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NOREXECO to launch new China pulp futures contracts based on Fastmarkets prices on June 1



Shanghai, April 30, 2021 (Press Release) – Fastmarkets, the global commodity price reporting agency, and NOREXECO ASA, the international pulp and paper exchange, today announced that the exchange will launch two new cash-settled China pulp futures contracts on June 1 based on Fastmarkets RISI's NBSK CIF China assessment and Fastmarkets FOEX' PIX China BHKP Net index.

Pulp futures are designed to help market participants manage their exposure to price risk. NOREXECO already lists contracts for hardwood and softwood pulp delivered to Europe, as well as for recycled paper – all of which are settled against Fastmarkets FOEX indices. In addition, NOREXECO has listed a Shanghai Futures Exchange (SHFE) “mirror” contract on NBSK.

"With the rapid rise of the importance of the SHFE pulp futures contract and its influence on global market pulp prices, these new contracts will provide international producers and global buyers the opportunity to hedge their exposure to future price swings for imported pulp into China," said Matt Graves, Senior VP of Indices at Fastmarkets.

The market will set daily closing prices and make visible a transparent forward curve available for all market participants.

"This will be the first time that stakeholders in China will have access to a futures contract for hardwood," said Haidong Weng, Head of Strategic Business at Xiamen C&D Paper & Pulp. "The new contracts will provide opportunities for cross-market hedging and arbitrage against SHFE and the hardwood/softwood spread."

NOREXECO is ensuring that Chinese companies can participate in trade via brokers (FIS) and clearing houses by providing an easy access route.

"The two new China pulp contracts increase the opportunity to manage price risk for everyone exposed to price movements on pulp," said Stein O. Larsen, CEO at NOREXECO. "They are a great addition to the NOREXECO product portfolio and open opportunities for both existing and new market participants at NOREXECO. Anyone seeking to reduce risks and/or exploit opportunities should contact us to get access to the market."

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John Banaszkiwicz, Freight Investor Services CEO, added, “We are pleased to be able to partner with NOREXECO on pulp futures and to drive forward development of the only dedicated market for pulp and paper (a real paper market!). There is already a well-established onshore market in China, but we hope that the launch of these contracts will enable us to help develop this globally, growing both the offshore and onshore markets. We are especially keen to bring our experience and expertise of developing iron ore futures to the pulp market.”

All NOREXECO products are listed as months, quarters or years, with a total duration of 36 months forward. This enables market participants to optimize company-specific tender risk or to lock in a margin. The contracts will be tradable for all NOREXECO members, either directly through the electronic trading system, or by calling the NOREXECO Market Service Desk. NOREXECO market access can also be obtained through banks and broker companies, including for Chinese companies.

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ABOUT FASTMARKETS

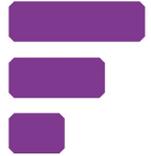
Fastmarkets is the industry-leading Price Reporting Agency (PRA) for global commodities, providing price data, news, analytics, and events for the metals and mining, forest products, and agriculture markets. Fastmarkets’ data is critical for customers seeking to understand and predict dynamic, sometimes opaque markets, enabling trading and risk management. Fastmarkets is a global business with a history exceeding 130 years built on trust and deep market knowledge. Its team of more than 430 people are located in global offices including London, Helsinki, Boston, New York, Shanghai, Beijing, Singapore, Brussels and São Paulo. Fastmarkets is part of Euromoney Institutional Investor PLC (LSE:ERM), a listed company on the London Stock Exchange. Euromoney is a leading international business-to-business information group focused primarily on the global commodities, banking and asset management markets.

ABOUT NOREXECO

NOREXECO is a regulated commodity exchange specialised for the global pulp and paper industry. NOREXECO offers trading in cash settled financial futures. These instruments are used to manage price risk for market participants like producers and consumers as well as being a trading opportunity for financial institutions and commodity trading firms.

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NOREXCO was established in 2012 and obtained a license as a regulated marketplace in September 2014. The marketplace commenced operation on the 15 of September 2015. As a prime producer and exporter of high quality fibre products the Nordics is an ideal location for an exchange for forestry and paper products. This combined with the region's regulatory environment and its reputation for transparency makes it the right home for NOREXCO. NOREXCO is regulated by the Financial Supervisory Authority of Norway. Our physical location is in Kongsvinger, near Oslo.

NOREXCO – the pulp & paper exchange – is built on the idea that efficient utilization of products from the forestry value chain benefits both the environment and the economy.