

European Pulp Port Inventories Declined in Oct'25

BHKP Futures at US\$550/t for Jan'26

While hardwood pulp prices in China remain negotiated at a ~US\$530-540/t range, **we continue to see short-term momentum skewed to the upside**, given: (a) scheduled maintenance stoppages in 4Q25-2Q26E, (b) potential capacity closures in softwood, and (c) extension of DWP campaigns due to price differentials. **Moreover**, with cost dynamics for integrated players remaining supportive of pulp price hikes in the short-term following higher woodchip prices [domestic and imported] over the past months, we still view these dynamics as a key variable to monitor when assessing structural pulp prices. **Regarding recent data on the sector**, we note: **(i)** pulp inventories in European ports decreased by -10% MoM in Oct'25 (-6% YoY), totaling 1,404 kt, according to the latest Europulp data; and **(ii)** China net BHKP prices are currently at US\$533/t, with BHKP futures at US\$550/t for Jan'26.

For a complete overview of global pulp & paper indicators, please refer to our [Global Pulp & Paper Report for Nov'25](#).

Our view on pulp price performance. While hardwood pulp prices in China remain negotiated at a ~US\$530-540/t range, we continue to see short-term momentum for prices skewed to the upside, supported by a few factors: (i) a series of maintenance downtimes concentrated between 4Q25-2Q26E, expected to tighten the pulp supply in the near-term; (ii) a potential postponement of the Oki II expansion project in Indonesia for 2026YE-27E; (iii) capacity rationalization in softwood, expected to encourage fiber-to-fiber substitution; and (iv) the extension of DWP campaigns driven by price differentials. Additionally, cost dynamics remain supportive of higher pulp prices, with (a) rising imported woodchip costs (Vietnam prices +3% MoM in Oct'25), and (b) higher domestic woodchip prices in China (despite a marginal decline in late Nov'25, according to our channel checks). All-in, these factors collectively reinforce our view that pulp prices momentum remains skewed to the upside in the near-term, although cost dynamics for integrated players in China remain a key variable to monitor when assessing the structural outlook for pulp prices.

According to the latest Europulp data, pulp inventories in European ports decreased by -10% MoM in Oct'25 (-6% YoY), totaling 1,404 kt.

Pulp prices this week: China (net) prices of US\$533/t and US\$662/t for BHKP and NBSK, respectively. Europe (gross) prices of US\$1,090/t and US\$1,515/t for BHKP and NSBK, respectively. Chinese BHKP futures currently at US\$550/t for Jan'26 (flat MoM) and above spot BHKP prices of US\$533/t in China.

Lucas Laghi

Metals & Mining, Pulp & Paper
Capital Goods
lucas.laghi@xpi.com.br

Guilherme Nippes

Metals & Mining and Pulp & Paper
guilherme.nippes@xpi.com.br

Fernanda Urbano

Capital Goods
fernanda.urbano@xpi.com.br

Company	Ticker	Current Price	Target Price	Upside	Rec.	EBITDA (million)		P/E		EV/EBITDA		Mkt. Cap (R\$ mn)
						2025E	2026E	2025E	2026E	2025E	2026E	
Suzano	SUZB3	R\$ 47.58	R\$ 92.00	93%	Buy	R\$ 29,978	R\$ 32,323	4.6x	4.1x	5.0x	4.6x	R\$ 60,147
Klabin	KLBN11	R\$ 17.74	R\$ 29.00	63%	Buy	R\$ 8,776	R\$ 9,622	17.1x	12.9x	6.6x	6.1x	R\$ 22,000
Irani	RANI3	R\$ 8.73	R\$ 8.80	1%	Buy	R\$ 573	R\$ 637	12.3x	10.0x	5.5x	4.8x	R\$ 2,012

