

2021-04-07

The domestic coal market is still increasing but slowing down. The price for Calorie 5,500 is abt 736 - 740 RMB (up by abt 30 RMB) and for Calorie 5,000 it is abt 633 - 637 RMB (up by abt 7 RMB). Paper is softening, showing people's expectation on future market is not that optimistic now. And after a long time increase, traders are feeling the price reaching the top, thus are more active to sell. The market is still strong at the moment, price still slowly increasing but the overall expectation is changing with more hydro/wind power coming into effect. But it is hard to predict, as there are still some positive signs for the price, with the main railway being under maintenance, and more electricity demand due to economic recovery. And with Ramadan around the corner, there will be less imported coal. The demand is still high. Daily consumption now is abt 1.91 million tons and the inventory keeps dropping to abt 12.1 days. Power plants are re-stocking slowly due to current high price.

The domestic freight market is steady with cargoes being released continuously and with certain pace. The hire level for SMX from N China to S China remains abt 28,000 APS (freight abt 65 RMB from Bobai Bay to Dongguan). The stock level at the major loading ports is abt 21.139 million tons (down by abt 0.758 million tons). It is expected to remain/slowly increase for a while considering current situation mentioned above: demand is strong, supply is slightly tightened but coal price is still too high for buyers to purchase at a large scale. Tonnage supply is still a bit tight as more dual licensed vsls are trading in the international market:

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	3/29/2021	4/6/2021		
46	47	51	53	54		

