EURACOAL

European Association
for Coal and Lignite
AISBL

EURACOAL Market Report 2/2018

November 2018

WORLD COAL MARKET DEVELOPMENTS

Global Coal Trade

Coal was caught in the trade policy of the US administration to impose additional duties to steel and aluminium. Starting March 2018 worldwide and June 2018 for the initially exempted Canada, Mexico and European Union, the US imposed a 25% tariff on imports of steel, and a 10% tariff on aluminium. Some countries with large coal consumption took retaliatory measures, namely Turkey and China. However, little volume is involved, as the top three US coal export destinations, EU, India and South Korea, did not in the end impose any new additional duties to US coal.

China, which imported 2.9 Mt of US coal in 2017, increased coal tariffs, among others, by 25% on 23 August. This increase came in retaliation to a second round of additional US duties on a list of Chinese goods.

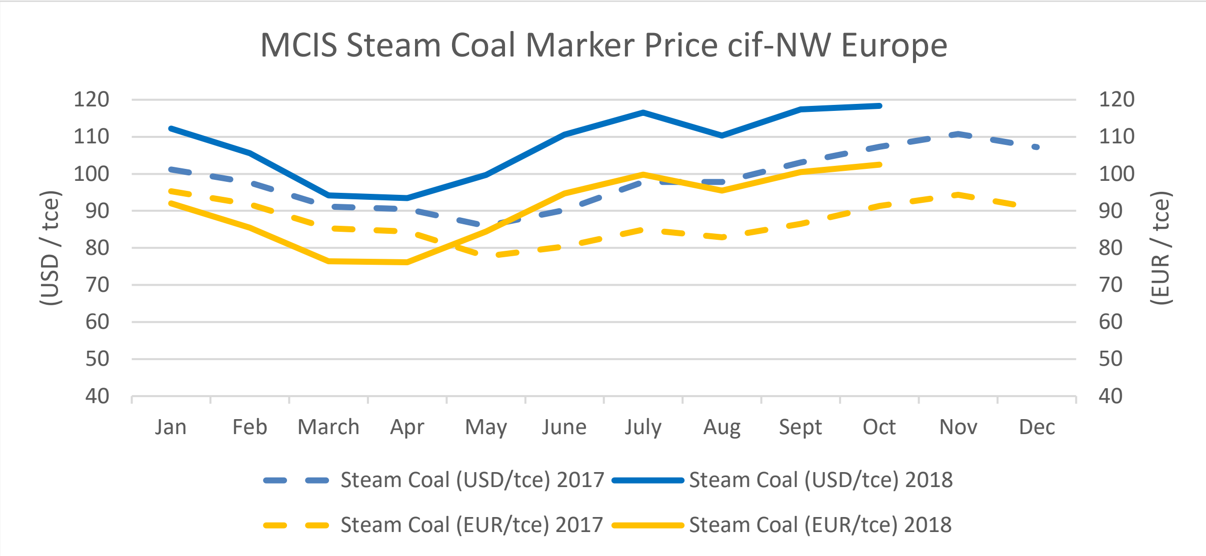
Turkey, which imported 2.3 Mt of US coal in 2017, included coal on its list of retaliatory measures, with an additional duty of 5% for coal and 4% for petroleum coke, in effect since 25 June 2018. The duty is half the level notified to the World Trade Organisation in May. In any event, Turkey exempted on-water cargoes from these new duties.

Meanwhile, Egypt, through state-held power utility Egyptian Electricity Holding Company (EEHC), proceeded with the largest new coal-fired project in the world, the 6.6 GW ultra-supercritical Hamrawein plant on the Red Sea coast. The contracts to build the first phase of the power plant were awarded to a Chinese consortium of Shanghai Electric and Dongfang Electric, and signed in September in Beijing. The consortium submitted a $4.4bn (€3.8 bn) bid for six units, which will need likely about 12 Mt per year.

