

RISI US Pulp Spot Prices

● Introduction

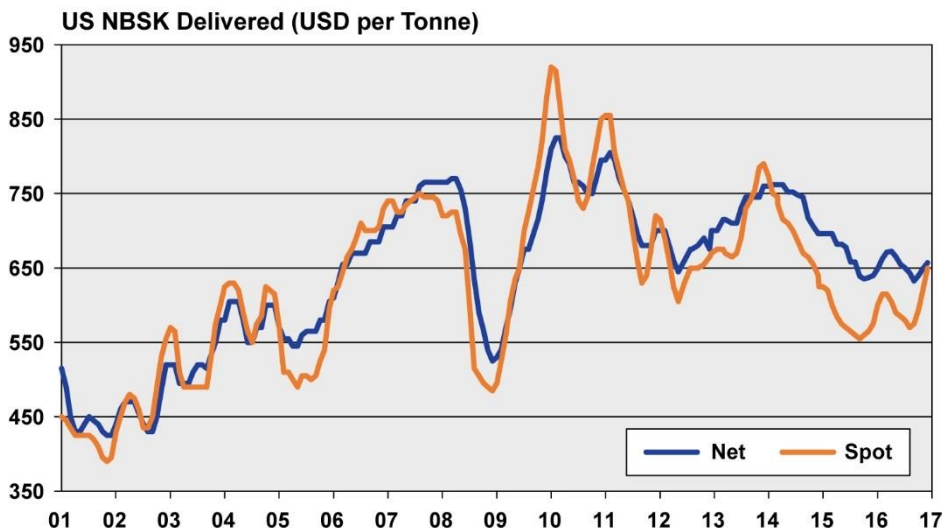
The primary role of RISI Pulp Spot Price Assessments is to provide market participants with an accurate representation of physical market-pulp spot prices. RISI's spot price ranges have been published twice per month since 2001.

Starting in 2017, RISI will add the spot price ranges to the main *PPI Pulp & Paper Week Price Watch* table and begin publishing point-prices for spot pulp in the *World Pulp Monthly Table 5* on the second-to-last business day of every month.

Moving forward, RISI's key price tables will feature both *Effective List Prices* and *Spot Prices*:

● Indexation

Most commodity markets use spot prices as the indexing mechanism for long-term contracts between buyers and sellers. Although spot prices are not necessarily an accurate measure for contract price levels, they can represent a fair indicator for contract price evolution. RISI has analyzed historical spot price evolution and estimated net contract price evolution for pulp markets:



Historical spot prices and estimated historical net contract prices are highly correlated.



● RISI Pulp Price Assessments

RISI assesses open market prices of pulp based on actual transaction prices and supporting data gathered from a broad, systematic survey of market participants that has been rigorously evaluated to produce assessments.

In North America and Europe, RISI assesses both *Effective List Prices* and *Spot Prices* for pulp:



Effective List Price

The "effective list price" for contract transactions is the price on which buyers and sellers agree to be the baseline price for a long-term contract off which pre-agreed discounts are taken.

Spot Prices

Spot prices are for transactions without a long-term contract and reflect the net transaction price - i.e. a level from which no further discounts, allowances or performance rebates are given.

Specifications

RISI – US Spot Price Assessments	
Grades:	NBSK, SBSK, BHK
Quality:	Prime Quality Commodity Grade
Currency/Units:	USD per metric tonne
Delivery terms:	Delivered
Location:	US East
Frequency:	Twice Monthly
Price Type:	Net

Schedule

- **Mid-month Spot Prices:** 2nd or 3rd Friday of the month.
- **End-month Spot Prices:** 2nd-to-last business day of the month.

RISI's full price assessment methodologies can be found here:

<http://www.risiinfo.com/approach/methodology/price-assessment-methodology/>