

RECYCLING COMMODITY UPDATE

— JULY 2023 —

The value of recycling commodities have slightly improved recently, but remain near multi-year lows.

FIBER

Fiber grades, consisting primarily of cardboard and paper make up about 60% of the overall residential recycling stream, have experienced slight increases in value through early 2023, but are still selling well below historical averages.



Low generation levels throughout the United States combined with new mills opening in Virginia and Tennessee continues to help drive **Corrugated Cardboard (“OCC”)** pricing up modestly. However, export demand is weaker through early 2023 due to slow economic recovery in China and the global markets. The lower global demand for OCC is partially offsetting the recent positive pricing momentum.



Export demand for **Mixed Paper** is down approximately 25% from a year ago; although domestically demand remains steady as the generation throughout the US is down 10-15% year-over-year. Low generation in the US has resulted in a slight upward trend of mixed paper pricing through the first half of 2023. Mixed paper pricing is expected to follow the OCC markets and improved pricing will likely be dependent on a global market rebound.

Domestic and European markets remain weak as demand for **High Grades** has slowed. Further, a significant drop in the virgin pulp markets throughout the world has resulted in a decline in prices.

PLASTIC, METAL & GLASS



Plastic pricing was steady in April and May before declining in June and into the beginning of July. PET is experiencing slight pricing decreases and pricing related to the HDPE Color and Natural are declining more dramatically. These declines are due to reduced consumer spending along with imported virgin plastic being available to the domestic market as a packaging production option. This is likely a seasonal trend expected to filter through the summer months.



Metals also faced slightly lower pricing in June. This is due to low US demand as well as the slow global economy.



Glass recycling continues to be challenging and costly with insufficient demand from end markets. Much of the glass we recycle is transported long distances domestically to end markets to be reused in beneficial use and aggregate mix products.



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