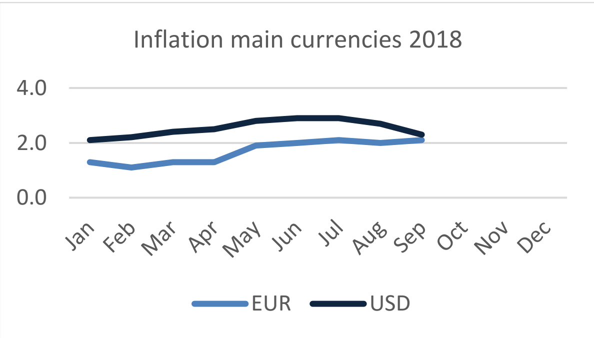
Coal Prices

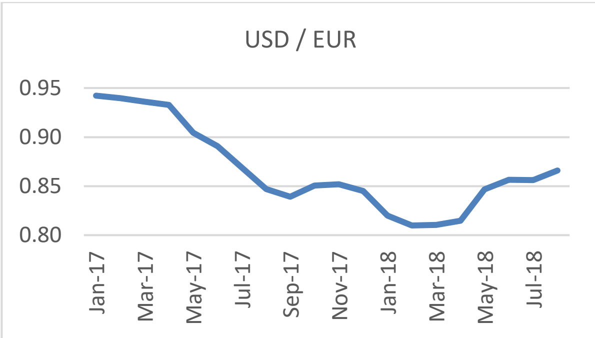
Coal prices remained high on the back of strong global demand and some concerns over supply. Increasing oil and gas prices and healthy crude steel output favoured coal as well. Oil prices went up from about $66 per barrel at the beginning of the year to around $73 per barrel in June for OPEC Basket Prices (Table 1). The cost of importing natural gas into Germany was €5 245/TJ on average in the first six months of 2018, 10% higher than in the same period of 2017, and 22% higher than in the same period of 2016. Global crude steel output increased in the first half of 2018 by almost 5% according to the World Steel Association.

China imposed several measures affecting coal imports. The National Development and Reform Commission (NDRC) announced in May nine actions to reduce the coal price: 1) increase production in three provinces by 0.3 Mt/day; 2) accelerate the commissioning of new mine capacity by 100 Mt/year; 3) priority for coal transport by rail; 4) better monitoring of term contract supply performance; 5) reduce coal demand by using more clean energy; 6) release 100 Mt of coal from reserves; 7) reduce industrial coal use in three provinces; 8) increase supervision to remove price-distorting activities; and 9) promote vertical integration of companies.

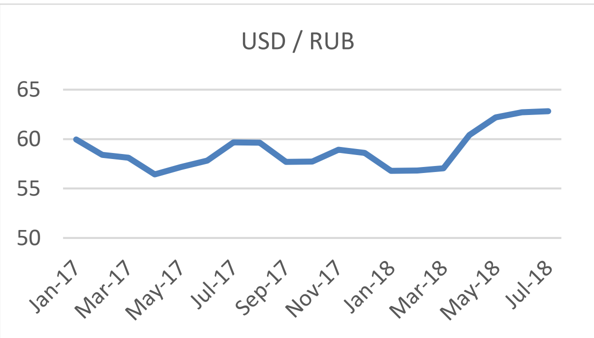


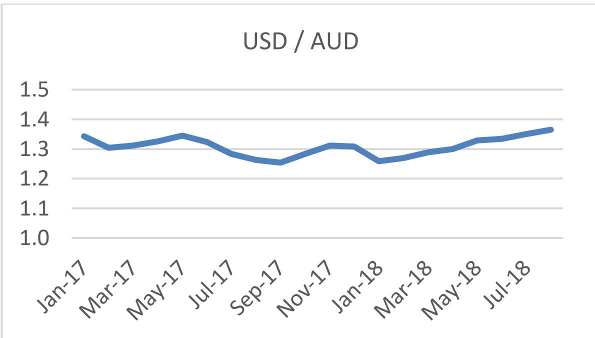
Source: VDKI, First week quotation of the month, basis 6000 kcal/kg (converted to 7000 kcal/kg)





Source: ECB; US Bureau of Labour Statistics; Trading Economics



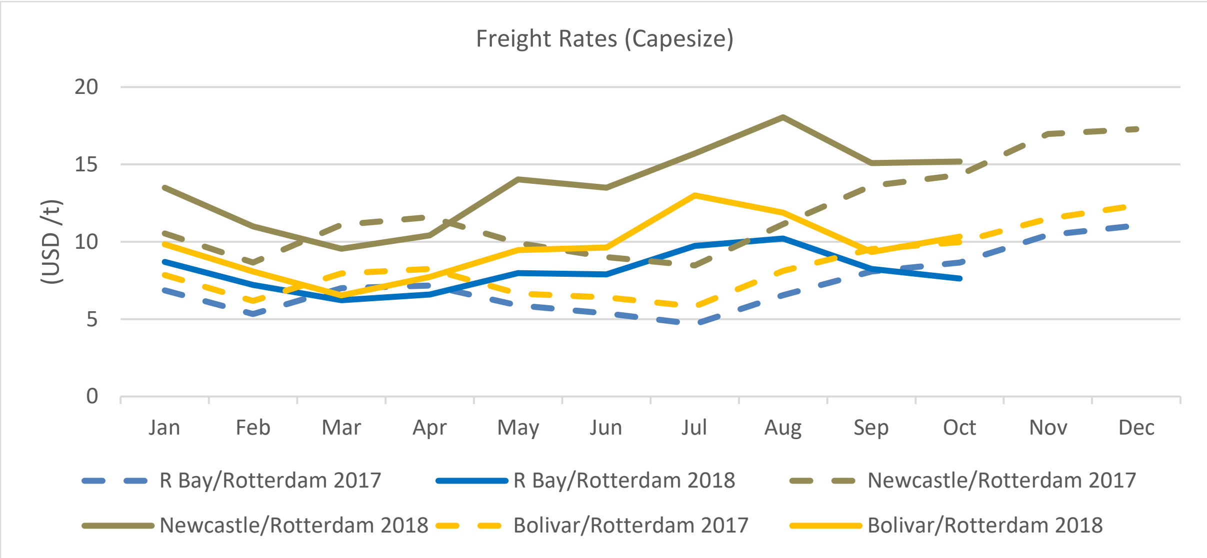


Source for currencies: ECB; OECD

Freight Rates

Freight rates remained so far in 2018 largely at higher levels than in the same period of 2017. Bolivar port in Colombia and South Africa's Richards Bay Coal Terminal further improved their competitive position in the European market compared with Australia's Newcastle port.

