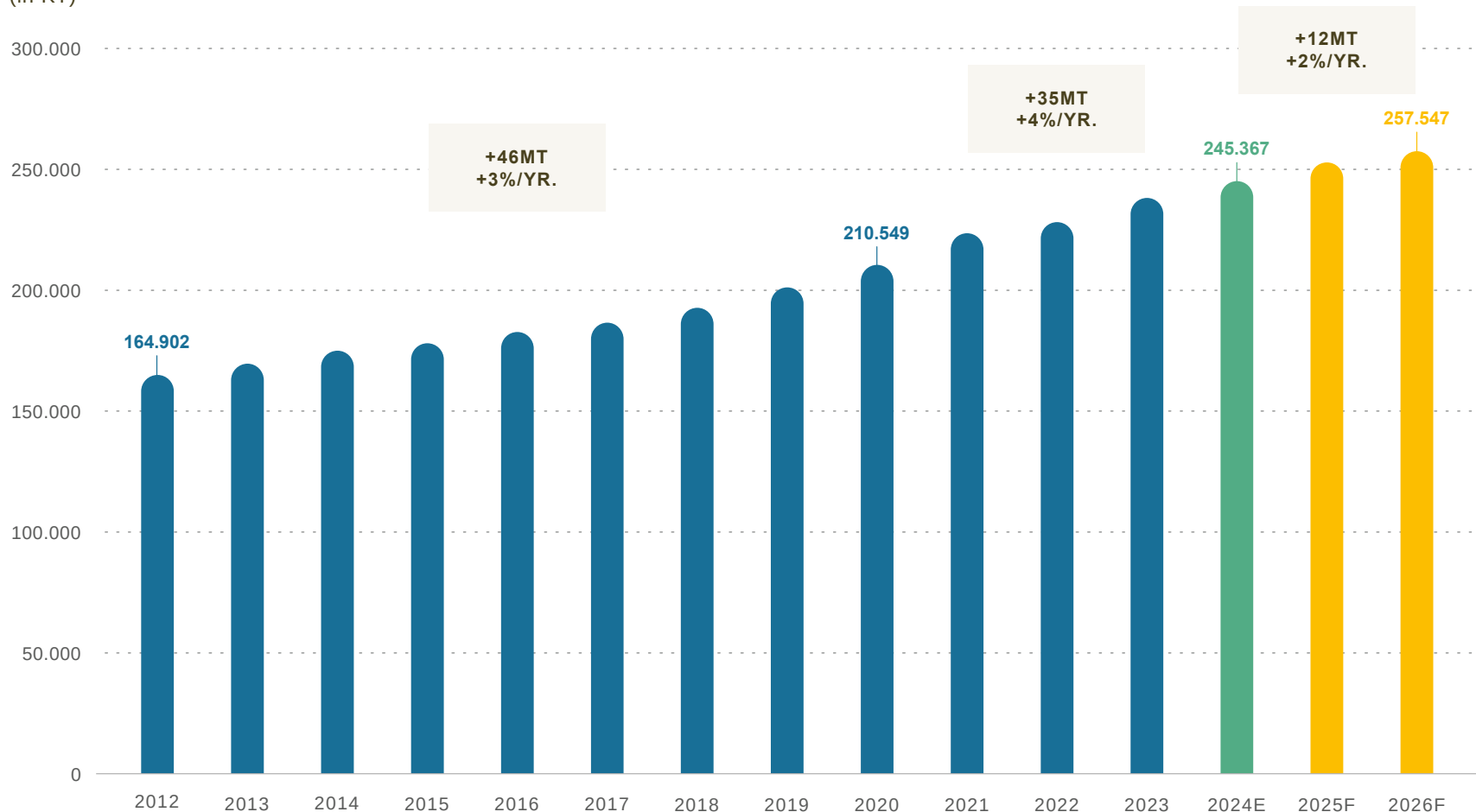


# Capacity growth accelerated between 2020 and 2024<sup>e</sup>

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## GLOBAL CONTAINERBOARD CAPACITY (in KT)



