
Shanxi coal industry bureau urges to strictly control coal output

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According to Mr Hou Wenjin vice inspector of Shanxi Coal Industry Bureau, China's coal industry is better than ten years ago, but current market situation indicates it is necessary to strictly control coal output and maintain a balanced supply-and-demand relationship.

Mr Hou said that "We now face a bitter situation, but I believe the industry can not be worse than ten years ago. He noted after years of development, coal enterprises now can resist market risks. He said that enterprises should strictly control coal output and maintain a balanced supply-and-demand relationship."

Mr Hou said "This will exert positive influences to the control of coal supply in 2009. He said that enterprises are now capable to resist market risks after years of development, but they still need to remain cautious towards market transactions. Besides, he pointed out the enterprises should dispatch transport capacity according to actual demand, take safe pricing strategy and prevent price beat down and competitive sales.

He also mentioned that international price has surpassed domestic price, hence China may increase coal imports in the future and international price is likely to press domestic price downwards.

(Source: Shihua Financial Information)

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