



NEWSLETTER

JULY 2022



ITL

PT. INTERNASIONAL TOTAL SERVICE & LOGISTICS

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Logistic Information



BDI
(Per 22nd July)

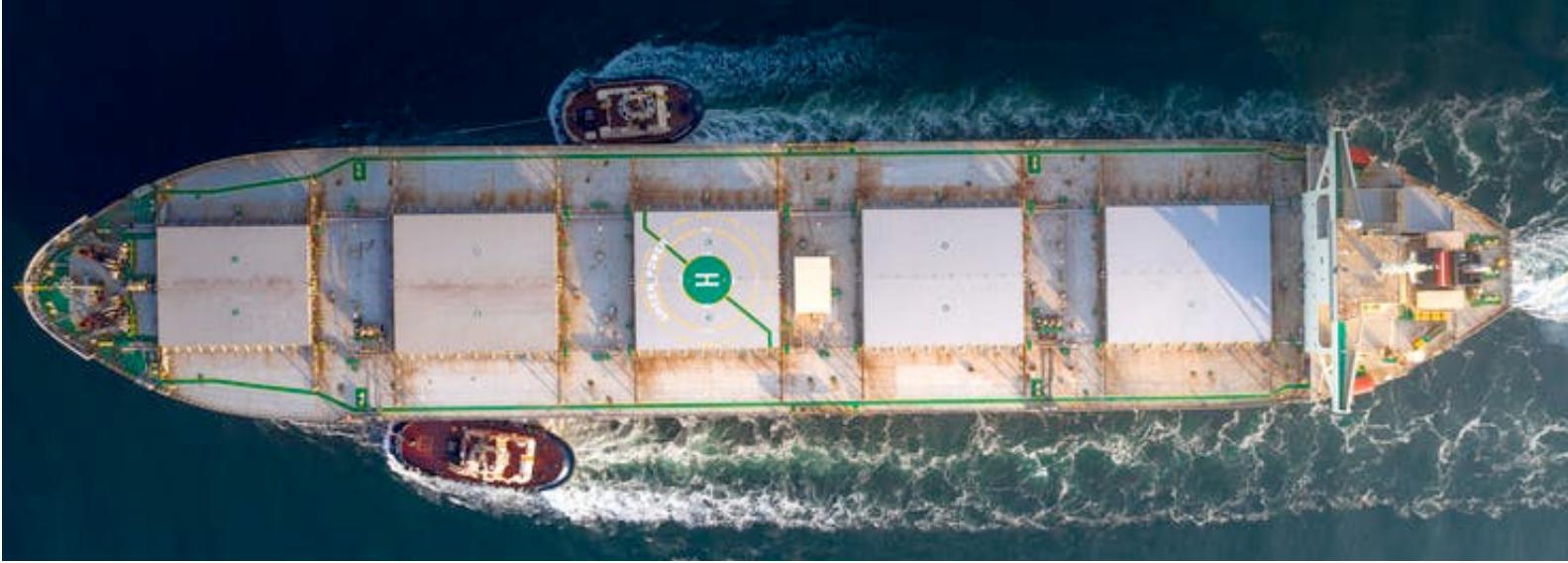
Bunker Price

Bunker Price	Singapore per 22nd July
FO380	924.50
FO180	-
MGO	1,042.50

* Inclusive VAT, Income tax & PBBKB.

Currency exchange Rate (USD)

Buy : IDR 14.948 Sell : IDR 15.099



Weather Forecast



Area	Weather	Winds	Swell
Samarinda	Chance of Storm 32°/22°C	7 - 12 km/h	0.2 - 0.5 m
Banjarmasin	Chance of Rain 33°/23°C	11 - 21 km/h	0.6 - 0.8 m
Balikpapan	Chance of Rain 29°/24°C	5 - 21 km/h	0.4 - 0.9 m
Tarakan	Chance of Storm 31°/26°C	8 - 12 km/h	0.1 - 0.2 m
Muara Satui	Chance of Rain 32°/23°C	1 - 21 km/h	0.7 - 0.9 m

