

US thermal point-of-sale paper prices stay flat in December despite soft demand, competition

TORONTO, ON, Dec. 20, 2023 (Fastmarkets RISI) - Prices for thermal point-of-sale (POS) paper remained unchanged in December from November's level in the US market, Fastmarkets learned from industry contacts this month.

US players earlier this quarter were expecting thermal POS prices to decline due to soft demand and competition, but the Jan. 1 global price hike announcements supported price stability in North America, contacts said this month.

Several global thermal paper suppliers including Hansol, Koehler, Jujo Thermal, and Lecta separately announced global increases of 10% effective Jan. 1. Imports play a prominent part in the US thermal market.

"Some of that paper is staying in overseas markets, reducing supply in North America, which is good," a contact with a thermal paper producer told Fastmarkets earlier in December.

"Even though demand is stable or decreasing, POS prices are stable (in North America). Next year, prices can decline more ... due to a competitor that is trying to increase volumes in the US by offering aggressive pricing," a contact with another paper supplier stated.

"Our price did not change from November to December, but we do expect a reduction at the end of December," a paper converter noted.

A contact with another paper converter mentioned that he didn't have changes in pricing from November, and that "those announcements by the major thermal mills are not applicable in the US or Canada."

"Indications are that energy, freight, and pulp are pushing the mills to announce global increases, but because North America is relatively more expensive, it did not affect prices here for January," the contact cited.

Domestic producer Domtar, Koehler of Germany, and Hansol of South Korea are the main suppliers of thermal POS paper in the US. Contacts reported that Oji Paper in Brazil was recently exporting to North America via Oji's US subsidiary Kanzaki Specialty Paper.

This document is authorized for use only by Jack Witner Jack.witner@domtar.com. Copying or posting is an infringement of copyright. Please contact info@risi.com or Call +866.271.8525 for additional copies.