

## **Fairly Status Quo in Dry Bulk Shipping Market Except For Major Changes in Chinese Coal Market**

The recent decline in capesize rates has been very large but also normal. Extreme volatility is a hallmark of the capesize market, and on its own the decline is not particularly troubling. What is more troubling, however, is that Chinese coal import prospects are no longer as bullish as they once were as power plant coal stockpiles in China have jumped to the highest level seen since July. At the same time, China is also banning coal imports from Australia and the Pacific basin now suddenly finds itself under some new pressure. Much has changed for the Chinese coal market. Global prospects for iron ore and grain trade remain very bullish, but coal trade prospects have worsened. Still not yet having much of an impact on the dry bulk market at least is the fact that new daily coronavirus cases continue to climb globally. Another record was set last week, with a record 399,601 cases reported on Thursday.

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