

June 2020

EAFA Stats Q1 2020

First quarter of 2020 sees domestic aluminium foil deliveries rise due to restocking and pandemic

Total shipments of aluminium foil in the first quarter of 2020 increased slightly compared with the same period in 2019, reaching 242,100 tonnes (2019: 240,700t.) European deliveries rose by 3.4% but this was largely offset by a steep drop in exports, down 13.3%, according to the latest figures from the European Aluminium Foil Association (EAFA).

While restocking after the long Christmas break accounts for some of this increase, the strong demand for domestic uses, pre-packed foods and takeaway services caused by the COVID-19 lockdowns across Europe are believed to have been positive factors. The drop in exports is partly accounted for by disrupted supply chains due to earlier lockdowns in these markets.

Having experienced soft demand throughout the previous year, thinner gauges, mainly used for flexible packaging and household foils, saw production for domestic use rise 3.2% in the first period of 2020. But there was a pronounced decline in deliveries outside Europe, down 20.9%. Thicker gauges used mainly for semi-rigid containers, technical or other applications, continued to show resilience in all markets, with Europe adding 3.7% and exports returning to growth with a 7.4% rise. Overall deliveries of thinner gauge products declined 1.5% in Q1, while thicker gauges increased by 4.2%.

Guido Aufdemkamp, EAFA Executive Director commented, “The markets for aluminium foil products have seen the COVID-19 pandemic become a major influence on demand patterns in the later part of this quarter. With so many people under lockdown and having to cook at home, or purchase only takeaway foods, the use of foil has increased. Likewise consumers now prefer pre-packaged foods, and this has helped all packaging materials, not just foil, to improve sales.”

“But, of course, the downside is that global exports are almost at a standstill and we see disruption to supply chains in overseas markets remaining for some time. We anticipate European demand will stay very strong through Q2 and probably into Q3. But it is difficult to predict anything at present, so we will continue to watch events closely and act accordingly,” he added.

The European Aluminium Foil Association (EAFA) is the main trade association, specifically representing companies engaged in the rolling and rewinding of aluminium foil and the manufacturing of semi-rigid alufoil containers and household foil in Europe. With its more than 40 members, the organisation represents the total aluminium foil rolling market in Europe. www.alufoil.org

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