Summary

Sector Outlook

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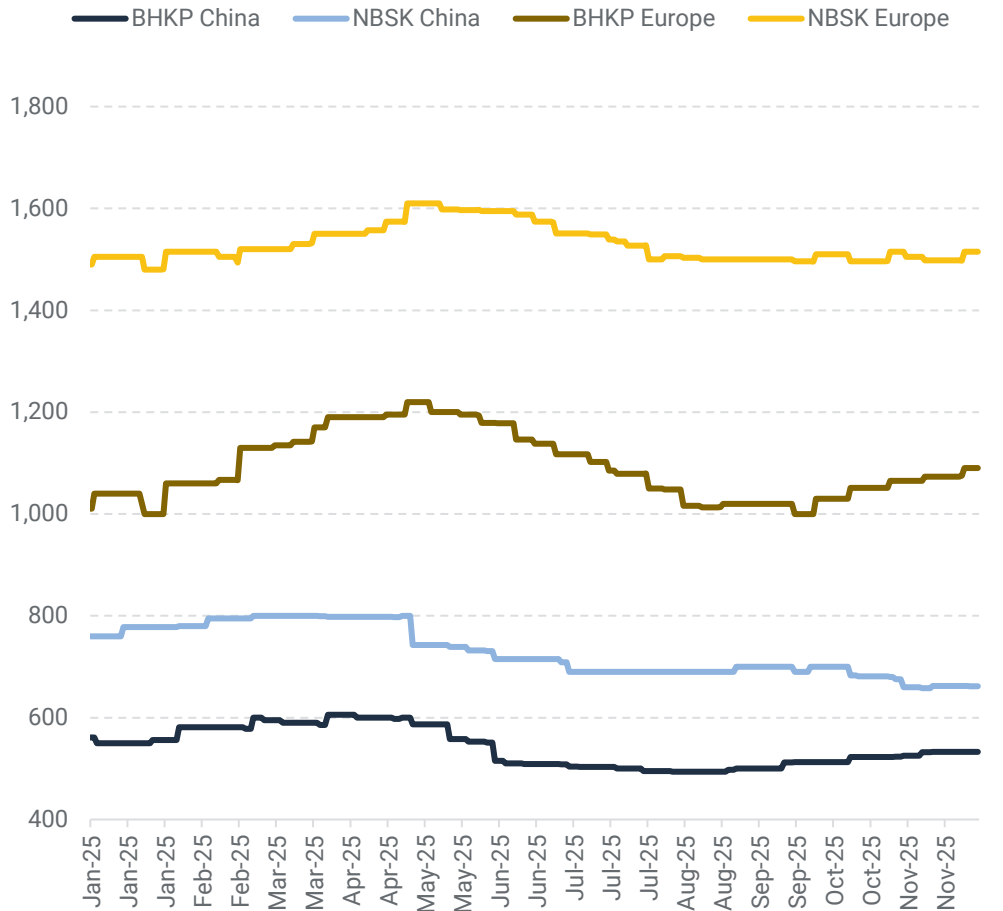
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Pulp & Paper – Prices Summary

Pulp Prices at a Glance

Figures 1-2: Summarized Pulp Prices

Summary	Unit	Current Data	w/w		m/m		y/y	
			value	%	value	%	value	%
Macro								
BRL/USD	BRL	5.36	5.39	-0.6%	5.37	-0.3%	5.97	-10.3%
EUR/USD	EUR	1.16	1.15	0.8%	1.15	0.7%	1.06	9.8%
USD/CNY	CNY	7.07	7.10	-0.4%	7.12	-0.6%	7.24	-2.4%
Ibovespa	Index	158,607	155,278	2.1%	149,540	6.1%	125,668	26.2%
Brent	USD/bbl	65	63	2.3%	66	-1.1%	75	-14.1%
Commodities Prices								
China								
Net NBSK Prices	USD/t	662	662	-0.0%	676	-2.1%	765	-13.5%
Net BEKP Prices	USD/t	533	533	-0.1%	524	1.7%	551	-3.4%
Spread NSBK - BEKP Prices	USD/t	129	129	0.2%	152	-15.1%	214	-39.5%
Europe								
Net NBSK Prices	USD/t	1,515	1,498	1.1%	1,515	0.0%	1,495	1.3%
Net BEKP Prices	USD/t	1,090	1,073	1.6%	1,065	2.3%	1,030	5.8%
Spread NSBK - BEKP Prices	USD/t	425	425	0.0%	450	-5.6%	465	-8.6%



Pulp Prices – Short Term Overview

December 1, 2025
Pulp & Paper

BHKP Prices at US\$533/t; Jan'26 Futures at ~US\$550/t

Figure 3: Nominal China Prices (USD/t)