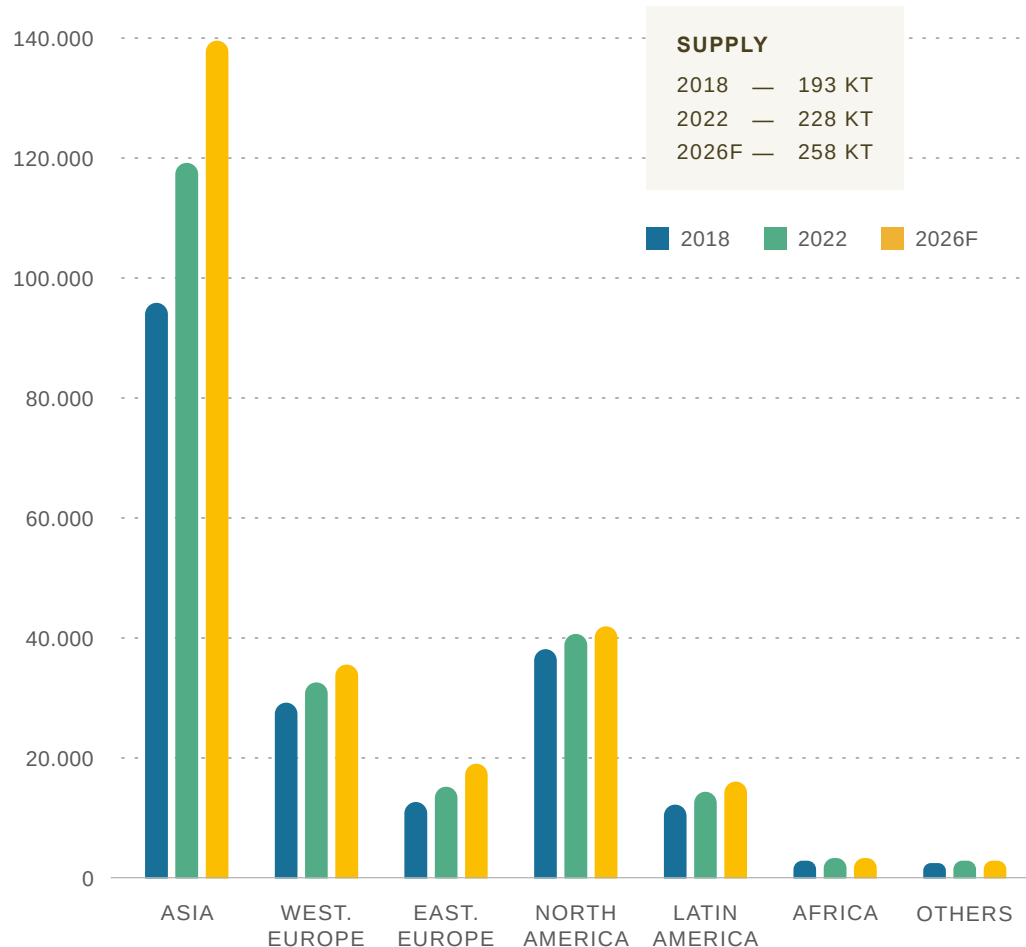
Source: WCO Global Outlook – January 2025

# Asian capacity share expected to continue to increase. North American share likely to slide further. Other regions stable

