
Ultratech awards 5 to 6 thermal coal cargoes to South Africa

Thursday, 27 Aug, 2009

Indian cement maker Ultratech has bought 5 to 6 South African coal cargoes for delivery in Q4 from traders Adani and Visa at USD 81 to USD 82 a tonne CIF.

Indian traders who participated in the tender said that Ultratech tendered in August for up to 500,000 tonnes of South African coal but has bought substantially less. The 5 to 6 cargoes booked are Handymax of 50,000 tonnes each.

One Indian trader said that "Maybe Ultratech didn't like the prices, although what they have been offered was aggressively low."

Ultratech is continuing to discuss further Q4 South African purchases with traders. Q4 South African prices were around USD 66.00 a tonne FOB Richards Bay and freight is roughly USD 20.00 making it difficult to sell in the low USD 80s.

End users in sponge iron and cement production have been determined for months, however to pay no more than USD 80 a tonne delivered.

(Sourced from Reuters)

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