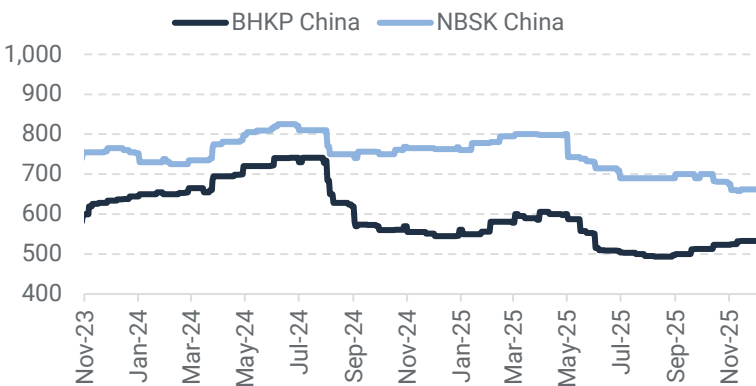


Figure 4: NBSK-BHKP China Spread (USD/t, %)

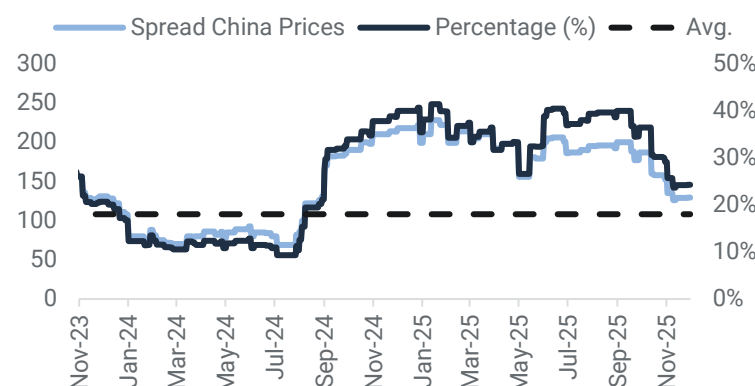


Figure 5: Forward BHKP China Prices (USD/t)

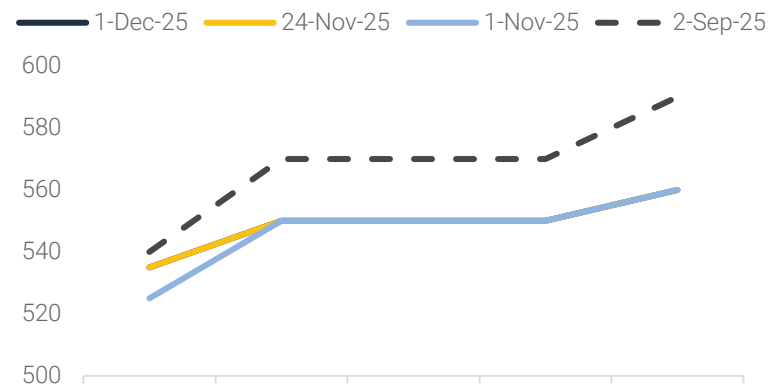


Figure 6: Nominal Europe Prices (USD/t)

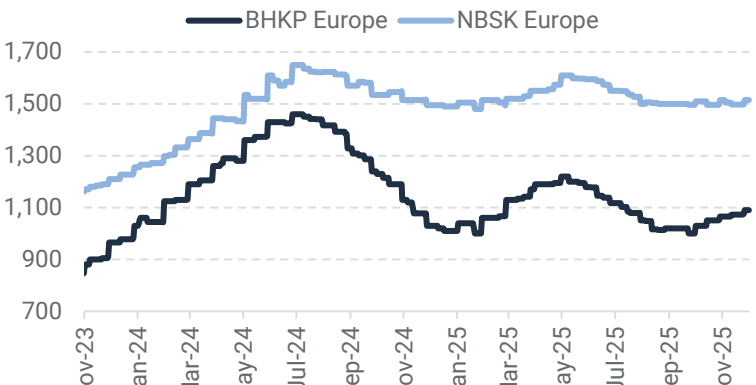


Figure 7: NBSK-BHKP Europe Spread (USD/t, %)