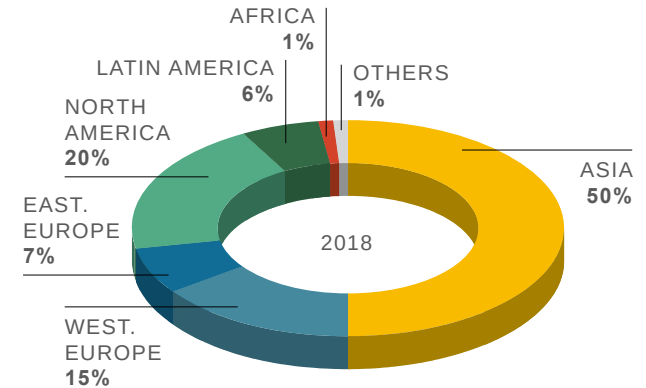
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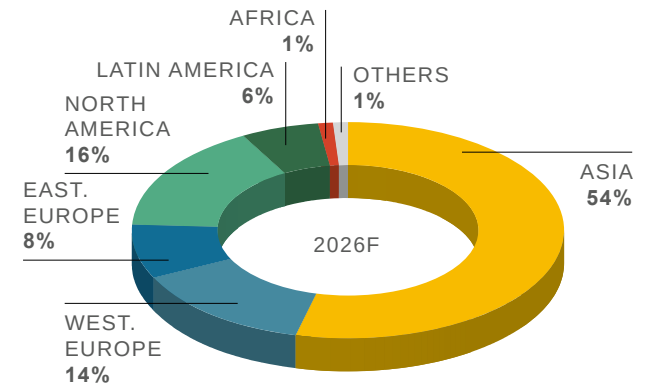
CAPACITY BY REGION



CAPACITY BY REGION



CAPACITY BY REGION



# Focus on Asia

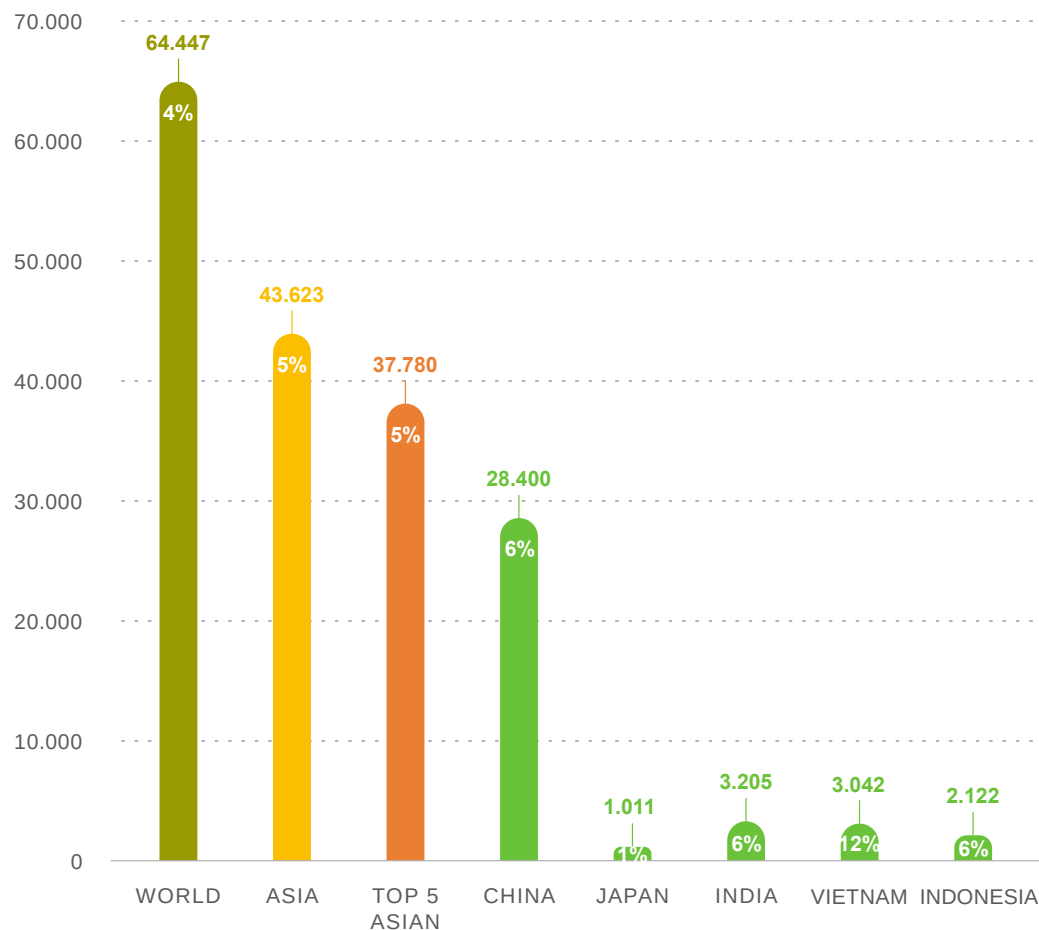
*Five countries account for nearly 90% of all capacity additions*

