

EU OVERALL ECONOMY REVIEW

Growth is expected to remain soft next year, after dropping sharply in 2019

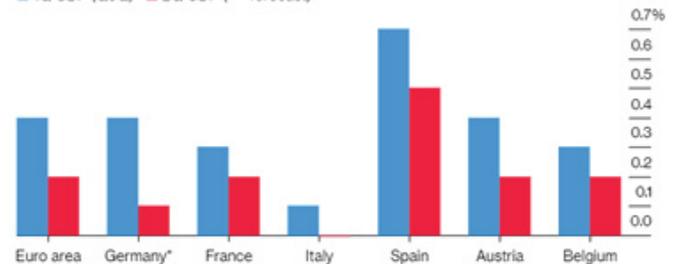
A tough external environment will likely continue to weigh on investment and exports, while household spending is seen stalling on more modest labor sector gains. Risks stem from the global environment, particularly a sharp slowdown in China and intensification of trade tensions. Growth is seen at 1.1% in 2019 and 1.1% again in 2020, which is down 0.1 percentage points from last month's forecast.

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Read more: <https://ec.europa.eu/eurostat/>

The euro-area economy expanded just 0.2% in the second quarter

■ 1Q GDP (QoQ) ■ 2Q GDP (* = forecast)



Source: Eurostat, national statistics institutes, Bloomberg survey

MARKET TRENDS

Pulp material and Plastic recycling in focus

Past months Pulp material producers faced pressure on prices, because of two important factors: on one side stocks of southern bleached softwood kraft (SBSK) were high, especially in southern Europe countries, while on the other side demand from paper Mills was lowered. However some pulp producers are reporting rising demand from China, which can cause opposite trend in price movements.

According to latest researches by environmental organisations around 30% of plastic waste in EU is consigned to landfills, 40% is incinerated and rest 30% is recycled. Used plastics that are consigned to different landfills are creating a very big problem to ecosystem, even more, it enters different food chains. Because of those facts numerous of paper producers see great potential in replacing plastics with cardboard/paper boxes/bags. How the industry will adapt to these new trends and ecological needs we will see, but having in mind that market potential (cca. 6 billion) is so big, we believe changes will soon take over.

New grammage in Umka Color- GD2 portfolio

Starting September Umka Cardboard Mill will be able to deliver new grammage of paper to our customers – Umka Color 380. Following market trends and increased inquires from our customers Umka decided to include additional grammage in its portfolio. For now it is only Umka Color GD2, where this grammage is inserted, but production and sales people will continue to monitor its results and possibilities in Umka Pak GD3 and Umka Special GT2, as well.

After several iteration and production runs of 380 gsm Umka’s engineers will be able to set final product specification and description.



Umka Color - GD2

Technical specification / Tehnička specifikacija

GRAMMAGE / GRAMATURA	THICKNESS / DEBLJINA	STIFFNESS / KRUTOST LW5 ^o	
		md	cd
g/m ²	µm	mNm	mNm
230	285	8,2	4
250	315	13,5	5,7
280	360	19,6	8,1
300	390	24,2	10,1
320	415	30,7	12,3
350	450	39,7	15,9
400	525	59,6	22,9
450	590	77,9	30
500	655	97,8	37,6



Celebration of the 80th anniversary – Umka Cardboard Mill

It was year 1939. when first ton of cardboard was produced here in Umka. Since then 80 years passed, including great war, different social-economic systems (socialism, democracy) several countries changes (Yugoslavia, Serbia and Montenegro, Republic of Serbia), privatisation and many other factors.

Now after 80 years we can proudly say that all these factors influenced on Mill to become more adaptable, more flexible and always together with our suppliers and customers.

Thank you for your trust all these years.





INTERESTING STORIES



Year 2019 was very intense at Umka when it comes to deliveries via sea containers.

This year we started exports to North America, and with modest 500 tons in this year we see this as a very nice achievement and chance for future development.

If you have questions or inquires please write to us

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With respect,
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