



# NEWSLETTER

## MAY 2022



**PT. INTERNASIONAL TOTAL SERVICE & LOGISTICS**

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## Logistic Information

3,289

BDI  
(Per 19th May)

### Bunker Price

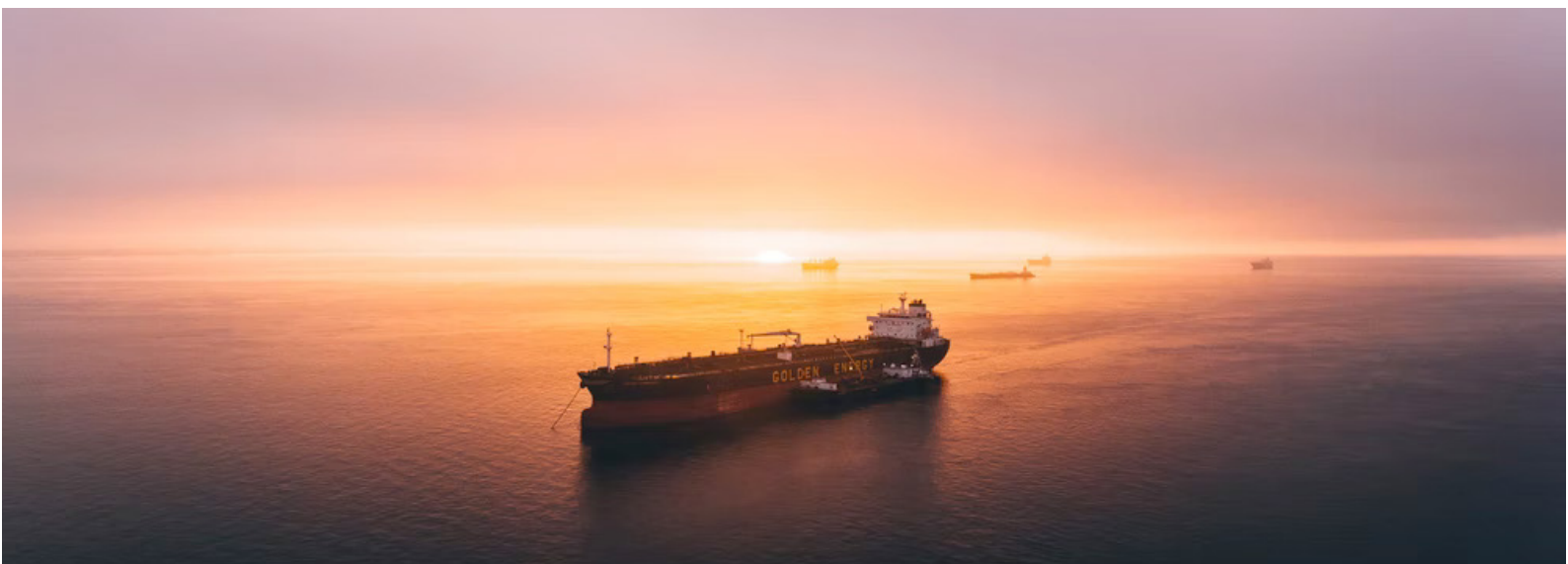
Bunker Price	Singapore <i>per 19th May</i>
FO380	644.50
FO180	-
MGO	1,036.50

*\* Inclusive VAT, Income tax & PBBKB.*

### Currency exchange Rate (USD)

Buy : IDR 14.657	Sell : IDR 14.804
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## Weather Forecast



Area	Weather	Winds	Swell
Samarinda	Chance of Storm 32°/22°C	8 - 19 km/h	0.1 - 0.6 m
Banjarmasin	Chance of Storm 33°/23°C	4 - 9 km/h	1 m
Balikpapan	Chance of Storm 31°/24°C	10 - 22 km/h	0.2 - 0.6 m
Tarakan	Chance of Storm 30°/26°C	7 - 24 km/h	0.1 - 0.6 m
Muara Satui	Chance of Storm 33°/23°C	7 - 14 km/h	0.2 - 0.4 m

## Congestion Information (Apr-May)

PORT	PORT STAY	TOTAL STAY
ADANG BAY	1,10	3,48
ASAM-ASAM	2,67	11,00
BCT	1,30	1,88
BALIKPAPAN	2,06	3,31
BUNATI	0,95	5,64
IBT	1,67	4,50
KALIORANG	2,71	7,00
KOTABARU	0,00	4,65
MUARA PANTAI	0,23	4,20
M.SANGKULIRANG	0,25	5,20
M.SATUI	3,00	7,39
NPLCT	0,00	2,56
PALEMBANG	0,20	8,70
SAMARINDA	1,28	7,49
TABONEO	1,28	7,22
TARAHAN	0,33	1,73
TARAKAN	2,68	8,61
TG.PEMANCINGAN	-0,30	5,21
TG.SABAU	0	5,53271991



# 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	
July	78.95	104.65	71.92	52.16	115.35	
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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## Indonesia Aims to Set Up Coal Levy Agency by June

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

### Highlights

Indonesia's government aims to establish a "special entity" by June to help secure coal supplies for the state power utility company and collect levies, energy minister Arifin Tasrif told parliament on Wednesday.