Meanwhile, two new Russian port terminals are in construction on the Barents Sea, in Murmansk and on the Black Sea at Taman. The Murmansk project is contracted by the State Transport Leasing Company for an 18 Mt/ year coal terminal with operations to start in 2020. The Taman project for a 20 Mt/year coal terminal is expected by the contractor, OTEKO, to start in 2018. The completion of both ports would redirect Russian current coal exports via Ukraine and the Baltic countries.



Source: VDKI, Frachtcontor Junge & Co

EUROPEAN COAL MARKET[1]

	2018 (1-6)	2017 (1-6)
	Mt	Mt
Hard coal imports	78.4	84.6
Domestic hard coal production	38.5	41.0
Lignite production	177.3	190.2

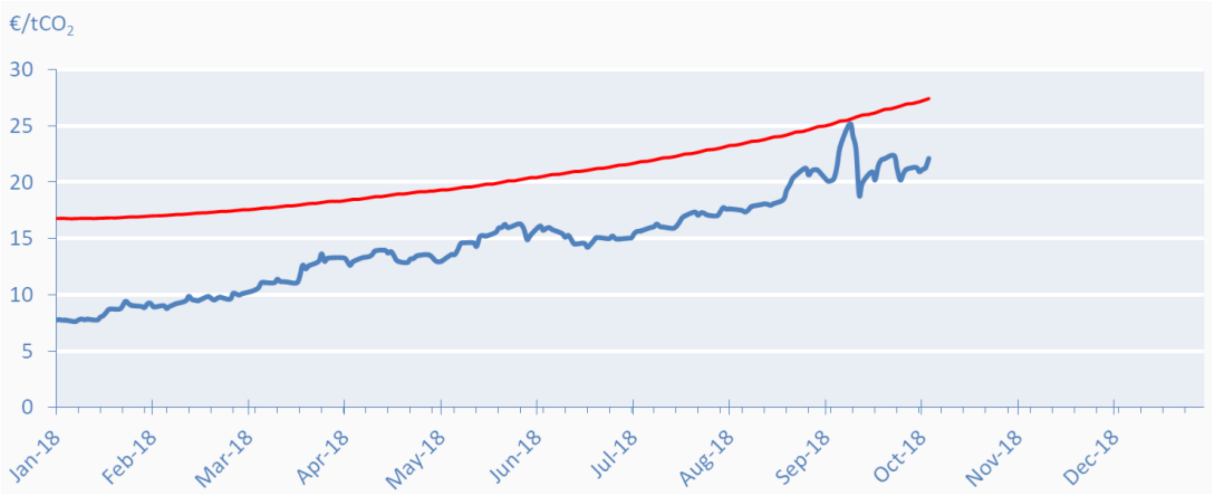
The European coal market started badly the year with production 6-7% lower in the first half of 2018 than in the same period of 2017. Coal imports were lower as well, despite higher steel production. Steam coal suffered because of lower coal use in the electricity sector, estimated to be 9.6% lower in the first six months of 2018 than in the same period of 2017, while overall electricity generation grew slightly, by less than 1%.

Coal-fired power generation was lower mainly due to the excellent performance of hydro which was 30.3% higher in the first six months of 2018 than in the same period of 2017. Hydro was up most notably by 68.2% in Spain, 42.8% in France, 34.9% in Italy, 42.9% in Bulgaria, 5.2% in Germany and by over 65% in Greece. In addition, wind power generation was a high contributor, with an 8.7% increase in the first six months of 2018 compared with the same period of 2017, with strong growth in Germany (+14.7%), the UK (+6.1%) and Spain (+11.0%). It has been a wet and windy year so far, which affected conventional thermal generation, particularly coal and gas as nuclear was rather stable, with 0.5% growth.

[1] All European coal production and trade data come from EURACOAL members or government sources.

EU Carbon Prices

European carbon allowances have been one of the best-performing “commodities” in 2018. Prices have tripled since the beginning of the year. While this has been a boon for hedge funds and investment banks, it has pushed electricity prices higher as each April European power utilities must surrender allowances to cover their emissions over the previous calendar year.



Source: EEX, EU Emission Allowances | Secondary Market and rolling 2-year average (red line), retrieved: 5/10/2018

The rally started in the second half of 2017, but really took off in 2018, reaching 25.58 €/EUA in September from around 8 €/EUA at the beginning of the year.

