
Chinese thermal coal price bound to decline in 2009 - GAC

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It is reported that as power enterprises, iron and steel mills and chemical industries both at home and abroad have all borne the impact of economic recession, China's coal supply has run into surplus from a tight state previously. The General Administration of Customs believes that China's domestic coal price is bound to slide as coal stock at major ports keep climbing.

Let's have a look at other statistics. According to statistics released on February 11th by GAC, China exported coal of 3.66 million tonnes in January 2009, sliding by 36.3% YoY. Its coke and quasi-coke export remained at 80,000 tonnes slumping by 92% YoY.

Statistics released on the same date show that in 2008, China's coal import and export dropped by 20.8% and 14.6% respectively, while the average import and export prices both surged by over 80% YoY.

Among the 40.4 million tonnes of imported coal, most of them was anthracite and was by private enterprises. The amount of coal imported by foreign-funded enterprises shot up by 5.3 times. Southeast Asian countries provided most of the coal.

Among the 45.43 million tonnes of exported coal, most of them was soft coal. Export by state owned enterprises accounted for 99.1% of the total export of the year. And it was mainly exported to Korea, Japan, and China's Taiwan, etc.

The GAC claimed that in order to guarantee China's domestic coal supply, the government imposed a temporary 10% export tariff on resources such as soft coal, and put quotas on coal so as to control exports. In this way the growth rate of coal exports had been effectively controlled.

(Sourced from MySteel.net)

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