Following a coal supply crunch at the start of the year that was blamed on miners' poor compliance with a domestic sales requirement, a senior cabinet minister had proposed forming an agency to collect levies and using that revenue to help the utility PLN pay for its coal needs at market prices.

Since then, however, the government and a parliamentary committee have agreed that PLN will continue to buy coal at a maximum price of \$70 per tonne.

"There are a number of schemes and programs being discussed, but the main point is several big miners will be assigned to supply the coal (to PLN) and the price gap would be paid by the levy," Arifin told parliament members on Wednesday.

Indonesia requires coal miners to sell 25% of their output to the domestic market at capped prices to help the government control energy prices at home. However, miners' compliance with that rule deteriorated after global coal prices surged and they preferred to export their supplies instead.

Indonesia banned coal exports in January and set stricter rules for the domestic sales requirement.

Arifin told parliament on Wednesday the size of levies imposed on coal miners would depend on the size of their operations and other specifications, while other details on implementation were still being discussed

## China April Coal Imports Soar, Driven by Panic Orders in Early March

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

### Highlights

China's coal imports surged 43% in April from March, driven by panic buying over concerns of supply disruptions stemming from Russia's invasion of Ukraine.

China shipped in 23.55 million tonnes of coal last month, data from the General Administration of Customs showed on Monday. That compares with 16.42 million tonnes in March and 21.73 million tonnes in April 2021.

For the period of January-April, China brought in a total of 75.41 million tonnes of coal, down 16% from shipments in the same period a year earlier.

Benchmark Newcastle thermal coal hit a record high of \$440 a tonne in early March, fuelled by fears of tight supply as Western countries vowed to impose sanctions on Russia's financial system and energy products after it invaded Ukraine. Moscow calls its actions in Ukraine a "special operation".

As global coal prices stayed high while the Chinese central government ordered miners to boost domestic output and capped local prices, Chinese traders then shunned expensive seaborne cargos in favour of domestic sources.

China aims to churn out a record 12.6 million tonnes of coal each day and maintain coal prices under term contracts at 570-770 yuan (\$84.99-114.81) a tonne.

Meanwhile, the country's state planner in April urged 14 regions, including Guangdong, Guangxi and Zhejiang, which largely rely on imported coal, to sign more term contracts with the top mining hubs of Shanxi, Shaanxi and Inner Mongolia for domestic supply. Imports of the dirty fossil fuel could also be dented following wide shutdowns of industrial plants across China due to a flare-up of COVID-19 outbreaks.

Coal inventory at major power plants alongside Chinese coastal provinces was about 30 million tonnes in late April, comparing to an average level of about 25 million tonnes in 2016-2021, data compiled by Wind showed.

China's finance ministry has cut import tariffs for all types of coal to zero - from May 1, 2022, until March 31, 2023 - aiming to ensure energy security amid soaring global prices, but traders question whether it will drive up imports.

## China Pushes Utilities to Restock Coal Ahead of Demand Rebound

Source : [bnnbloomberg.ca](https://bnnbloomberg.ca)

### Highlights

China's industrialized southern provinces are racing to restock coal in case demand recovers later this month or supplies are disrupted by the heavy rains sweeping the region.

The economic powerhouse of Guangdong has asked its utilities to add another 5% to inventories this month, according to local media, while neighboring Guizhou has set aside more money for coal purchases. At a meeting of the State Council on Wednesday, Premier Li Keqiang announced measures to help bolster nationwide energy supplies after reiterating that Beijing won't allow provinces to cut off power to factories.



The concern is that parts of China could see a repeat of the energy crisis that struck in the fall. The restocking mandate comes as southern areas brace for what could prove a record-breaking rainy season. The China Meteorological Administration has raised its flood prevention alarm to the second highest level as downpours lash six provinces. Much of the burden on electricity demand is being met by fuller reservoirs and increased hydro power, which is easing pressure on coal consumption. But prolonged heavy rains also threaten to jam-up the transport networks upon which the flow of coal depend. The industrialized regions of the south are coal-scarce and far from the mines in the interior that are churning out record quantities of China's mainstay fuel.