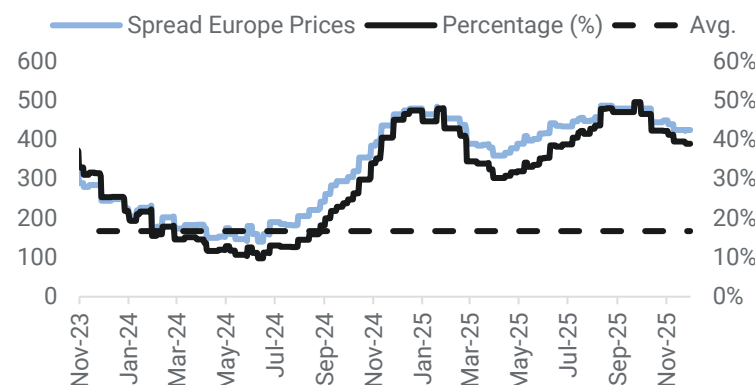
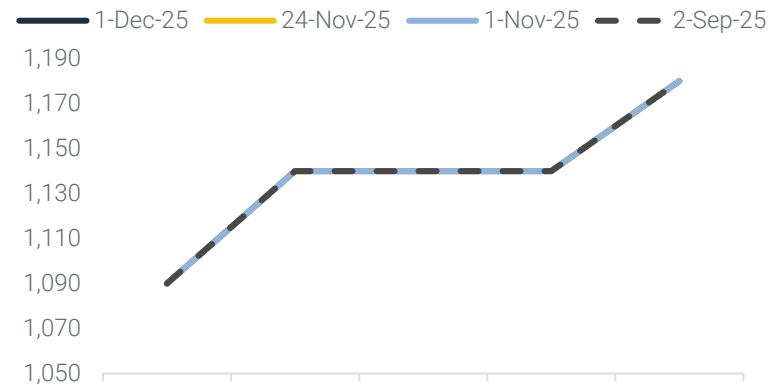


Figure 8: Forward BHKP Europe Prices (USD/t)



Technical Indicators and Calendar

Klabin's Short Interest Down -1 p.p. WoW

Figure 9: Factor Scores – More details in our quant team report [here](#)

Company	Value	Quality	Momentum	Low Risk
Suzano	47	30	36	88
Klabin	62	41	50	90
Irani	80	62	79	60

Figure 11: Liquidity Evolution

Company	ADTV 6m	ADTV 30d	ADTV 1w	Δ ADTV (1w/6m)
Suzano	256	282	213	-17%
Klabin	88	87	87	-1%
Irani	5	6	5	-7%

Figure 13: Pulp and Paper Indicators & Events Calendar

01-Dec-25	02-Dec-25	03-Dec-25	04-Dec-25	05-Dec-25	06-Dec-25	07-Dec-25
Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Data Release: SECEX						

08-Dec-25	09-Dec-25	10-Dec-25	11-Dec-25	12-Dec-25	13-Dec-25	14-Dec-25
Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday

Events: Klabin's Day

Figure 10: Short Interest Indicators – More details in our quant team report [here](#)

Company	Short Interest (R\$m)	Short Interest (%)	Days to Cover	Lending Rate
Suzano	2,627	8.5%	9.7	0.1%
Klabin	1,076	7.5%	13.5	0.1%
Irani	24	2.8%	4.5	0.6%

Figure 12: Consensus Earnings Revision Trend (R\$ million)

Company	EBITDA '25 (-12M)	EBITDA '25 (-6M)	EBITDA '25 (D0)	EBITDA Trend
Suzano	24,920	25,815	22,337	
Klabin	8,147	8,376	7,946	
Irani	562	577	560	