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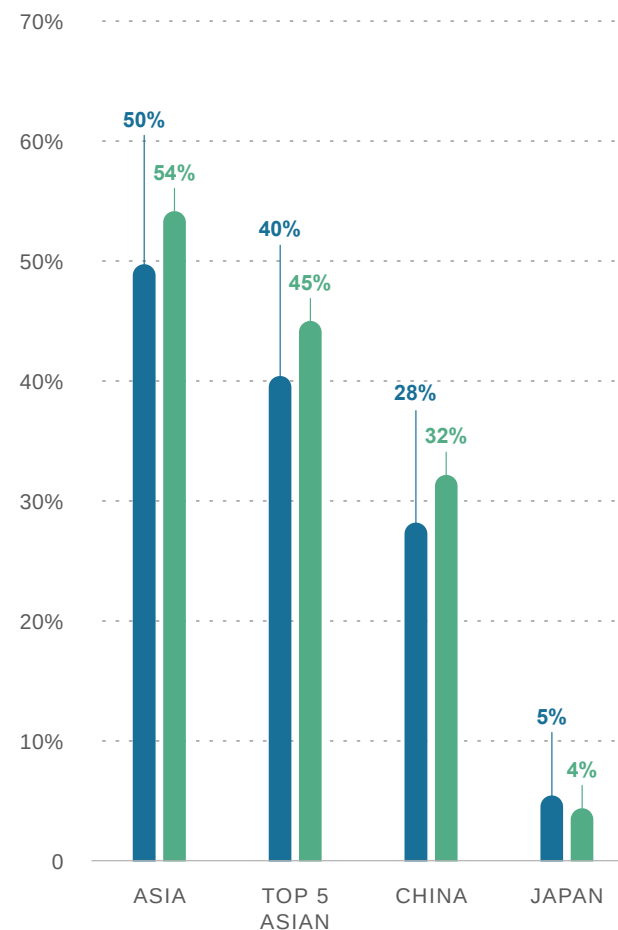
CAPACITY DEVELOPMENT 2018 - 2026F

(in KT)



SHARE OF GLOBAL CAPACITY

2018 - 2026F





# So, how about the outlook for Demand?

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# Demand growth expected to pick up between '24 and '26 but potential impact of trade war difficult to factor in at this stage