Most analysts point to the recent reform of the EU Emissions Trading System Directive as a reason for the price rally. The reform was concluded in early 2018 and will remove a large number of allowances from the system. The reform will decrease the annual cap at a steeper rate, meaning an absolute decrease of 48 million allowances every year from 2021. Note that the supply of allowances was around 1 500 million in 2016, with some analyses showing 1 700 million allowances still in the market from previous years. From 2019, the market stability reserve (MSR) will cut annual auction volumes by an estimated 400 million allowances during its first two years of operation. Then, in 2023, the permanent cancellation of allowances from the MSR will remove up to 2 400 million allowances.

Some analysts report that financial market players are taking increasingly long positions, expecting further price increases, as they do not have to surrender allowances every April. In this way they are contributing to the bull market. The higher allowance prices have also encouraged utilities to stockpile allowances themselves, hedging against future volatility.

Contrary to expectations, the higher allowance prices have had little impact so far on coal burn at European power plants. Competition from gas-fired power plants has been weak as gas suppliers chose to raise prices rather than supply more gas.

HARD COAL

Producing country	**2018 (1-6)**	**2017 (1-6)**
	Mt	**Mt**
Czech Republic	2.1	2.7
Germany	2.2	2.2
Poland	31.8	32.8
Spain	1.1	1.7
United Kingdom	1.4	1.6
Total	**38.5 (-6.1%)**	**41.0**

Czech Republic

Hard coal production in the Czech Republic amounted to 2.1 Mt in the first half of 2018, 0.6 Mt lower in comparison with the same period of 2017. Hard coal exports decreased to 0.9 Mt, 0.2 Mt lower, mainly to Slovakia (0.4 Mt), Poland (0.2 Mt) and Austria (0.2 Mt), of which 0.6 Mt were coking coal. Hard coal imports in the first half of the year slightly decreased to 1.7 Mt, 0.1 Mt lower, mostly from Poland (1.3 Mt), Russia (0.2 Mt) and the USA (0.1 Mt), of which 1.1 Mt were coking coal.

In corporate news, OKD, the only Czech hard coal producer, owned by the Czech state through Prisko a.s., should discontinue coal extraction in 2023 according to the restructuring plan. However, there are considerations of extending the lifetime of OKD´s mine after this date.

Denmark

Danish coal imports slightly decreased to 1.3 Mt in the first half of 2018, compared with 1.4 Mt in the same period of 2017.

Denmark has currently three coal-fired power plants: Fynsværket, owned by Funen District Heating, Nordjyllandsværket, owned by Aalborg Energi Holding A/S, and Esbjergværket, owned by Ørsted.

In its 2018 Security of Electricity Supply Report, Energinet, the Danish transmission operator, expects some brownouts on rare occasions over the next 10 years in Eastern Denmark, *i.e.* the controlled disconnections of electricity consumers in selected areas. Several initiatives are considered to avoid this, including new interconnectors and a strategic reserve.

Finland

Data for first half of 2018 show that coal imports decreased to 1.5 Mt, 0.9 Mt being steam coal, compared with 1.7 Mt in the same period of 2017.

The Finish government announced in April 2018 that coal use in energy production will be banned by law from 2029, and sent a proposal to the Parliament in October 2018. Meanwhile, final commissioning of the Olkiluoto 3 nuclear plant was delayed again from May to September 2019.

France

France's coal imports decreased to 6.9 Mt in the first half of the year, from 7.8 Mt in the same period of 2017. The steam coal imports fed the four coal-fired power plants: 1 200 MW Cordemais (EDF), 600 MW Le Havre (EDF), 620 MW Emile Huchet (Uniper) and 600 MW Provence (Uniper).

Part of the decline in coal use was caused by strikes in April which stopped electricity generation at both Cordemais units.

The French President has announced that all coal-fired power plants will be closed by 2021. Uniper replied in August that such a move would make them reconsider their entire business in the country.

Germany

In the first half of 2018, coal production remained around 2.2 Mt, but will cease entirely by the end of the year. Coal imports declined to 21.0 Mt, 4.5 Mt lower than in the same period of 2017, mostly from Russia, the United States and Australia.

The decrease in imports is due to a lower share of coal in electricity production. Hard coal-fired electricity generation decreased by 21.5% in the first half of 2018 to 40.3 TWh, covering 12.4% of the German electricity market.

On corporate news, E.ON sold its 47% stake in Uniper to the Finland's Fortum for a reported €3.7 billion. The deal has received the approval of anti-trust regulators. Uniper's coal assets comprise 12 GW: 2.3 GW in Russia at Berezovkaya, 3.8 GW in Germany, plus the new 1.1 GW Datteln 4, 2.0 GW in the UK at Ratcliffe-on-Soar, 1.2 GW in France at Emile Huchet and Provence and 1.1 GW in the

Netherlands at Maasvlakte. Commercial operation of the Datteln 4 unit was further delayed to summer 2020, due to replacement of boiler walls.

Germany launched a “Special Commission on Growth, Structural Change and Employment” to discuss the role of coal and lignite in the next decades. Members of the commission include representatives from government, civil society, businesses and trade unions. The commission is expected to submit initial findings in October 2018 and a full report with recommendations by the end of the year.

