

Satisfactory growth for aluminum tubes and aerosol cans in the first half of 2023

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Resilience of Aluminium tubes and Aluminium aerosol cans markets

Despite the challenging economic situation in Germany, deliveries of aluminum tubes and aluminum aerosol cans developed positively in the first half of 2023.

In the case of aluminum tubes, continued strong demand from the pharmaceutical sector and stable development in the cosmetics and food sectors led to a year-on-year increase of 4.4%. Overall, deliveries of aluminum tubes to the German market amounted to around 424 million units.

Regarding aluminum aerosol cans, the two largest market segments; deodorants and hair care products, recorded significant growth compared to the same period of the previous year. This resulted in a 9.5% increase in shipments of aluminum aerosol cans, amounting to 309 million units.

Raw material and energy prices still a burden, shortage of skilled workers even more acute

The industry welcomes the positive development in both raw material and energy prices noticed in 2023, but still hopes for further improvement. The prices remain significantly higher than the rates before the pandemic and the war in Ukraine, putting a strain on the German tube and aerosol can industry.

In addition, the shortage of skilled workers remains one of the biggest challenges facing the industry, and no improvement is foreseeable in the near future. The chairman of the association, Clemens Behrenbruch, explains, "It is becoming increasingly difficult to replace retiring employees. The continuation of this trend can have lasting effects on the German economy and threatens Germany's standing as a leading industrial land."

Planned bans on the use of BPA and PFAS

The European Commission's planned ban on the use of bisphenol-A (BPA) in food contact materials seems inevitable. Despite significant industry efforts to replace BPA coatings, it will be very difficult to switch both interior and exterior coatings to alternative systems in the medium term. Mr. Behrenbruch states "BPA is found virtually everywhere in manufacturing operations: in tanks, production lines and even in water. It is very important that legislators distinguish between the intentional and unintentional use of BPA to enable compliance with the law."

In addition, the Commission is currently considering a proposal to ban the use of perfluorinated and polyfluorinated alkyl compounds (PFAS). A ban on the use of the entire PFAS group of substances, which consists of some 10,000 different chemicals, would probably be the most comprehensive regulatory intervention in history. The ban is expected to have a significant impact on many branches of industry.

Uncertain outlook for the second half of 2023

Despite the market growth recorded in the first six months, there has been a noticeable slowdown in demand since the end of the second quarter. In addition, persistently high inflation rates and the IMF forecast stating that Germany will be the European country with the lowest growth rate in 2023 are both casting shadows on the market.

However, manufacturers of aluminum tubes and aerosol cans remain cautiously optimistic in the medium term, as the main sales markets for these aluminum-based packaging solutions have always proved resilient even in times of crisis.

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