

March 2022

European aluminium foil sector with record level of deliveries as domestic demand surges

Full year results for Europe's aluminium foil rollers saw 2021 finish on a record high, as the sector delivered overall growth of 3,9% compared with the previous 12 months. Total tonnage increased to 967.000 (2020: 931.000t) led by sustained recovery in domestic demand, which added 7,5% across the whole year and 12,8% in Q4 alone, according to figures released by the European Aluminium Foil Association (EAFA).

Deliveries of thinner gauges, used mainly for flexible packaging and household foils, continued the trend from Q3 of stronger growth, up 6% in the last three months and 3,0% ahead for the year as a whole. Thicker gauges, used for semi-rigid containers, technical or other applications, also finished the year strongly with demand up 7% from October to December and almost 6% in the total year.

Exports continued to decline, down almost 15% in 2021, as the disruptive effects of the pandemic on production and supply chains are yet to fully unwind. But they were more than offset by European deliveries. Now, with the war in Ukraine, further disruption is expected, as Covid-19 has yet to be eradicated and supply shortages, as well as surging energy costs, are likely to see increased prices for most raw materials and commodities in 2022.

Bruno Rea, Chair of the EAFA Roller Group expressed satisfaction about the development in European markets, "This is a strong set of figures and shows the resilience in domestic demand. 2021 had many challenges as the pandemic continued to cause disruption across many aspects of production and supply. Not the least of these is the dramatic increase in energy costs which has very direct impacts on all foil rolling operations and will continue to do so for some time. Combined with high and very volatile raw material prices credit insurance lines can become insufficient in particular for our small- and medium-sized customers."

"However, demand for aluminium foil in Europe remains strong, with volumes more than making up for the downturn in exports, which, while not welcome, was at least anticipated," he added. "We will have to wait and see how the war in Ukraine and the continuing, if more muted, pandemic situation effects demand and supply patterns for 2022. But the industry is generally positive about market prospects going forward and looks to maintain the momentum seen in most of 2021."

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

Further information:

Patrick Altenstrasser, Manager Communications
communications@alufoil.org