Congestion Information (June-July)

PORT	PORT STAY	TOTAL STAY
ADANG BAY	1,15	4,29
ASAM-ASAM	1,75	8,88
BCT	1,45	1,96
BALIKPAPAN	1,35	2,94
IBT	0,67	3,00
MUARA PANTAI	1,05	5,58
M.SANGKULIRANG	0,60	3,87
PALEMBANG	4,50	11,00
SAMARINDA	2,27	6,91
TABONEO	2,71	6,82
TARAHAN	1,67	3,33
TARAKAN	1,75	7,75



Indonesia and Global Coal News

Indonesian Government's Benchmark Thermal Coal Price (HBA)

Month	2017	2018	2019	2020	2021	2022
January	86.23	95.54	92.41	65.93	75.84	158.50
February	86.23	95.54	91.80	66.89	87.79	188.38
March	83.32	100.69	90.57	67.08	84.49	203.69
April	82.51	94.75	88.85	65.77	86.68	288.40
May	83.81	89.53	81.86	61.11	89.74	275.64
June	75.46	96.61	81.48	52.98	100.33	323.91
July	78.95	104.65	71.92	52.16	115.35	319.00
August	83.97	107.83	72.67	50.34	130.99	
September	92.03	104.81	65.79	49.42	150.03	
October	93.99	100.89	64.80	51.00	161.63	
November	94.8	97.90	66.27	55.71	215.01	
December	94.04	92.51	66.30	59.65	159.79	

in USD/ton

Source: Ministry of Energy and Mineral Resources



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India's Coal Production Rises by 32.57% to 67.59 MT in June: Govt

Source : [business-standard.com](https://www.business-standard.com)

Highlights

The Ministry said that India's coal production increased by 32.57 per cent to 67.59 Million Tonne (MT) from 50.98 MT during June 2021. According to the provisional statistics of the Ministry of Coal, during June this year, Coal India Ltd (CIL), Singareni Collieries Company Ltd (SCCL) and captive mines / others registered a growth of 28.87 per cent, 5.50 per cent and 83.53 per cent by producing 51.56 MT, 5.56 MT and 10.47 MT respectively. Of the top 37 coal mines, as many as 22 mines produced more than 100 per cent and production at another nine mines stood between 80 and 100 per cent.

At the same time, coal despatch increased by 20.69 per cent to 75.46 MT from 62.53 MT during June 2022 as compared to June 2021. During June 22, CIL and Captives/Others registered a growth of 15.20 per cent and 88.23 per cent by dispatching 58.98 and 11.05 MT respectively. SCCL registered a negative growth of 0.46 per cent during the month.

The power utilities dispatch has grown by 30.77 per cent to 64.89 MT during June this year as compared to 49.62 MT in June 21 due to increase in power demand. Coal based power generation has registered a growth of 26.58 per cent in June 2022 as compared to June 2021.

The overall power generation in June 2022 has been 17.73 per cent higher than in June 2021. However, Coal based power generation in the month of June 2022 has been 95,880 MU in comparison to 98,609 MU in May 2022 and registered a negative growth of 2.77 per cent. Total power generation has also decreased in June 2022 to 1,38,995 MU from 1,40,059 MU in May 2022 and registered a negative growth of 0.76 per cent.

Indonesia Set to Boost Coal Output to Fill Russia Supply Gap

Source : [reuters.com](https://www.reuters.com)

Highlights

Indonesia, the world's biggest exporter of coal used in power plants, will be able to increase output to help meet demand from countries that have lost supplies from Russia, its energy minister said on Wednesday.

Energy and Mineral Resources Minister Arifin Tasrif said countries, which he declined to name, had asked Indonesia for coal in the wake of sanctions on Russia for its invasion of Ukraine, which Moscow calls a "special military operation".

