

MONTHLY
IMPORT UPDATE
JANUARY 2023

Coal & Coke

ECONOMIC UPDATE



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Global Economy

According to recently revised projections, global GDP growth in 2022 was 3.2%. Most forecasts foresee a short-term recession in 2023, owing mostly to stagnation in developed economies, with a comeback in 2024.

In the second half of the year, the economies of the United States and the eurozone exhibited resilience. The US economy expanded by 2.9% in the fourth quarter and 2.1% overall in 2022. The eurozone economy expanded by 0.1% over the previous quarter and 3.5% year on year in the fourth quarter, avoiding a forecast drop. China's economic growth rate has dropped from 8.4% in 2021 to 3% in 2022.

The primary source of disruption was the "zero-COVID" policy, but weakening global demand and increased geopolitical uncertainty exacerbated the headwinds. Since then, China has eased crucial epidemic prohibitions.

Recent global economic indicators have been mixed, suggesting both improving circumstances and persistent negative concerns, with inflation and geopolitical uncertainty playing a big role. In both established and emerging economies, inflation has begun to decline. Although energy prices have fallen, core inflation readings remain high, and central banks continue to tighten policy.

Consumer confidence increased internationally and in the majority of polled nations, yet the overall attitude remains far from optimistic. High costs and consumer caution continue to limit retail sales in the economies examined. Unemployment rates in the majority of examined economies remain constant and relatively low per nation or region: 3.5% in the US, 3.7% in the UK, 6.5% in the eurozone, and 8.1% in Brazil.

The global purchasing managers' indices (PMIs) for both manufacturing and services concluded the year in shallow contraction due to lower demand and high input prices (48.6 and 48.2, respectively). Individual economy PMI ratings were also contractionary in December, with the noteworthy exception of India, where readings for both manufacturing and services were solid. PMI numbers in January 2023 show a general improvement.

The Manufacturing PMI of the USA edged up to 46.9 in January compared to last month, however still in the negative zone for the third consecutive month. A steep decline in new orders, a subsequent decline in output, and continued measures to lower inventory all contributed to the slump. Weak sales in the domestic and international markets were the cause of the weak demand circumstances.

After Beijing removed strict COVID controls late last year, industrial activity in China declined less in January compared to December. The Manufacturing PMI of China stood at 49.2 in January 2023. The UK manufacturing sector has gotten off to a slow start in 2023, just as it did at the end of 2022, with additional declines in production, new orders, and employment. The seasonally adjusted PMI for January is 47, which is better than the 45.3 low for December.



Indian Economy

India's economic activity slowed at the start of the year as increased borrowing rates dampened demand both at home and abroad, indicating that more pain is on the way as the global economy weakens. The needle on a metre measuring so-called animal spirits went left and remained there for six months until gaining traction in December. According to eight high-frequency indicators analysed by Bloomberg, the slowdown in business activity was driven by falling exports and slack in manufacturing and services, countering gains in consumer drivers indicated in tax revenues and employment creation.

Domestic recovery, which has been driving momentum thus far, is shaky. The Reserve Bank of India, which has hiked borrowing prices six times since May to 6.50%, is expected to raise rates again at its April review in the face of inflationary expectations and additional tightening by global central banks.

According to purchasing managers' polls, activity in both manufacturing and services was down in January. The composite index fell from an 11-year high in December due to slower growth in output and new orders.

"Although manufacturers received new orders from international markets, the increase was slight at best and moderated considerably to a ten-month low," said Pollyanna De Lima, economics associate director at S&P Global Market Intelligence.

The S&P Global India Services PMI Index declined from 58.5 in December to 57.2 in January, according to seasonally adjusted data. According to the underlying statistics, the increase in total new business was centred on the local market, while overseas orders fell. The drop was minor in comparison to December's greatest upturn in over three and a half years.