Then there's the risk that coal demand will rebound strongly as industries are freed from the virus curbs that have throttled activity, and provinces ramp-up production to catch-up to their full-year targets.

"The push for replenishment is to make early preparation for any Covid rebound or bad weather that could slow transport," Feng Huamin, an analyst with the China Coal Transportation and Distribution Association, said at a briefing on Wednesday. CCTD expects coal-fired power demand to return to normal levels at the end of this month as new infections fall in Shanghai and elsewhere.

CCTD forecasts that China will produce 4.35 billion tons of coal in 2022, about 7% more than last year. But it still expects miners to fall short of the capacity expansion target of 300 million tons set by the government earlier this year, said Feng.

## US coal output forecast to rise by 3% this year

Source : [miningweekly.com](https://miningweekly.com)

### Highlights

In its 'Short-Term Energy Outlook', the EIA states that US coal production will increase by 20-million short tons (3%) in 2022 to 598-million short tons and by seven-million short tons (1%) in 2023.

Coal exports should do well over the next two years on the back of high global coal prices, while the electric power sector is expected to replenish inventories that were depleted in 2021.

However, labour shortages, rail congestion and challenges obtaining equipment are expected to limit production gains, the EIA warns.

The forecast production increase occurs despite the expectation that coal use in the power sector will decline, owing to renewable energy capacity increases in the electricity generation mix. The EIA says coal will provide 21% of total US generation in 2022 and 20% in 2023, compared with a share of 23% last year.



Coal will also not act as the primary substitute for natural gas in the power industry, despite the significantly higher natural gas fuel costs this year, the report notes. Natural gas generation will maintain its almost 37% share of the electricity generation mix in 2022, dipping to 36% in 2023. The share of electricity generation from renewable energy sources will rise from 20% in 2021 to 22% in 2022 and to 23% in 2023, as more solar and wind generating capacity is added.

## Vietnam Seeks to Boost Domestic Coal Production Amid Rising Import Prices

Source : [channelnewsasia.com](https://channelnewsasia.com)

### Highlights

Vietnam's state-owned coal miner Vinacomin will boost domestic production to meet rising demand for the fossil fuel amid surging global prices, the Ministry of Industry and Trade said on Wednesday.

The Southeast Asian country, a regional manufacturing powerhouse, earlier this year warned of electricity shortages due to tight coal supplies.

"Domestic demand for coal is at high levels, especially coal for power generation during the hot months of summer," Vinacomin Chief Executive Officer Dang Thanh Hai said in a statement.

Vinacomin, formally known as Vietnam National Coal-Mineral Industries Corp, produced 14.9 million tonnes of coal in the first four months of this year, up 10 per cent from a year earlier, according to the statement. This accounted for 90 per cent of the country's total coal output in the period.

The company targets producing 4 million tonnes in May, the ministry added.

Vietnam turned from a net coal exporter to a net importer nearly a decade ago and has been increasingly reliant on imported supplies for its power generation. Indonesia and Australia have been its key suppliers.

Vietnam plans to raise its annual coal imports to 46.5 million tonnes by 2025 and to 123.7 million tonnes by 2045 from 36 million tonnes last year, the ministry said last month.

Its coal imports in the January-April period fell 24.5 per cent year-on-year to 9.4 million tonnes, but the value of those imports more than doubled to \$2.39 billion due to rising prices, according to the government's customs data.

## ITL Vessel Line Up

Feb	Mar	Apr	Total Vessel
497	565	441	1503

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)	560	37%
2	India	247	16%
3	Indonesia	161	11%
4	Philippines	107	7%
5	Japan	78	5%
6	Korea	73	5%
7	Thailand	53	4%
8	Malaysia	51	3%
9	Vietnam	36	2%
10	Others	35	2%
11	Bangladesh	32	2%
12	Taiwan	31	2%
13	Pakistan	20	1%
14	Singapore	19	1%

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

PORT WISE			
No	Port	Shipments	Percentage
1	Samarinda	295	20%
2	Taboneo	243	16%
3	Adang Bay	122	8%
4	Palembang	119	8%
5	Bunati	114	8%
6	BCT	91	6%
7	Tarakan	90	6%
8	Muara Pantai	69	5%
9	Kaliorang	62	4%
10	Muara Sangkulirang	51	3%
11	Tg. Pemancingan	50	3%
12	Kota Baru	46	3%
13	Balikpapan	35	2%
14	NPLCT	31	2%
15	Tarahan	29	2%
16	Muara Satui	19	1%
17	TBCT	12	1%
18	Asam - Asam	17	1%
19	IBT	13	1%
20	Tg. Sabau	7	Below 1%

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



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## **Cargo Handling & Agency Services**

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