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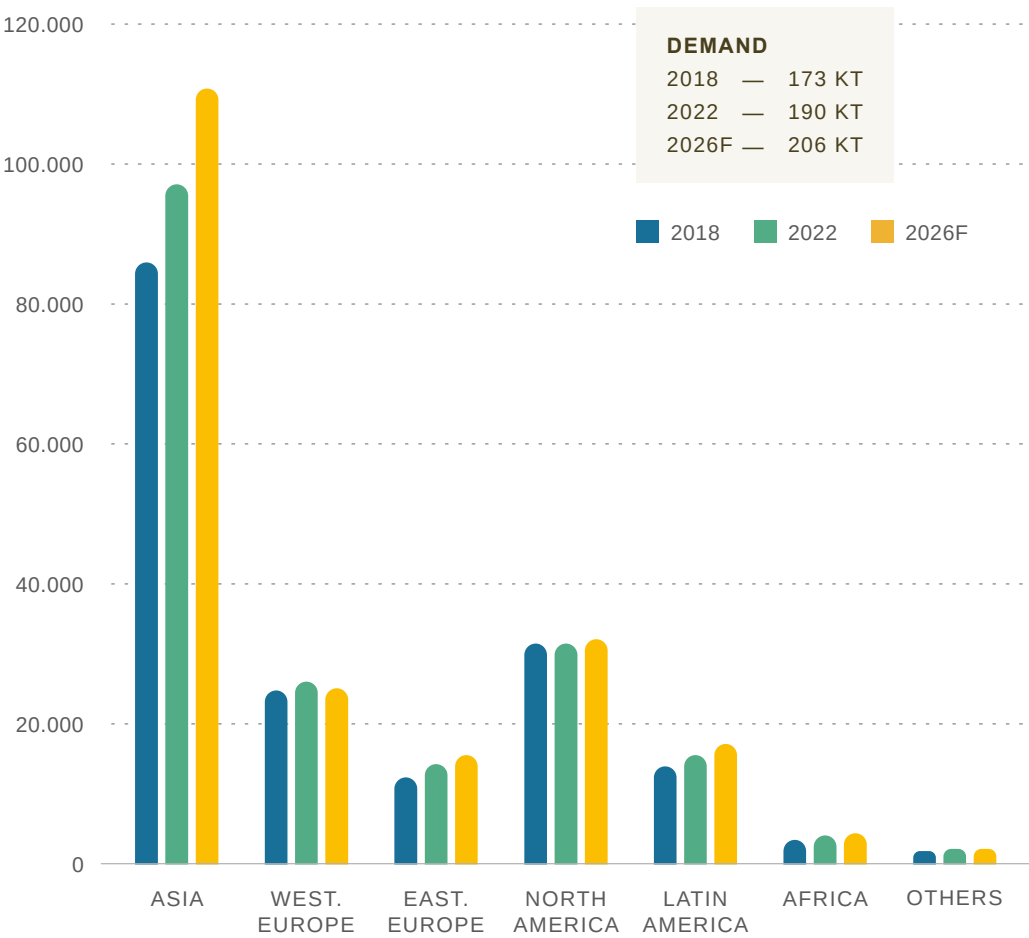
## GLOBAL CONTAINERBOARD DEMAND

(in KT)