Domestic coal production in India continued to touch new highs and in the first month of the year 2023 has also touched historic production ever in the month of January, as well as ten-months high production. Domestic production totalled 89.96 million metric tons (MMT) in Jan-23 at 13% YoY growth. The coal output of the country rise by 9% month-on-month (MoM) from 82.87 MMT last month. the total offtake has seen 9% growth at 81.91 MMT level.

Exports declined 6.58% year on year to \$32.9 billion in January, according to Trade Ministry data, reflecting reduced demand for goods abroad. Imports fell 3.63% year on year, narrowing the trade imbalance to its narrowest in a year and fuelling optimism of a considerably smaller current account deficit.

According to Garima Kapoor, an economist at Elara Capital, the dramatic drop in imports indicates the slowdown in discretionary demand in the products sector and the downturn in commodity prices.

Liquidity in the banking sector has tightened, but loan growth has resumed, reaching 16.33% in January from 14.87% in December, according to Reserve Bank of India figures.



Goods and services tax receipts, which help assess economic consumption, increased 10.5% year on year to 1.56 trillion rupees (\$18.9 billion), a performance accomplished only once before in the levy's history. According to figures from the Federation of Automobile Dealers Associations, new vehicle registrations increased 14% in the month, while passenger car sales increased 22% year on year.

Electricity consumption, a commonly used proxy for industrial and manufacturing demand, remained stable, with the peak requirement last month increasing to 173 gigatonnes from 171 gigatonnes in December due to higher heating requirements. According to statistics from the Centre for Monitoring Indian Economy Pvt. India's unemployment rate fell to 7.14% from a 16-month high of 8.30% a month earlier.

IMPORT: COAL & COKE



IMPORTS: COAL & COKE

India's total coal and coke imports in the month of January 2023 edged up to 17.63 MMT from 13.06 MMT in Jan 2022 and 17.40 MMT in Dec 2022. The total imports of India in Jan 2023 are 35% YoY and 1% MoM high.

India finished the year 2022 at an import level of 244.49 MMT with a 14% YoY rise. The total imports of the 2022 year however still fall to 6% when compared to the pre-covid year of 2019's import level of 259.71 MMT.

Thermal coal imports have seen a rise, especially due to the cargo coming from Australia. The imports totalled 10.47 MMT in Jan 2023 which is 48% high YoY and 2% up MoM from the imports level of 7.07 MMT in Jan 2022 and 10.25 MMT in Dec 2022.

Coking coal imports continued to increase in Jan month as well with effects of FTA with Australia being seen this month as well. The total coking coal imports for Jan surged to 33% YoY and 9% MoM to 4.72 MMT.

Petcoke imports further saw a decline with relief in thermal coal prices worldwide. Petcoke imports are down to 1% YoY and 23% MoM with the imports level standing at 0.73 MMT in Jan 2023.

Metcoke imports stand at 0.34 MMT in the month of Jan 2023, surged twofold YoY from the 0.16 MMT level and down by 16% MoM from the 0.41 MMT level.

Anthracite imports are down to 0.12 MMT in Jan 2023 with a 58% YoY and 20% MoM decline.

PCI imports were 1% up YoY and 4% down MoM with 1.24 MMT of imports level in Jan 2023.

India's traditional top importing partner's import statistics in January 2023 are as follows: Indonesia at 4.54 MMT (up 61% YoY, down 29% MoM), Australia at 5.92 MMT (up 33% YoY, up 38% MoM), Russia at 2.00 MMT (up to twofold YoY, down 7% MoM), South Africa at 1.66 MMT (down 23% YoY, 1% MoM), and USA at 1.60 MMT (down 5% YoY, up 13% MoM).