Consensus Comps Sheet

Figure 14: Comp Sheet

Companies	Current Price	Rating	Market Cap (\$ mi)	ADTV (\$ mi)	P/E		EV/EBITDA		Dividend Yield	
					2025	2026	2025	2026	2025	2026
Market Pulp Players					10.8x	8.0x	6.2x	5.5x	4.2%	7.9%
Suzano	47.58	Buy	11,271	52.9	4.6x	4.1x	5.0x	4.6x	5.5%	13.1%
CMPC	1,296.70	N.C.	3,496	4.6	16.9x	11.9x	7.4x	6.3x	2.8%	2.6%
Dexco	5.31	N.C.	817	2.3	36.4x	29.4x	6.4x	5.9x	1.1%	2.6%
Integrated Pulp Players					16.1x	13.2x	9.7x	8.0x	4.0%	4.1%
Klabin	17.74	Buy	4,123	16.3	17.1x	12.9x	6.6x	6.1x	8.5%	9.4%
Irani	8.73	Buy	377	1.1	12.3x	10.0x	5.5x	4.8x	4.0%	4.1%
Kimberly Clark	109.12	N.C.	36,212	858.4	15.0x	14.7x	12.0x	11.5x	4.6%	4.8%
International Paper	39.48	N.C.	20,847	227.7	171.2x	17.9x	10.3x	8.5x	3.6%	3.8%
UPM-Kymmene	23.40	N.C.	14,319	30.7	18.5x	13.2x	11.7x	9.1x	6.2%	6.5%
Copec	6,646.00	N.C.	9,315	4.7	11.3x	11.0x	6.7x	6.5x	3.2%	3.1%
Stora Enso	10.02	N.C.	9,206	20.2	23.9x	16.0x	9.7x	8.0x	2.4%	3.0%
Metsa Board	2.96	N.C.	1,279	1.2	n.a.	28.9x	82.1x	9.2x	0.0%	3.9%
Sappi	2,137.00	N.C.	759	2.8	12.9x	6.2x	5.4x	4.6x	8.6%	6.6%
Paper & Packaging Companies					14.1x	11.7x	9.8x	9.4x	3.1%	3.4%
Smurfit Kappa	n.a.	N.C.	18,637	107.3	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Packaging of America	204.07	N.C.	18,362	152.1	20.6x	17.8x	11.5x	9.8x	2.5%	2.5%
Oji	813.10	N.C.	5,282	22.2	14.0x	15.6x	10.8x	11.7x	2.7%	4.0%
Graphic Packaging	16.18	N.C.	4,775	93.3	8.3x	8.5x	7.4x	7.2x	2.6%	2.7%
Mondi	860.40	N.C.	5,027	48.8	14.1x	11.7x	7.1x	6.5x	5.9%	6.2%
Nine Dragons	6.25	N.C.	3,767	8.1	18.1x	9.4x	13.1x	10.0x	0.3%	1.5%
BillerudKorsnäs	93.20	N.C.	2,467	3.5	46.6x	15.0x	7.0x	5.5x	3.6%	4.9%
Lee & Man	3.13	N.C.	1,727	1.8	8.4x	8.0x	9.8x	9.4x	4.4%	4.6%
Mercer	1.81	N.C.	121	1.1	n.a.	n.a.	n.a.	9.3x	9.8%	0.0%

Stock Performance – USD Returns %

Figure 15: Pulp & Paper Stock Performance

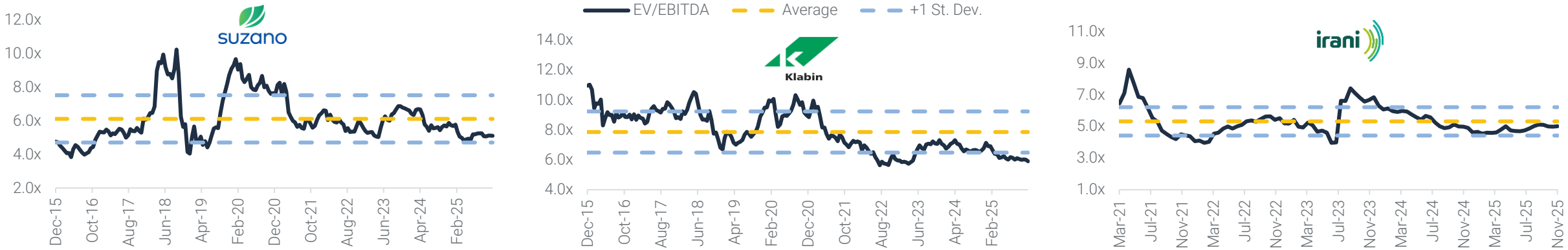
Companies	Current Price	Market Cap (\$ mi)	Last Week	Last 30 Days	2025 (YTD)	Oct-25	Sep-25	Aug-25	Jul-25	2024
Ibov Index	159,072	-	3%	6%	32%	2%	3%	6%	-4%	-10%
BRL/USD	5	-	-1%	-1%	-14%	1%	-2%	-3%	3%	27%
BHKP China	533	-	0%	2%	-2%	2%	4%	0%	-3%	-15%
NBSK China	662	-	0%	-3%	-14%	-1%	0%	0%	-3%	2%
BHKP Europe	1,090	-	2%	4%	8%	5%	-2%	-5%	-3%	-2%
NBSK Europe	1,515	-	1%	1%	2%	0%	0%	-2%	-2%	19%
Market Pulp Players										
Suzano	8.92	11,271	0%	-2%	-11%	-3%	-3%	4%	-1%	-10%
CMPC	1.40	3,496	-1%	-3%	-10%	-2%	-6%	11%	-8%	-14%
Dexco	1.00	817	5%	0%	3%	-8%	3%	5%	-3%	-41%
Integrated Pulp Players										
Klabin	3.32	4,123	2%	0%	-8%	-1%	-1%	4%	-2%	-4%
Irani	1.64	377	4%	-1%	63%	6%	6%	12%	0%	-48%
Kimberly Clark	109.12	36,212	4%	-9%	-17%	-4%	-4%	4%	-3%	8%
International Paper	39.48	20,847	5%	2%	-27%	-17%	-7%	6%	0%	49%
UPM-Kymmene	27.26	14,319	3%	2%	-1%	-2%	-4%	9%	-5%	-26%
Copec	7.17	9,315	2%	0%	20%	-2%	-2%	12%	-3%	-13%
Stora Enso	11.75	9,206	6%	1%	16%	6%	-6%	13%	-5%	-27%
Metsa Board	3.46	1,279	7%	2%	-22%	-3%	-4%	-1%	0%	-44%
Sappi	1.30	759	6%	0%	-50%	-2%	-19%	9%	-10%	8%
Paper & Packaging Companies										
Smurfit Kappa	44.52	18,637	0%	0%	0%	0%	0%	0%	0%	12%
Packaging of America	204.07	18,362	3%	4%	-9%	-10%	0%	12%	3%	38%
Oji	5.26	5,282	3%	4%	37%	-8%	-1%	13%	-3%	0%
Graphic Packaging	16.18	4,775	4%	1%	-40%	-18%	-12%	0%	6%	10%
Mondi	11.49	5,027	5%	3%	-23%	-19%	-2%	4%	-17%	-24%
Nine Dragons	0.81	3,767	11%	13%	99%	2%	-3%	32%	34%	-18%
BillerudKorsnäs	9.90	2,467	6%	7%	8%	3%	-6%	12%	-18%	-10%
Lee & Man	0.40	1,727	12%	14%	30%	-3%	-4%	14%	15%	6%
Mercer	1.81	121	14%	-14%	-72%	-27%	-14%	-10%	6%	-31%

