
Coal Stock approaches 8 million tonnes at Qin Huangdao Port

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Latest statistics on November 4th indicated that coal stock at Qin Huangdao port one of China largest coal ports had surged to 7.97 million tonnes compared with the 5.36 million tonnes on October 26th. Coal price, unlike the period of last volume peak, when coal price reasonably came down to the bottom of the year, it was still edging up this time.

Mr Li Chaolin a coal expert said "The maintenance of Datong-Qin Huangdao railway has finished, so large amount of coal starts to be delivered to the port."

He said that this is why coal stockpile at the port has run so high. He pointed out that this is not because demand is weakening as it seemingly is but in fact coal demand is growing owing to the increasing power consumption and winter heat generation. As coal accumulates at the port instead of going to power plants, stock volume has been declining at power plants. Statistics showed on November 1st that 28.97 million tonnes of coal was stocked in power plants down by 1.47 million tonnes or 4.8% compared with On October 21st.

Mr Li said that if coal stock at Qin Huangdao port drops soon, coal price will probably maintain a high level within the year. Mr Wangshuai an analyst from Orient Securities Company Limited said that since the high season for coal consumption is coming, coal demand will continue to grow, and if coal stock drops, coal price will have more impetus to go up.

(Source from China Securities Journal)

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