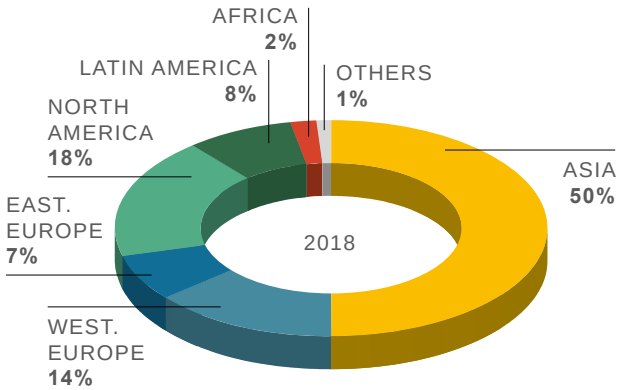


# Also demand wise, Asia is expected to lead the way whereas other regions are foreseen to mostly move side-ways

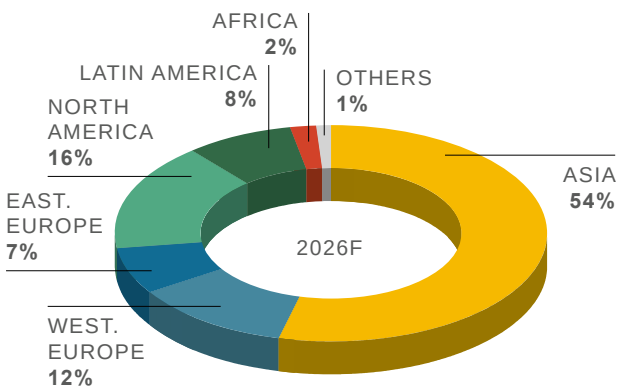
DEMAND BY REGION



DEMAND BY REGION



DEMAND BY REGION



# Containerboard Developments

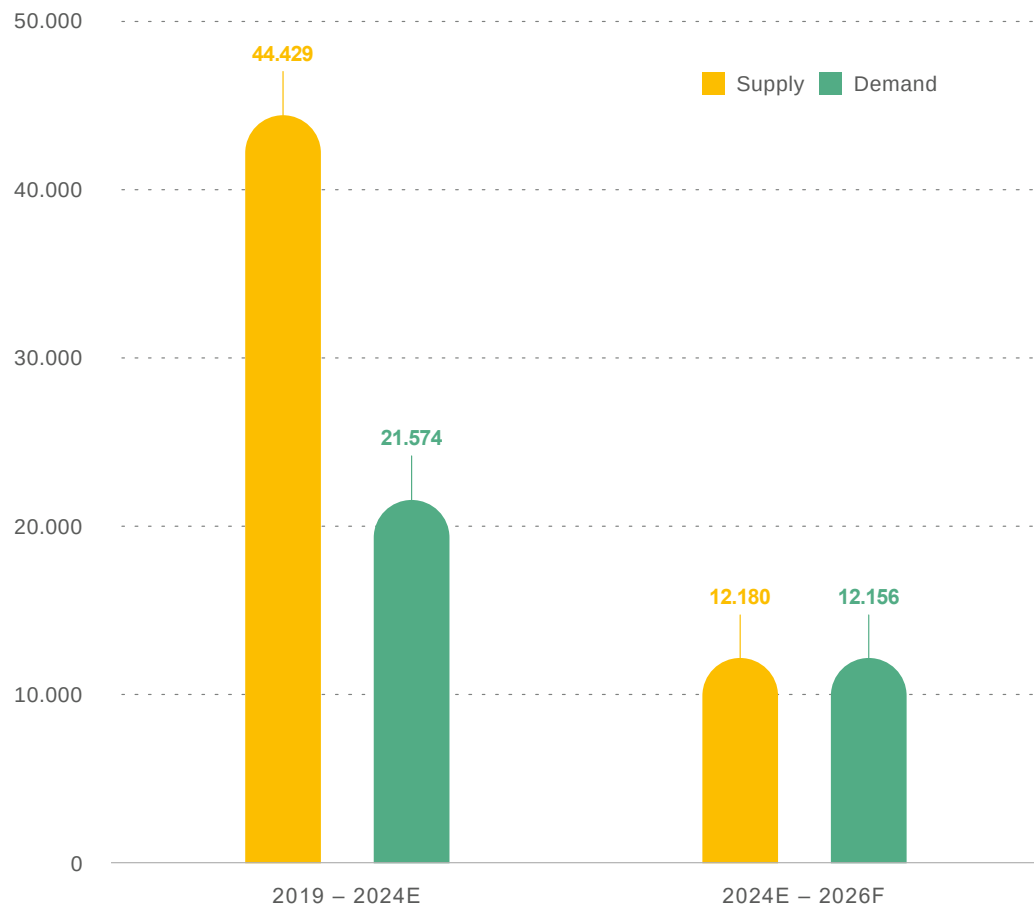
## *Supply vs Demand 2024<sup>e</sup>-2026<sup>f</sup>*

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### GLOBAL CONTAINERBOARD MARKET

Supply vs Demand variations in T, 2019 - 2026F



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# Focus on Europe: Roadmap to Net Zero by 2050

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# We have a resilient, competitive, innovative industry and value chain...



## ...well positioned and attractive to seize future opportunities

**Thank you for your attention!**