Ireland

Preliminary data for the first six months of 2018 show hard coal imports were at 0.9 Mt or 0.3 Mt lower than in the same period of 2017. The current estimate for peat production is 2.4 Mt for the first six months of 2018, 0.4 Mt higher than in the same period of 2017.

Italy

Italian coal imports decreased to 6.7 Mt in the first half of 2018, compared with 8.0 Mt in the same period of 2017. Steam coal imports were affected most, as the Italian steel industry is performing well, second only to Germany.

The Netherlands

The coal-fired generation capacity of the Netherlands has increased in recent years, from 3.9 GW to 4.7 GW, which is reflected in higher coal imports, estimated at 6.7 Mt in the first half of 2018.

The Dutch government announced on 18 May the closure of the country’s coal fleet by 2030. The two oldest coal-fired power plants, in operation since 1994, Vattenfall’s 630 MW Hemweg unit 8 and RWE’s 635 MW Amer unit 9, were notified to stop burning coal after 2024. The remaining three coal-fired power plants have to stop burning coal from 2030. Uniper and RWE are seeking compensation for these premature closures.

Poland

Hard coal production in Poland slightly decreased in the first half of 2018 to 31.8 Mt, 1.0 Mt lower compared with the same period in 2017.

Polish hard coal exports decreased in the first half of 2018 to 2.0 Mt, 1.6 Mt lower compared with the same period in 2017. Imports of hard coal into Poland, however, increased, to 9.1 Mt in the first half of 2018, 4.4 Mt higher compared with the same period in 2017, largely from Russia (6.5 Mt), the United States (0.8 Mt), Colombia (0.7 Mt) and Australia (0.4 Mt). While coking coal imports remained at the same level as in 2017, at 1.5 Mt, steam coal imports increased to 7.6 Mt. The higher imports are not an unusual situation, similar levels being recorded in 2010-2011.

The Nowa Ruda coking coal mine in South West Poland, a new mining project by Australia’s Balamara Resources, made progress. Company executives hope to start construction in the first half of 2019 with first coal production in late 2020.

Spain

Coal production in the first six months of 2018 was 1.1 Mt or 0.6 Mt lower than in the same period of 2017. Provisional figures for coal imports in the first six months show 7.3 Mt, much lower than the 9.4 Mt recorded in the same period in 2017.

The political scene in Spain changed dramatically for the energy sector after the Conservative government of Mariano Rajoy was replaced in June 2018 by a Socialist alliance led by Pedro Sánchez. The new government announced a more aggressive stance on coal.

Soon after the new government was approved, the 1.2 GW Anllares coal-fired power plant, owned by Fenosa, was approved for closure at the end of 2018.

There are currently discussions on the status of Spanish coal mines, as the state aid must expire in December 2018 according to EU legislation.

Turkey

Coal production and imports in Turkey increased overall in the first half of 2018 compared with the same period in 2017. Hard coal production, at 0.6 Mt, slightly declined compared with the first half of 2017; while lignite production increased to 39.3 Mt. Coal imports slightly increased to 16.0 Mt in the first half of 2018, from 15.8 Mt in the same period of 2017.

Turkey is confronted with a large drop in value of its lira, which lost almost half of its value compared with the US dollar in 2018. The loss of value affected gas imports priced in US dollars. The natural gas pipeline company, BOTAS, announced a 50% hike in gas prices for power producers from 1 August. This gas price hike helped coal-fired power plants, which were themselves confronted with higher coal import prices. Most advantaged were power plants using domestic lignite, which saw a large increase in production.

United Kingdom

In the first half of 2018, coal accounted for 6.9% of power generation in the UK, lower than the 8.3% share recorded in the same period of 2017.

Coal production was 1.4 Mt or 0.2 Mt lower than in the same period of 2017, while imports stood at 4.8 Mt, 0.8 Mt higher. Higher imports were the result of difficult weather conditions and high gas prices in spring 2018, which put clean dark spreads over clean spark spreads in the UK. This situation was repeated during some weeks of autumn 2018.

The main coal suppliers to the market in the first half of 2018 were Russia (1.95 Mt, 35% share) and UK producers (1.35 Mt, 24%), followed by the United States (1.43 Mt, 25%).

The UK government's Clean Air Strategy aims to eliminate the use of house coal, which would badly affect indigenous coal producers and increase energy poverty. Separately, the UK Climate Change Committee has been tasked to devise a way to achieve a net-zero emission target by 2050.

Ukraine

Ukrainian hard coal production decreased to 16.5 Mt in the first half of 2018, 1.9 Mt lower than in the same period of 2017. However, coal consumption in electricity generation increased to 11.7 Mt, 0.8 Mt higher than in the same period of 2017.

Imports stood at 11.7 Mt. Many coal units have been or are being converted from burning anthracite to lower grade coal, following the conflict in Eastern Ukraine.

