
International coal price may move upwards

Thursday, 28 Aug, 2008

It is reported that coal markets both at China and abroad have posted an uptrend. Industry analysts forecast as global oil price may rebound, international coal price is likely to experience a new round of price rises in the coming September a peak season for coal consumption.

Statistics from globalCOAL show thermal coal price index at Newcastle port stopped falling and recovered by USD 7.74 per tonne or approximately 5% to USD 163.9 per tonne on August 15th.

Mr Wang Shuai chief analyst from Oriental Securities said that scant coal supply is worsened since Aug, owing to interrupted transportation and decreased export volume from Newcastle port, as well as tightened coal exports by major exporters such as China, Indonesia, Vietnam and so on. He said that "These factors all drive up international price in recent days."

Mr Wang said "International price may welcome a new round of modest upswings. He said that tight coal supply in China has not been eased. Besides, some provinces have started to replenish coal for winter warming. Coal undersupply is expected to continue until this winter. On the other hand, consumption peak in international market is looming."

Tight supply in international market will also buoy up the price after previous speculations are squeezed out.

(Source Shanghai Securities News)

For more news visit at www.steelguru.com