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Alufoil Statistics Third Quarter 2016:

Export Headwinds and Destocking Drive Down Aluminium Foil Deliveries

Deliveries of aluminium foil from European rollers fell by 1.6% in Q3, putting year-on-year targets under pressure, according to figures released by EAFA, the European Aluminium Foil Association. Total deliveries for the first nine months of 2016 stand at 655,800 tonnes, down slightly, by 0.4% (2015: 658,500t).

Thinner gauges, used mainly for flexible packaging and household foils, have dropped by 1.1% year on year and by 2.0 % in the three months to the end of September. This continues a trend seen over the first two Quarters, reflecting flat demand.

Unexpectedly, production of thicker gauges, used typically for semi-rigid containers and technical applications, dropped, by 1.0% in the third quarter, following strong growth in the second quarter. However, the first nine months still remain positive, 0.9% ahead of 2015 figures.

Overall Q3 domestic deliveries within Europe increased by only 1%, less than expected in the pre-Christmas production period. Exports continue to decline, recording a drop of 11% in markets outside Europe.

Commenting on the latest results Guido Aufdemkamp, EAFA's Executive Director said, "These figures are not as good as we anticipated from the performance of the first two quarters. The unexpected destocking among European customers meant deliveries were not as high as usual at this time of year. In addition, exports are under severe pressure from overseas competition."

"2016 will remain challenging and our overall outlook for the rest of the year is cautious. It will be difficult to reach last year's production levels," he added.

* EAFA region covers EU 28, Armenia, Bosnia-Herzegovina, Macedonia, Montenegro, Norway, Russia, Serbia, Switzerland and Turkey

Further information:

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The European Aluminium Foil Association (EAFA) is the international body representing companies engaged in the rolling and rewinding of alufoil and in the manufacture of aluminium closures, alufoil semi-rigid containers and of all kind of flexible packaging. Its more than 100 members include companies in Western, Central and Eastern Europe.

Aluminium foil characteristics are strength, formability and barrier properties which have made it an essential part of many flexible packaging and container applications. Other uses of aluminium foil include automotive and heat exchange components, insulation material and many industrial applications.