LIGNITE

Producing country	2018 (1-6)	2017 (1-6)
	Mt	Mt
Bulgaria	13.4	16.7
Czech Republic	19.4	19.3
Germany	84.2	86.5
Greece	14.0	18.3
Hungary	3.5	3.5
Poland	28.9	30.7
Romania	11.4	12.3
Slovak Republic	0.8	1.0
Slovenia	1.6	1.9
Total	**177.3 (-6.8%)**	**190.2**

Bulgaria

Coal production and use decreased in the first half of 2018, in comparison with the same period of 2017. Lignite production decreased to 13.4 Mt from 16.7 Mt in 2017, while lignite deliveries to power plants stood at 13.4 Mt, down from 16.9 Mt in 2017.

ČEZ, owner of the 1 265 MW Varna coal power plant, sold this asset in December 2017 to SIGDA, a Bulgarian company.

Czech Republic

Brown coal production in the Czech Republic slightly increased to 19.4 Mt in the first half of 2018, 0.1 Mt more than in the same period in 2017. Brown coal exports remained stable at approximately 0.4 Mt, mainly to Slovakia, Poland and Hungary. Brown coal imports were minor at 0.08 Mt from Poland and Germany.

Overall electricity generation slightly decreased to 43.4 TWh in the first half of the year. Hard coal (-44%) and brown coal (-2%) generation both decreased, while hydro (+60%), nuclear (+7%) and wind (+7%) had higher generation levels.

On policy, a draft amendment to the Mining Act, concerning royalty rates and a special escrow account to finance reclamation and mining damage, will be submitted to the Parliament.

Germany

Lignite production in the first half of 2018 was 84.2 Mt in Germany, 2.3 Mt lower than in the same period of 2017. This lower production was due to lower power generation from lignite, 71.1 TWh or 3.1% lower in first half of 2018 compared with the same period of 2017.

Other uses for lignite, such as briquettes and industrial products, had a good start to the year, production in January-August increasing by 0.7% to 4.3 Mt.

The number of workers in the German lignite industry in August 2018 was 21 032, higher than the previous year, although some statistical changes were made.

LEAG will place the 0.5 GW Jänschwalde unit F in the four-year “security standby” reserve from 1 October 2018. The security standby is a measure taken by the German government together with utilities to put certain older lignite units in a strategic reserve for four years prior to closure. This measure is taken in order to reduce GHG emissions.

Coal-fired cogeneration units commissioned after 2018 will no longer benefit from a surcharge relief under the EEG (Erneuerbare Energien Gesetz). A change in the EEG Act, approved by the European Commission, would limit the exemption only to “the CHP installation […] operated exclusively based on gaseous fuels.”

Greece

Lignite production at mines owned by the Public Power Corporation (PPC) and smaller mines was 14.0 Mt in the first half of 2018, 4.3 Mt lower than in the same period of 2017. This decline was due to lower lignite-fired power generation (-7.8%), influenced in turn by higher hydro production (+75%) and electricity imports (+16.9%). Coal imports for the same period are estimated to be 0.2 Mt, broadly the same as 2017.

Currently, there are fourteen lignite units in operation in Greece with a total installed capacity of 4 337 MW. Six units with a total capacity of 1 812 MW will stop operation between 2020 and 2022. One 660 MW lignite unit is under construction at Ptolemais. Another new 450 MW project is under consideration.

In 2018, PPC started a divestment process with a public tender for its lignite-fired units at Meliti (including the licensed Meliti 2 unit) and Megalopoli 3 and 4. This divestment is in response to a European Commission decision of March 2008 which found that Greece was infringing competition rules. Six parties submitted bids: three Greek companies Mytilineos, GEK TERNA and Elvalhalcor, a consortium of Beijing Guohua Power Company Ltd. and Damco Energy S.A., and the Czech companies Indoverse Coal Investments Ltd and Energeticky a průmyslový holding (EPH).

Hungary

The coal situation in Hungary during the first half of 2018 remained generally the same as the previous year. Coal production stood at 3.5 Mt in the first half, the same as in the first half of 2017. At 3.4 Mt, lignite was used overwhelmingly for electricity production. Hard coal imports were low at 0.8 Mt, mostly coking coal.

Lignite-fired electricity generation provided 2.0 TWh or 13.4% of gross electricity generation in Hungary during the first half of 2018.

The lignite-fired Matra power plant is now owned 72.6% by Mátrai Energy Holding, 26.2% by MVM and 1.2% by others, following the sale in 2017 by Germany’s RWE and its partners.

Poland

In the first half of 2018, lignite production stood at 28.9 Mt or 1.8 Mt lower than in the same period of 2017.

The Polish government approved in June a new strategy for the lignite mining industry that should see the development of new lignite deposits. Meanwhile, PGE announced that it had received an environmental approval to exploit the 600 million-tonne Złoczew lignite deposit, situated about 60 km from Bełchatów mine. Złoczew mine is intended to supply the power plant at Bełchatów.

Romania

Lignite production decreased to 11.4 Mt in the first half of 2018, mainly mined by Oltenia Energy Complex, the second largest electricity company in Romania.