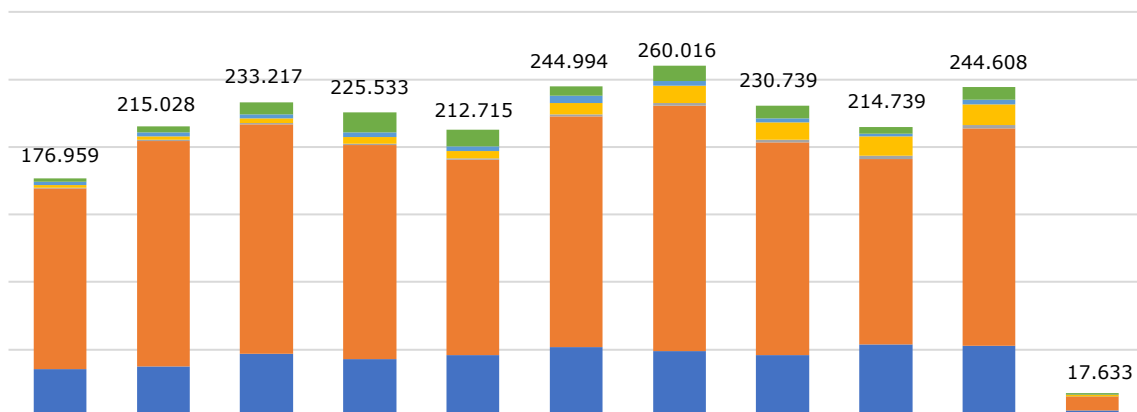
Total share contribution and changes in share patterns of India's top five trading partners in the year 2022 are as follows: share of five nations in India's total imports (94% in 2021 to 92% in 2022), Indonesia (45% in the year 2022, up from 34% in 2021) Australia (22% in 2022, down from 36%) Russia (8% in 2022, up from 4%) South Africa (9% in 2022, down from 12%), and USA (8% in 2022, up from 7%).



India's Coal & Coke Import (Million Metric Tons)

	Jan-23	YoY		MoM		YTD (Full Calendar Year)				
		Jan-22	% Change	Dec-22	% Change	CY 2022	CY 2021	% Change	CY 2019 (Pre-Covid Level)	% Change
COKING COAL	4.720	3.557	32.68 %	4.345	8.65 %	52.957	54.278	(2.43)%	48.707	8.73 %
THERMAL COAL	10.473	7.070	48.13 %	10.252	2.15 %	160.875	137.023	17.41 %	181.761	(11.49)%
ANTHRACITE	0.124	0.296	(58.05)%	0.155	(20.02)%	2.255	2.185	3.21 %	1.988	13.43 %
PCI COAL	1.244	1.234	0.82 %	1.297	(4.05)%	15.248	14.187	7.48 %	12.681	20.25 %
MET COKE	0.341	0.164	108.43 %	0.407	(16.16)%	3.324	2.174	52.91 %	3.245	2.43 %
PET COKE	0.731	0.742	(1.49)%	0.943	(22.52)%	9.832	4.894	100.91 %	11.329	(13.22)%
TOTAL	17.63	13.06	34.99 %	17.40	1.35 %	244.49	214.74	13.85 %	259.711	(5.86)%

Total Coal & Coke (MMT)



	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023 (JAN)
Petcoke	2.780	4.359	9.193	14.586	12.423	6.827	11.329	9.818	4.894	9.831	0.731
Metcoke	2.385	2.752	3.092	3.685	3.453	5.461	3.245	2.632	2.174	3.324	0.341
PCI	1.888	2.371	3.244	4.794	5.175	8.481	12.681	12.755	14.220	15.246	1.244
Anthracite	0.750	1.411	1.177	1.179	1.281	1.671	1.996	1.954	2.185	2.256	0.124
Thermal Coal	133.536	166.587	169.584	158.572	144.451	170.527	181.927	157.932	137.413	160.995	10.473
Coking Coal	35.619	37.549	46.927	42.716	45.931	52.026	48.838	45.648	53.854	52.956	4.720
Total Coal & Coke	176.959	215.028	233.217	225.533	212.715	244.994	260.016	230.739	214.739	244.608	17.633

IMPORTS: THERMAL COAL



IMPORTS: THERMAL COAL

Thermal coal imports in India have edged up 2% MoM and 48% YoY with 10.47 MMT of thermal coal imports in January 2023. Thermal coal imports in the month of Jan 2022 and Dec 2022 was 7.07 MMT and 10.25 MMT respectively.

