

2021-03-24

The domestic coal price is back on the upward trend after a while of adjustment, mainly due to increasing demand. The price for Calorie 5,500 has reached abt 649 - 653 RMB (up by abt 20 RMB) and for Calorie 5,000 abt 571 - 575 RMB (up by abt 20 RMB) compared to last week. The traders are very optimistic abt the market and asking for a higher price at abt 680 RMB. The major paper contract for May 2021 is also increasing, currently at abt high 680 RMB. The daily consumption is as high as abt 18.8 million tons now and the inventory level of power plants is as low as abt 12.9 days. The so called off peak season is not off this year. Thus power plants are expected to purchase at a faster pace but mainly from domestic market due to high international freight. The storm/flood in Australia is expected to have a positive impact on the coal price in near future.

The domestic freight market is increasing again as well. The hire level for SMX from N China to S China has reached abt \$28,000 APS (frt abt 64 RMB from Caofeidian to Dongguan). The stock level at the major loading ports in the North is abt 22.005 million tons (down by abt 0.638 million tons compared to last week). Tonnage supply is still quite and some buyers/charterers are starting to accept the fact that current high freight may continue to exist and they will have to get used to the "new normal".

The number of dual licensed vsls in the international market is still high:

6/22/2020	6/29/2020	7/6/2020	7/13/2020	7/20/2020	7/27/2020	8/3/2020
36	39	42	44	45	45	46
8/10/2020	8/18/2020	8/24/2020	8/31/2020	9/7/2020	9/14/2020	9/21/2020
47	47	44	44	43	43	42
9/28/2020	10/12/2020	10/19/2020	10/26/2020	11/2/2020	11/9/2020	11/16/2020
44	46	46	45	45	43	44
11/23/2020	11/30/2020	12/7/2020	12/14/2020	12/21/2020	12/28/2020	1/4/2021
44	45	45	44	42	40	39
1/11/2021	1/18/2021	1/25/2021	2/1/2021	2/8/2021	2/22/2021	3/1/2021
37	36	36	37	37	40	43
3/8/2021	3/15/2021	3/22/2021				
46	47	51				