The draft Energy Strategy for 2018-2030, published by the Energy Ministry on 19 September, foresees the construction of a 600 MW lignite-fuelled unit at Rovinari after 2020. The project includes carbon capture and storage (CCS) after 2035.

Slovakia

Lignite production slightly decreased to 0.8 Mt in the first half of 2018 or 0.2 Mt lower than in the same period of 2017. The reduction in domestic production was partially balanced by coal imports, which increased to 2.0 Mt in the first half of 2018, from 1.9 Mt in the same period of 2017.

Slovenia

Lignite production decreased to 1.6 Mt in the first half of 2018, 0.3 Mt lower than in the same period of 2017. The government proposed in March a draft Energy Concept for Slovenia, but progress was interrupted by a change of government in September 2018.

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TABLE 1

World Market Price evolution (Coal, Coke, Freight, Crude Oil)

MCIS Steam Coal Marker Price (7000kcal/kg)

		Jan	Feb	March	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
cif-NW Europe													
Steam Coal	**2017**	101.15	97.64	91.16	90.50	85.93	90.25	97.81	97.79	103.06	107.33	110.76	107.25
(US$/tce)	**2018**	112.23	105.54	94.21	93.45	99.75	110.58	116.55	110.28	117.41	118.35		
Steam Coal	**2017**	95.30	91.75	85.33	84.41	77.72	80.38	84.98	82.83	86.50	91.30	94.36	90.61
(EUR/tce)	**2018**	92.01	85.47	76.37	76.13	84.45	94.69	99.80	95.50	100.47	102.48		

Source: VDKI, McCloskey: First week quotation of the month, basis 6000 kcal/kg (converted to 7000 kcal/kg)

Freight Rates (USD/t)

		Jan	Feb	March	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
R Bay/Rotterdam	**2017**	6.86	5.33	7.01	7.18	5.88	5.37	4.68	6.55	8.08	8.65	10.44	11.05
(Capesize)	**2018**	8.69	7.21	6.23	6.59	7.98	7.89	9.73	10.21	8.24	7.63		
Newcastle/Rotterdam	**2017**	10.54	8.66	11.09	11.60	9.91	9.02	8.47	11.13	13.63	14.32	16.96	17.28
(Capesize)	**2018**	13.50	11.00	9.55	10.41	14.03	13.50	15.71	18.05	15.08	15.18		
Bolivar/Rotterdam	**2017**	7.86	6.18	7.96	8.25	6.65	6.40	5.82	8.12	9.53	9.98	11.5	12.35
(Capesize)	**2018**	9.84	8.08	6.54	7.74	9.47	9.63	13.00	11.89	9.33	10.33		

Source: VDKI, Frachtcontor Junge & Co

Currency Rates

		Jan	Feb	March	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
USD / EUR	**2017**	0.94	0.94	0.94	0.93	0.90	0.89	0.87	0.85	0.84	0.85	0.85	0.84
	2018	0.82	0.81	0.81	0.81	0.85	0.86	0.86	0.87	0.86	0.87		
USD / RUB	**2017**	59.96	58.39	58.10	56.43	57.17	57.82	59.67	59.65	57.69	57.73	58.92	58.59
	2018	56.78	56.81	57.03	60.43	62.21	62.71						
USD / AUD	**2017**	1.34	1.30	1.31	1.33	1.35	1.32	1.28	1.26	1.25	1.28	1.31	1.31
	2018	1.26	1.27	1.29	1.30	1.33	1.33						

Source: ECB; OECD

Crude Oil (USD/Barrel)

		Jan	Feb	March	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Crude Oil	**2017**	52.40	53.37	50.32	51.37	49.20	45.21	46.93	49.60	53.44	54.90	60.74	62.06
	2018	66.85	63.48	63.76	68.43	74.11	73.22	73.27	72.26	77.18	81.78		

Source: OPEC Basket Prices

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TABLE 2

WORLD SEABORNE COAL TRADE - STEAM COAL			
Exporting Countries	**2018 (1-6) Mt**	**2017 (1-6) Mt**	**Diff. 2018/17 (1-6) Mt**
PACIFIC			
Australia	99.3	97.2	2.1
Canada	0.2	1.0	-0.8
China*	1.5	3.4	-1.9
Indonesia	206.7	183.0	23.7
Russia	38.1	35.9	2.2
South Africa	35.3	31.9	3.4
USA	11.7	6.8	4.9
Others	10.0		
SUB-TOTAL	**402.8**	**359.2**	**33.6**
ATLANTIC			
Canada	0.2	0.3	-0.1
Colombia	31.3	36.4	-5.1
Indonesia	3.3	2.6	0.7
Russia	50.3	40.8	9.5
South Africa	4.4	8.3	-3.9
USA	11.7	9.4	2.3
Others			
SUB-TOTAL	**101.3**	**97.8**	**3.5**
Non-specified and others	**1.7**	**7.6**	**-5.9**
TOTAL	**505.7**	**464.6**	**41.1**

incl. Anthracite
*the first 5 months
Source: IHS Markit provisional data and own calculations