The thermal coal market in India was comparatively silent for the last few months. Industry players either take the fixed contract qualities or relied mostly on stock and sell-based imported coal. New procurements were heard less amid silent demand in the market. The overall seaborne market for thermal coal is also muted. More and more supply is diverted to Asia such as the USA, Colombia and South African coal to find the market in Asia after Europe gets out of the market. This has resulted in the price decline but the Indian market has not yet shown up for its summer stocking.

Providing the brief about India's origin-wise imports- Indonesian imports slide down to 4.34 MMT in Jan 2023, by 28% MoM. Russian imports have also increased to elevenfold YoY and twofold MoM. USA imports almost reduce to half in the year 2022, however, started 2023 year with a 51% MoM rise in imports to 0.77 MMT. Other than Indonesia South Africa's import level declined on an MoM basis with a minor 1% to 1.66 MMT in Jan 2023.

Australian imports on the contrary saw a rise of almost doubled both on a YoY basis as well as MoM basis to 2.11 MMT in Jan. We have seen more cargo coming in Jan and the major edition was in thermal coal. The first reason was that in Nov-Dec prices of Aus 5500 NAR was lower than Indonesian coal. The second reason is that coal coming out from the Australian mines owned by the Indian conglomerate is marching towards the Indian ports.

Apart from India's traditional five trading partners, Mozambique imports are taking pace in India's imports. Mozambique further add 0.60 MMT of coal to India imports in Jan 2023, a 90% YoY rise and 2% MoM.

The 2022 year ended with a total of 160.87 MMT of thermal coal imports seeing a 17% rise from 137.02 MMT of imports in the 2021 year however, 11% was down from 181.76 MMT of imports in the year 2019.

IMPORTS: PETCOKE



IMPORTS: PETCOKE

Petcoke imports of India touched an eleven-month low in January 2023 at 0.73 MMT. The imports are 2% YoY and 23% MoM down from 0.74 MMT level in Jan 2022 and 0.94 MMT in Dec 2022.

In a few months, the thermal coal prices have come down to pre-war levels and petcoke prices have stayed stable at higher rates. Cement sector which is the largest user of fuel-grade petcoke closely watched thermal coal prices as well. The relief in thermal coal prices has somehow shifted cement players to thermal coal which is seen by January's import data. The cement industry has imported 1.12 MMT of thermal coal as against 0.51 MMT in the previous month. Petcoke imports by the cement industry declined to 0.44 MMT in Jan 2023 from 0.74 MMT in Dec 2022.

India has a diversified source of petcoke and imports from various sources around the world. However, the large quality is being imported from the major three origins namely the USA, Saudi Arabia and Venezuela. The USA imports are down to 0.23 MMT, by 37% YoY and 54% MoM. Saudi petcoke imports rose by 24% YoY and 27% MoM to 0.27 MMT. Venezuela's origin imports which didn't even existed in 2021 become the third largest source of Indian petcoke imports.

Petcoke imports doubled over a year from 4.89 MMT in 2021 to 9.83 MMT for the year 2022. The imports are still 13% below the pre-covid level of 11.33 MMT.

