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Alufoil Statistics Second Quarter 2016:

Improving demand pushes Aluminium foil production ahead

First half year deliveries of aluminium foil in 2016 confirmed the improving trend seen in the final 6 months of 2015, according to figures released by EAFA, the European Aluminium Foil Association. Demand in Q2 increased by 0.8%, reversing a decline of 0.7% in the first quarter of this year.

After a drop in the first three months of 2016, thicker gauges, used typically for semi-rigid containers and technical applications, returned to growth with a strong 4% increase in deliveries – a clear sign that the upward trend seen throughout 2015 is being maintained. Thinner gauges, used mainly for flexible packaging and household foils, were robust, adding 0.6% from January to June to stay well ahead of the drop of 3.2% seen in the same period last year.

Overall, in the first 6 months of 2016, deliveries improved marginally to 438,800 tonnes (2015: 438,500t), where demand increased by 1.8%. Exports continue to be affected by strong competition from non-European rollers and declined by 13.1%, more than 2015 (7.8%), but showed a marked improvement vs. the first three months of the year, when the decline was above 20%.

The newly elected Chairman of EAFA's Roller Group, Willem Loué, gave his assessment of the results at the half way stage of the year. "Foil rollers continue to see positive signs of improving demand. But challenges also continue to exist, notably the possible consequences of the UK's Brexit vote affecting Europe's entire economic performance," he said.

"The main markets for aluminium foil, such as the food and beverage sectors, are growing markets and less volatile, which supports the optimistic outlook among our members," he added.

"The export market will continue to be challenging for the foreseeable future. But there is evidence that European rollers are responding to the tough competition and winning back some market share. The decline in deliveries is slowing as this happens," concluded Mr Loué.

** 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.