Valuation Overview – EV/EBITDA Fwd and EBITDA 2025-26E

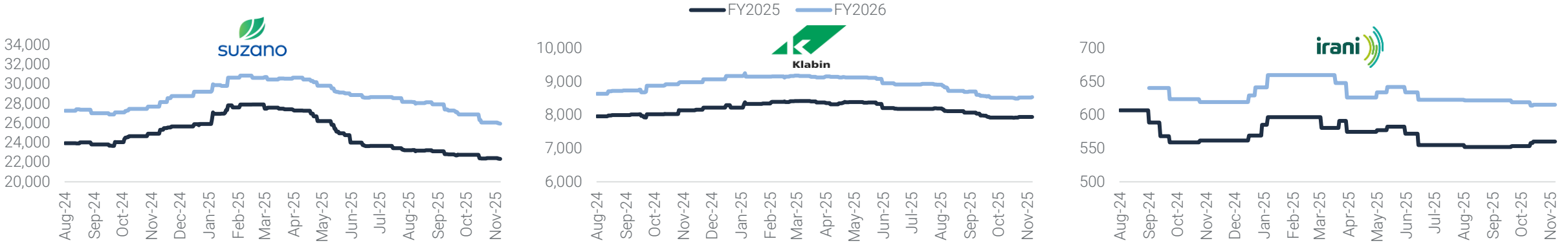
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We See Suzano Trading at a Discount vs. Historical Average

Figures 16-18: EV/EBITDA Fwd Multiples for Suzano, Klabin and Irani (x)



Figures 19-21: EBITDA 2025-26E for Suzano, Klabin and Irani (R\$ Million)



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- 16) Investment in options is the purchase or sale rights of a good shall be negotiated at a price fixed at a future date, and the purchaser of the negotiated duty should pay a premium to the seller as in a secure agreement. Operations with these derivatives are considered very high risk for presenting high risk and return relationships and some positions present the possibility of losses higher than the capital invested. The recommended duration for the investment is short-term and the customer's assets are not guaranteed in this type of product.
- 17) Investment in terms are contracts for the purchase or sale of a certain number of shares at a fixed price for settlement within a specified period. The term of the contract is freely chosen by the investors, complying with the minimum period of 16 days and a maximum of 999 days. The price will be the value of the added share of a portion corresponding to the interest-which are set freely on the market, depending on the term of the contract. Every transaction in the term requires a guarantee deposit. These guarantees are provided in two forms: coverage or margin.
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