India's Pet Coke Import (Metric Tons)										
	Jan-23	YoY		MoM		YTD (Full Calendar Year)				
		Jan-22	% Change	Dec-22	% Change	CY 2022	CY 2021	% Change	CY 2019 (Pre-Covid Level)	% Change
USA	233,060	371,070	(37.19)%	502,898	(53.66)%	4,071,648	1,573,796	158.72 %	5,836,446	(30.24)%
SAUDI ARABIA	272,876	219,998	24.04 %	215,271	26.76 %	3,606,860	1,840,113	96.01 %	3,513,778	2.65 %
CHINA	20,157	38,652	(47.85)%	4,551	342.89 %	289,581	402,470	(28.05)%	661,867	(56.25)%
VENEZUELA	109,288			55,161	98.13 %	730,348				
OMAN		60,497		27,159		204,787	156,619	30.75 %	357,754	(42.76)%
KUWAIT	33,000	31,498	4.77 %	21,000	57.14 %	230,493	268,110	(14.03)%	141,599	62.78 %
MALAYSIA	27,080	099		17,722	52.80 %	159,945	118,647	34.81 %	98,370	62.60 %
GERMANY				30,167		139,303	130,460	6.78 %	93,512	48.97 %
ARGENTINA	27,645					47,833	82,038	(41.69)%	99,098	(51.73)%
UAE				22,000		122,314	44,181	176.85 %	55,690	119.64 %
OTHER	7,500	19,839	(62.20)%	46,972	(84.03)%	229,112	277,437	(17.42)%	471,319	(51.39)%
TOTAL	730,606	741,653	(1.49)%	942,901	(22.52)%	9,832,224	4,893,870	100.91 %	11,329,431	(13.22)%

IMPORTS: COKING COAL



IMPORTS: COKING COAL

India's coking coal imports with 4.72 MMT in Jan 2023 touch three months high. The coking coal imports increases by 33% YoY and 9% MoM from the import level of 3.56 MMT in Jan 2022 and 4.34 MMT in Dec 2022 respectively.

Decreasing metcoke and PCI imports have increased the coking coal demand. The coking coal imports have seen a jump, however, the imports are at an average level only. Coking coal imports even after the Free Trade Agreement and removal of export duty on steel not risen, since because of global stagnation the steel demand is not increasing and that have stabilized the coking coal imports.

Just like thermal coal, coking coal imports from Australia have also shown an increase in India. The coking coal from Aus touched the 3 MMT mark and surged by 20% YoY and 12% MoM. USA coking coal totalled 0.60 MMT in Jan with 31% YoY and 49% MoM rise. Russian imports reduced significantly to 0.11 MMT from 0.28 MMT (61% down) in the previous month.

The calendar year 2022 import of coking coal was down to 2% to 52.96 MMT from 54.28 MMT in the comparable period of 2021. The total imports however increased by 9% from the pre-covid level.

India's Coking Coal Import (Metric Tons)										
	Jan-23	YoY		MoM		YTD (Full Calendar Year)				
		Jan-22	% Change	Dec-22	% Change	CY 2022	CY 2021	% Change	CY 2019 (Pre-Covid Level)	% Change
AUSTRALIA	3,305,788	2,754,137	20.03 %	2,963,072	11.57 %	36,248,039	45,555,254	(20.43)%	35,834,060	1.16 %
USA	599,370	458,187	30.81 %	402,215	49.02 %	7,271,262	3,165,570	129.70 %	4,213,033	72.59 %
CANADA	325,841			198,000	64.57 %	2,502,977	2,359,933	6.06 %	4,894,612	(48.86)%
MOZAMBIQUE	115,020	246,742	(53.38)%	170,983	(32.73)%	2,483,625	1,643,205	51.15 %	1,952,598	27.20 %
INDONESIA	186,842	55,000	239.71 %	329,096	(43.23)%	2,604,922	1,211,068	115.09 %	1,199,011	117.26 %
RUSSIA	109,689	43,425	152.59 %	281,260	(61.00)%	1,697,630	198,058	757.14 %	300,820	464.33 %
NEW ZEALAND	65,105					148,505	144,501	2.77 %	296,012	(49.83)%
COLOMBIA	12,590								16,870	
TOTAL	4,720,245	3,557,491	32.68 %	4,344,626	8.65 %	52,956,960	54,277,588	(2.43)%	48,707,015	8.73 %

IMPORTS: METCOKE

IMPORTS: ANTHRACITE

IMPORTS: PCI

IMPORTS: RUSSIA



IMPORTS: RUSSIA

Russian imports again come back to a 2 MMT imports level in Jan 2023 with a twofold YoY and 7% MoM rise. The Russian imports in the month of Jan totalled for coal & coke both around 2 MMT. The imports from Russia were 0.85 MMT on Jan 22 and 1.88 MMT on Dec 22.

