

2021-07-28

The domestic coal market is a bit more stabilized. At the supply side, there are more production and the rail way is trying to transport more coal from mines to ports. Due to the typhoon and flooding, the demand has reduced last week, as the temperature is lower and the industrial production is also lower. The gap between supply and demand is there, though, and the price is still high. Power plants and other downstream buyers are still purchasing what is needed slowly, and more via long term contracts with current high market price. Running under low inventory is perhaps the 'New Normal' to them now. The paper price is stable and increasing, as the market is expecting the demand to come back after the typhoon and flood pass. The overall economy of China is good and promising, thus the confidence is there. On the other hand, China is trying to import as many international coal as possible at the moment, but the supply from Indo is a bit limited due to worsened pandemic situation and other countries are also trying to buy more Indo coal. Ships from India are limited as well. Domestic coal is the best source and the price is expected to remain at high level for the rest of year, thus the price will be stable and increasing.

The domestic freight market is stable and increasing. Because of the typhoon, a lot of laycans are delayed and now they are back after typhoon passes. The hire of SMX from N China to S China is abt 25K APS (RMB 57 from Jingtang to Guangzhou). Demand for ships is very firm as the power plants are all running under low inventory and they have to restock continuously. The index is recovering slowly and will hit 1000 again soon. The stock level at the major loading ports is stabilized after the rail way transport resumes full capacity after typhoon. It is now 15.493 million tons (down by abt 0.047 million tons). Owners are positive abt the market for the rest of year as there will be no Auzi coal and the domestic coal is the only reliable source at the moment. The number of dual licensed vsls at the international market remains unchanged compared to last week.

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	6/15/2021
91	102	108	111	113	113	114
6/21/2021	6/28/2021	7/5/2021	7/12/2021	7/19/2021	7/26/2021	
115	117	119	120	122	122	

