

2021-08-11

The domestic coal market is dropping last week due to continuous increasing supply from mines. People are getting used to more strict epidemic prevention routines and the production of Inner Mongolia and Shaanxi has increased and the daily transport volume of trains is now abt 1.2 million tons, which is a very high level. Trading activities are not very active as the buyers are expecting lower future price and are holding their purchase. The domestic coal market is a bit bearish for the near future. However, the overall picture remains the same that China will need more coal to satisfy the big appetite for strong economic growth, which is reflecting on the paper market. The battle between supply and demand, policy and market is still going on and the players are still confident that the market will eventually go up. Regarding the import coal, in July, China import abt 30.18 million tons of coal, which is abt 15.6% increase compared to June. The total imported volume is still lower than same period of last year, due to very low volume in Jan, Feb, Apr and May. But it is expected to import as much as possible, as mentioned earlier, by removing the quota. Imported coal is playing a more important role to adjust the coal price considering this year's strong economic recovery.

DATE	Volume (Mil Ton)	Compared to Last Year
Jan-21	41.13	-39.5%
Feb-21		
Mar-21	27.33	-1.8%
Apr-21	21.73	-29.8%
May-21	21.04	-4.6%
Jun-21	28.39	12.3%
Jul-21	30.18	15.6%
Aug-21		-100.0%
Sep-21		-100.0%
Oct-21		-100.0%
Nov-21		-100.0%
Dec-21		-100.0%
SUM	169.80	

The domestic freight market is steady and slowly increasing. The hire of SMX from N China to S China is abt mid 26K APS (frt abt 60 RMB from Huanghua to Guangzhou). The index is slowly increasing and reashing 1,060 again, which is the highest point since the big drop in June. Owners are positive abt future market. The inventory level at the major

loading ports is slowly increasing to abt 16.666 million tons, increased by abt 0.182 million tons compared to last week and still slowly increasing. Number of dual licensed vsls trading in the international market is increasing a bit:

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	8/2/2021
115	117	119	120	122	122	123
8/9/2021	8/16/2021	8/23/2021	8/30/2021	9/6/2021	9/13/2021	9/20/2021
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