"We will help every country who are short of this kind of material as much as we can," Tasrif said during an interview with Reuters on the sidelines of the Sydney Energy Forum hosted by the Australian government and the International Energy Agency.

Indonesia's target for coal output this year is 663 million tonnes. The minister did not say by how much that target might be raised.

"We have the resources. If we look at the balance, we have to increase our production," he said, adding that miners are obliged to reserve 25% for the domestic market.

While Europe was short on coal, Indonesian coal "probably doesn't meet their specification," Tasrif said, while adding that buyers could possibly adjust their combustion systems.

"In case the situation is very urgent, especially entering the winter season at the end of the year, we don't want to let people suffer without coal. We have to do something on both sides."

China's June Coal Imports Slump as Traders Shun Expensive Overseas Cargoes

Source : montelnews.com

Highlights

China's coal imports fell 33% in June from a year ago, with traders turning down expensive overseas cargoes in favour of domestic ones with capped prices as COVID-19 restrictions and higher renewables output dented demand for coal-fired power.

China imported 18.98 million tonnes of coal last month, compared to 28.93 million tonnes in June 2021, data from the General Administration of Customs showed on Wednesday.

Over the first half of 2022, China imported 115 million tonnes of the fuel, 17.5% lower than a year ago.

The decline in coal imports came after Beijing's rigorous regulation of domestic coal prices. It capped thermal coal with a heating value of 5,500 kilocalories (kcal) at

northern Chinese ports at 770 yuan (\$114.60) a tonne under long-term contracts and at around 1,200 yuan for spot shipments.

In contrast, benchmark Newcastle 5,500 kcal thermal coal traded at an average of \$402.50 a tonne on a free-on-board basis in June, boosted by a global fuel shortage in the wake of the Ukraine crisis.

"Chinese traders don't have many incentives to buy seaborne coal given the unfavourable prices, and the rise of dollar makes imported cargoes even more expensive," said a Singapore-based coal trader.

Thermal power generation, mostly from coal-based utilities, plunged 11% in May from a year ago because of surging hydropower output and a drop in total power production during COVID-19 lockdowns.

With temperatures rising in China, however, utilities have increased coal tender issuances for late-July and August arrivals, to prepare for a pick-up in power demand as households turn on air conditioners. But most of the tenders are seeking lower priced and lower quality coal from Indonesia.

Daily coal consumption has climbed to about 2 million tonnes in early July, similar to the same period last year, according to data compiled by the China Coal Transportation and Distribution Association (CCTD). (\$1 = 6.7190 Chinese yuan renminbi)

Seoul to Suspend Voluntary Coal Curbs This Summer

Source : argusmedia.com

Highlights

Seoul has been enforcing restrictions on coal-fired generation in December-March for the past few years, but in 2021 the government also asked coal-fired units to voluntarily reduce generation in April-November. These restrictions will now be suspended in July-August, a source familiar with the matter tells Argus.

State-owned Kepco's coal-fired fleet could operate closer to available capacity, which is due to average 27.8GW in July-August, according to the latest maintenance schedule. If Kepco's units are loaded at 93pc which was the average load in July-August 2018, before the restriction measures were introduced the company's coal-fired output could increase to 25.9GW in July-August, up from 24.5GW a year earlier. And coal-fired generation from private utilities could increase to 4.8GW from 3.7GW during the two-month period, based on a flat year-on-year load factor.

This stronger-than-expected coal-fired generation could help utilities to reduce LNG use in the peak cooling season. Nuclear output is also scheduled to rise, averaging 20.9GW during the two-month period, up from 16.9GW. South Korea's combined nuclear and coal-fired output could increase by around 6.5GW in July-August, Argus analysis shows, which is equivalent to around 1.26mn t of LNG — or 17-18 standard-sized LNG cargoes.

But hotter weather across the northern hemisphere may continue to bolster power demand, which would mean firm LNG imports are still required as well as greater coal-fired output. South Korea's total power demand was around 5pc stronger in January-May than a year earlier (see chart).