Russian imports have seen a huge rise in the last calendar year 2022 from 7.56 MMT in 2021 to 20.46 MMT in 2022. The year 2023 also started at the same pace that we have seen last year. Russian coal is still at competitive prices to its counterparts. In January month thermal coal prices declined for all the origins yet Russia managed to provide the coal at competitive rates.

Russia has improved its imports specially in non-coking coal, coking coal and PCI categories. The imports of non-coking coal from Russia which was around 1.87 MMT in 2021 increased by 8.79 MMT in 2022 with a fourfold YoY rise. Coking coal and PCI also expanded by eightfold and onefold YoY respectively.

India's Import from Russia - Coal and Coke (in Metric Tons)										
	Jan-23	YoY		MoM		YTD (Full Calendar Year)				
		Jan-22	% Change	Dec-22	% Change	CY 2022	CY 2021	% Change	CY 2019 (Pre-Covid Level)	% Change
ANTHRACITE	123,766	263,078	(52.95)%	150,550	(17.79)%	1,834,866	1,831,281	0.20 %	1,737,686	5.59 %
COKING COAL	109,689	43,425	152.59 %	281,260	(61.00)%	1,745,230	198,058	781.17 %	300,820	480.16 %
MET COKE				67,616		160,150	70,016	128.73 %	441,467	(63.72)%
NON COKING COAL	994,652	88,386	1,025.35 %	484,749	105.19 %	8,792,821	1,872,502	369.58 %	2,815,945	212.25 %
PCI	775,811	457,981	69.40 %	895,953	(13.41)%	7928,303	3,562,954	122.52 %	3,493,931	126.92 %
PET COKE		093				188	25,655	(99.27)%		
TOTAL	2,003,918	852,963	134.94 %	1,880,128	6.58 %	20,461,558	7,560,465	170.64 %	8,789,849	132.79 %

EXPORTS: TOTAL COAL & COKE



EXPORTS: TOTAL COAL & COKE

India's total coal and coke exports has been drop by 48% YoY to 0.01 MMT in January 2023 from 0.20 MMT in January 2022. The MoM exports fall by 51% from 0.19 MMT in December 2022. Cumulative exports for the year 2022 stood at 1.75 MMT, 28% down from the previous year.

During the month of Jan 2023, India's Metcoke exports reduced to 89% YoY and by 70% MoM. Export of Metcoke in CY 2022 with total exports of 0.61 MMT contracted by 56% compared to CY 2021.

Petcoke exports from India declined by 93% YoY and 86% MoM. Export of Petcoke by India with total exports of 0.20 MMT is down by 38% in CY22, compared to CY 2021.

Total exports of coal rise by 3% YoY and decrease by a 40% MoM basis. Export of coal in CY 2022 with a total of 0.94 MMT surged by 26% compared to CY 2021.

Total Export of Coal & Coke (Metric Tons)			
	Met Coke	Pet Coke	Coal
2018	18,060	862,875	122,167
2019	48,707	465,872	662,575
2020	88,715	668,913	577,966
2021	1,384,019	318,930	746,476
Jan-22	93,266	19,922	82,377
Feb-22	39,562	25,098	57,081
Mar-22	138,177	6,900	102,818
Apr-22	99,160	31,311	86,253
May-22	33,084	15,168	80,681
Jun-22	57,548	1,924	67,186
Jul-22	8,607	8,772	74,288
Aug-22	12,964	9,561	60,623
Sep-22	63,269	44,268	74,624
Oct-22	18,857	18,543	77,013
Nov-22	13,353	6,264	37,615
Dec-22	34,136	10,662	141,323
2022	611,983	198,384	941,882
Jan-23	10153	1482	84959



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