

2021-06-09

The China domestic coal market is cooling down due to tighter requirement on safety. The "Guarantee Supply" policy has continuously put high pressure on domestic coal mines and caused a few accidents in several provinces. More strictions are put into effect, making the supply side tighter. The coal price doesn't spike up with more or less intervene from goverment but the market is overall is very positive abt the future movement. Paper price is continuously moving up this week for July/Aug/Sep. Daily consumption of the power plants is increasing and the inventory is lowering again, average abt 12.5 days, some even lower than 10 days.. But power plants are still slow in re-stocking considering current market fluctuations. China loosened its quota on imported coal this Monday, however, the actual impact on the market is still a question mark due to shortage of imported cargo. Auzi coal is still no, Indo suppliers need to put their domestic demand as priority and other countries are importing more than normal years as well. In May, China imported abt 21.04 million tons of coal, which is abt 4.6% lower than May of 2020 and abt 3.19% lower than Apr of 2021.

The China domestic freight market dropped pretty fast last week, especially on 3rd of June. The index dropped by abt 120 on that day and began to stabalize after the coal price started to stabalize and increase slowly beginning this week. The hire level for SMX from N CHINA to S CHINA is abt 27K APS now (frt abt 60 RMB for 57KT from Huanghua to Dongguan). The overall atmosphere is not very active over the past week but expected to come back soon as the whether is becoming hotter and hotter. The stock level at the major loading ports is abt 20.376 million tons (down by abt 4.904 million tons compared to last week). The number of dual licensed vsls is still high:

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	4/19/2021
46	47	51	53	54	73	88
4/27/2021	5/10/2021	5/17/2021	5/24/2021	5/31/2021	6/7/2021	
91	102	108	111	113	113	