South Korea's LNG imports have stayed fairly stable this year, despite global LNG prices remaining uncompetitive with other generating fuels. LNG receipts were broadly unchanged on the year at 3.4mn t in May, the most recent available customs data show. But preliminary ship tracking data from analytics firm Vortexa show imports fell to 2.67mn t last month from 3.15mn t a year earlier.

For the First Time in Six Months, July Reference Coal Price Drops To US\$319.00 per Ton

Source : dunia-energi.com

Highlights

The Reference Coal Price (HBA) in July was corrected to US\$319.00 per ton, or decreased by US\$4.91 per tonne from June, which was US\$323.91/ton per ton.

Agung Pribadi, Head of the Communications Bureau of Public Information and Cooperation Services (KLIK) of the Ministry of Energy and Mineral Resources (ESDM), explained that the price of Russian coal from Russia is currently being priced cheaply, which has led to a significant increase in demand for coal imports to China and India. .

"There is a special discount for coal originating from Russia. This discount makes China and India increase their import capacity," he said in Jakarta, Saturday (2/7).

Agung said that China and India's interest in importing coal from Russia was due to global coal prices starting to creep up due to the scarcity of supply and the increasingly expensive price of liquefied natural gas.

In addition, another factor of the decline in the July HBA was the increase in India's domestic coal production to overcome the problem of the electricity crisis in their country.

The decrease in HBA, the first time in six months. In January 2022, the HBA was set at US\$158.50/ton, up to US\$188.38/ton in February. Furthermore, March was at US\$203.69/ton, April was at US\$288.40/ton, May was at US\$275.64/ton, and lastly in June, which was US\$323.91/Ton per ton.

HBA itself is a price obtained from the average index of the Indonesia Coal Index (ICI), Newcastle Export Index (NEX), Globalcoal Newcastle Index (GCNC), and Platt's 5900 in the previous month, with quality equivalent to 6322 kcal/kg GAR calories. , Total Moisture 8%, Total Sulfur 0.8%, and Ash 15%.

There are two derivative factors that affect the movement of HBA, namely, supply and demand. In terms of supply derivatives, it is influenced by season (weather), mining techniques, supplier country policies, to supply chain technicalities such as trains, barges, and loading terminals.

Meanwhile, the demand derivative factor is influenced by declining electricity demand, which correlates with industrial conditions, import policies, and competition with other energy commodities, such as LNG, nuclear, and hydro.

ITL Vessel Line Up

Apr	May	Jun	Total Vessel
462	503	382	1347

PLEASE NOTE THAT THE ABOVE DATA IS NOT COMPLETED LINE UP OF TBCT, IBT, NPLCT.

COUNTRY WISE

No	Country	Shipments	Percentage
1	China (Incl. HK)	394	29%
2	India	287	21%
3	Indonesia	169	13%
4	Philippines	96	7%
5	Korea	74	5%
6	Malaysia	56	4%
7	Thailand	55	4%
8	Japan	48	4%
9	Taiwan	46	3%
10	Singapore	32	2%
11	Vietnam	29	2%
12	Bangladesh	27	2%
13	Pakistan	18	1%
14	Others	16	1%

*Others: Myanmar, Srilanka, New Zealand, Spain, Rusia, Hawaii.

PORT WISE			
No	Port	Shipments	Percentage
1	Taboneo	301	22%
2	Samarinda	197	15%
3	Palembang	130	10%
4	Adang Bay	121	9%
5	BCT	102	8%
6	Bunati	91	7%
7	Muara Pantai	82	6%
8	Tarakan	76	6%
9	Kaliorang	51	4%
10	Muara Sangkulirang	44	3%
11	Balikpapan	36	3%
12	Tg. Pemancingan	29	2%
13	Kota Baru	21	2%
14	Tarahan	20	1%
15	Asam - Asam	19	1%
16	IBT	14	1%
17	NPLCT	5	Below 1%
18	Muara Satui	4	Below 1%
19	Tg. Sabau	4	Below 1%

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