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TABLE 3

WORLD SEABORNE COAL TRADE - COKING COAL			(inc. PCI-Coal)
Exporting Countries	**2018 (1-6)** **Mt**	**2017 (1-6)** **Mt**	**Diff. 2018/17 (1-6)** Mt
Australia	87.3	81.4	5.9
Canada	14.5	13.4	1.1
China*	0.5	1.9	-1.4
Russia	11.5	11.4	0.1
USA	27.3	21.9	5.4
Others	1.5	0.0	1.5
TOTAL	**142.6**	**130.0**	**12.6**

*China-the first 5 months

Source: IHS Markit and own calculations

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TABLE 4

EU CRUDE STEEL PRODUCTION		
COUNTRY	2018 (1-6) Mt	2017 (1-6) Mt
Austria	3.8	4.1
Belgium	4.0	4.0
Bulgaria	0.3	0.3
Czech Republic	2.5	2.5
Finland	2.1	2.1
France	8.0	7.9
Germany	22.5	22.2
Greece	0.8	0.7
Hungary	1.0	0.9
Italy	12.8	12.4
Luxembourg	1.2	1.1
Netherlands	3.5	3.4
Poland	5.2	5.1
Slovakia	2.6	2.5
Slovenia	0.4	0.3
Spain	7.5	7.3
Sweden	2.4	2.4
United Kingdom	3.9	3.8
Others	2.9	2.9
EU-28	87.3	85.9

Source: World Steel Association

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TABLE 5

EU Hard coal and lignite production and consumption

	Hard coal production		Consumption of hard coal for power generation	
COUNTRY	1-6 2018 Mt	1-6 2017 Mt	1-6 2018 Mt	1-6 2017 Mt
Czech Republic	2.1	2.7	0.7	1.2
Germany	2.2	2.2	n.a.	n.a.
Poland	31.8	32.8	n.a.	15.2
Spain	1.1	1.7	n.a.	10.3
United Kingdom	1.4	1.6	3.9	4.5
EU-28*	**38.5**	**41.0**	**n.a.**	**n.a.**
Ukraine	16.5	18.4	11.7	10.9
Turkey**	0.6	0.7	8.9	8.5

	Lignite production		Lignite consumption for power generation	
COUNTRY	1-6 2018 Mt	1-6 2017 Mt	1-6 2018 Mt	1-6 2017 Mt
Bulgaria**	13.4	16.7	13.4	16.9
Czech Republic	19.4	19.3	14.7	14.9
Germany	84.2	86.5	75.2	78.0
Greece	14.0	18.3	n.a.	18.0
Hungary	3.5	3.5	3.4	3.4
Poland	28.9	30.7	n.a.	n.a.
Romania	11.4	12.3	12.3	12.5
Slovak Republic	0.8	1.0	n.a.	n.a.
Slovenia	1.6	1.9	n.a.	n.a.
EU-28*	**177.3**	**190.2**	**n.a.**	**n.a.**
Serbia	20.8	17.5	17.9	17.7
Turkey***	39.3	26.5	35.2	21.8

**large producers only*

***Bulgaria - Fuel consumption in public TPPs not surveyed since 2017. Replaced by inland deliveries to TPPs.*

****Turkey - Since January 2018, lignite deliveries to TPPs include asphaltite.*

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TABLE 6

EU Hard coal imports

	Coking coal imports		Steam coal imports		Total hard coal imports	
COUNTRY	**1-6 2018 Mt**	**1-6 2017 Mt**	**1-6 2018 Mt**	**1-6 2017 Mt**	**1-6 2018 Mt**	**1-6 2017 Mt**
Austria					1.8	1.8
Belgium		1.0		0.8	2.0	1.8
Bulgaria					0.5	0.5
Croatia					0.2	0.5
Czech Republic	1.1	0.9	0.6	1.0	1.7	1.9
Denmark					1.3	1.4
Finland	0.5	0.6	0.9	1.0	1.5	1.7
France					6.9	7.8
Germany	6.3	6.5	14.7	19.0	21.0	25.5
Greece					0.2	0.2
Hungary	0.7	0.7	0.1	0.1	0.8	0.7
Ireland*					0.9	1.2
Italy					6.7	8.0
Netherlands	2.2	1.3	4.5	6.6	6.7	7.9
Poland	1.5	1.5	7.6	3.2	9.1	4.7
Portugal					1.7	2.5
Romania					0.4	0.3
Slovakia					2.0	1.9
Slovenia					0.0	0.0
Spain		0.9		8.5	7.3	9.4
Sweden					1.0	0.9
United Kingdom	1.4	1.3	3.4	2.7	4.8	4.0
EU-28					**78.4**	**84.6**
Ukraine	6.6	n.a.	4.5	n.a.	11.1	n.a.
Serbia**	n.a.	n.a.	n.a.	n.a.	0.2	0.5
Turkey	n.a.	n.a.	n.a.	n.a.	16.0	15.8

**includes bituminous coal, anthracite, patent fuel and BKB*
***includes lignite*
Source: EURACOAL members, McCloskey, VDKi, national government statistics, Eurostat