

The market situation for aluminum tubes and aerosol cans will worsen in the third quarter of 2020

Reliable forecasts are essential for sufficient planning security

Düsseldorf, September 23, 2020 - After an overall satisfactory market development in the first half of 2020, the deliveries of aluminum tubes and, in particular, aluminum aerosol cans to the German market are now significantly declining.

In the first half of the year, deliveries of aluminum tubes to Germany even increased by almost six percent thanks to very stable demand from the pharmaceutical industry, while deliveries of aluminum aerosol cans were already in decline compared to the good previous year's figures. All in all, the industry therefore recorded a decline of around two percent in the first half of 2020 which is still moderate compared to other industry sectors.

Satisfactory first half of the year is followed by a decline in demand in the third quarter

In the first half of 2020, the tube and aerosol can industry still benefited from the classification of the packaging industry as systemically relevant, from extensive purchases by consumers, from a boom in disinfectants and from additional orders from large customers. At the height of the Corona crisis in Germany, the packaging manufacturers were able to demonstrate their great flexibility and reliability in production planning, which made it possible to meet ad hoc inquiries from customers for additional quantities efficiently and promptly with proven quality standards.

This picture changed significantly in the third quarter of 2020 because the changed consumer and customer behavior in the wake of the ongoing corona crisis is now increasingly showing its effect in the tube and aerosol can industry. The decline in demand that has meanwhile been recorded is primarily due to a further decline in order intake from the personal care sector, but also to a slight slowdown of the pharmaceutical market.

Reliable customer forecasts are essential for sustainable planning security

The erratic fluctuations in demand from important core markets of the tube and aerosol can industry are increasingly causing problems for packaging manufacturers, as reliable production planning has become very difficult in the current market environment. "The packaging manufacturers would appreciate clear, meaningful customer forecasts without short-term order cancellations, so that an efficient use of production capacities and thus a smooth supply can be ensured. The big challenges that the ongoing Corona crisis entails for the entire value chain can only be successfully met by the supply chain partners with a joint effort," says Johannes Schick, Chairman of the Tubes, Cans and Impact-Extruded Parts Division in the German Aluminium Association, Gesamtverband der Aluminiumindustrie e. V. (GDA).

Cautious outlook for the next few months

Overall, the aluminum tube and aerosol can industry is cautious about the last quarter of 2020 and the coming year. Due to the ongoing crisis mode and the corresponding uncertainty in the market, the industry does not expect business to pick up until the end of the year. In addition, for the year

2021 the tube and aerosol can industry is anticipating a sideways movement in demand despite all the imponderables that these special times bring with them.

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