

2021-04-14

The domestic coal price dropped last week but started to recover this week. Now the current physical price for Calorie 5,500 is abt 721 - 725 RMB (down by abt 15 RMB compared to last week) and for Calorie 5,000 is abt 633 - 637 RMB (flat). Paper of the major contracts is increasing, showing stronger expectation for the future. Trading becomes stronger after last week's price drop, thus pulling it up again, which shows the demand is really there and the fundamental is quite solid. The price drop is mainly due to mines increase their production level but further increase would be difficult as there are a few accidents, so the government puts a lot of pressure on safety issues again. Thus supply increase will be limited in the future. For the demand side, daily consumption is still high, In March, the total imported coal volume is abt 27.33 million tons, which is 1.8% lower compared to last year. And from Jan - Mar, the total imported volume is abt 68.46 million tons, which is abt 28.5% lower than last year. The trend is expected to continue for Apr.

The domestic freight market is steady and still going up. The hire level for SMX from N China to S China is now abt \$32,000 APS (frt abt 70 RMB from Jingtang to Guangzhou). The stock level at the major loading ports is abt 20.148 million tons (down by abt 0.991 million tons). The demand is still strong as power plants are still slowly purchasing domestic coal to restock and there is still some time for the peak season. Other cargoes, besides coal, are continuously released into the market, like sand, construction materials, etc. Supply side is still tight, as more dual licensed tonnage has entered into 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	4/12/2021	
46	47	51	53	54	73	

