EURACOAL

European Association for Coal and Lignite AISBL

EURACOAL Market Report 2019 no.2

November 2019

WORLD COAL MARKET DEVELOPMENTS

Global Coal Trade

Global coal production and trade grew in the first half of 2019 *c.f.* H1 2018. Production in China grew by 62 Mt (+4%), according to official statistics. Indian coal production grew by 18 Mt (+5%), followed by Indonesia with an additional 12 Mt of hard coal (+4%). However, Indonesia's domestic coal supply obligation has led to sanctions against some mining companies and doubts remain about the accuracy of production and export figures. In Russia, the coal industry has agreed with President Putin to increase its production from 440 Mtpa to 550-670 Mtpa by 2035, mostly for Asia as the EU will, by then, not require much coal. Coal production declined in Colombia and the US.

Global seaborne coal trade grew by an estimated 3.0% to 668.9 Mt in H1 2019 (see Tables 2 and 3). The top exporters, Australia (+5.9 Mt, +3.2%), Indonesia (+18.6 Mt, +8.8% including lignite) and Russia (+5.4 Mt, +5.4%), enjoyed growth, while Colombia (-5.8 Mt, -14.0%) and the US (-6.7 Mt, -13.2% excluding to Canada) fell back. In China, the newly completed 1 813 km Haoji (formerly Menghua) railway from Erdos in Inner Mongolia goes through Shanxi and Shaanxi to Jiangxi province in the south, with a capacity of 200 Mtpa This massive US$27 billion project avoids the time and expense of shipping Chinese coal to eastern ports and then along the coast to consumers in the south. It could also reduce China's need for Australian coal.

Global crude steel output increased in H1 2019 by 5.3% year-on-year to 925.1 Mt, according to the World Steel Association. EU output fell by 2.5% to 84.7 Mt in the six-month period (Table 4), even though demand was buoyed by the construction of the Nord Stream 2 gas pipeline.

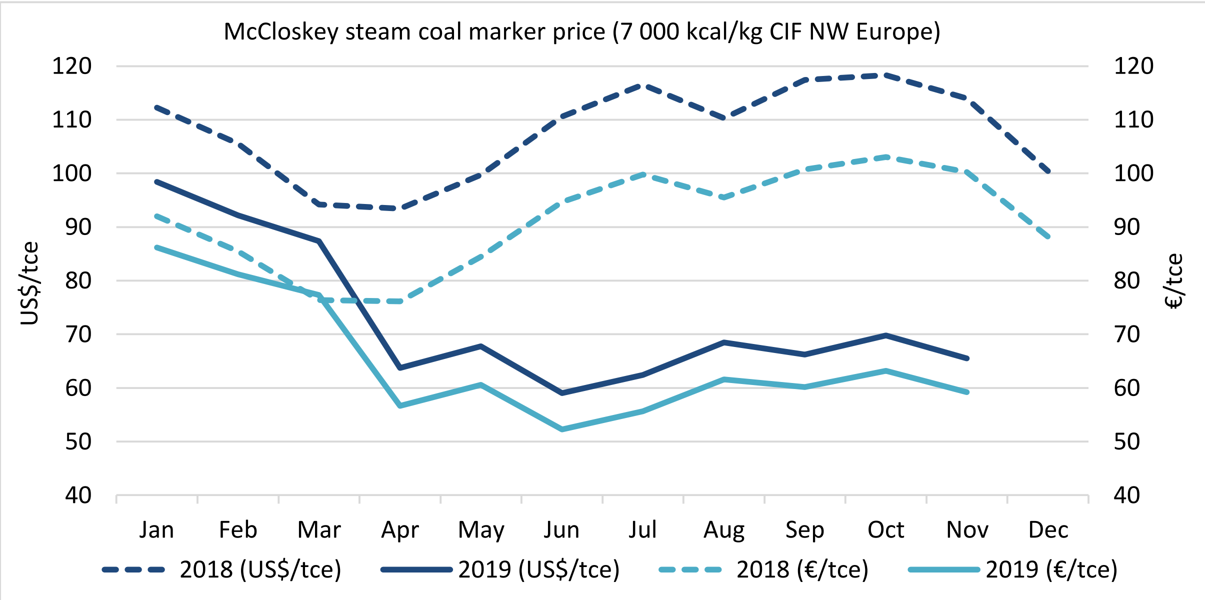
Coal Prices

Steam coal prices crashed in spring 2019, with only Chinese domestic prices holding up thanks to government support measures to keep local prices within a 90-120 US$/tonne band. In Europe, steam coal prices fell to 47 US$/tonne at the end of June, having started the year at about 85 US$/tonne (Table 1). Since then, prices have hovered close to 60 US$/tonne. Coal futures suggest prices will rise, perhaps explaining the high ARA stocks of 8.5 Mt in October 2019.

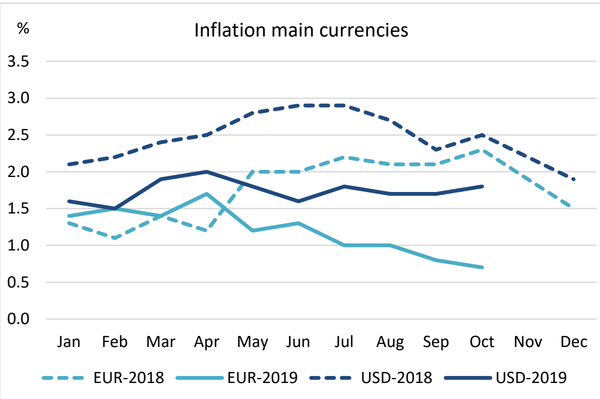
From September 2018 to June 2019, with no shortage of pipeline gas from Norway and Russia, or LNG from the wider international market, European gas prices fell by two thirds to reach a ten-year low of 3.20 US$/MMBtu (10 €/MWh) in the Netherlands. On a pure energy basis, this is equivalent to a steam coal price of 85 US$/tonne, before even considering relative power generation efficiencies and carbon prices. Although natural gas prices have since recovered, to around 15 €/MWh in November 2019, gas remains very competitive in the crucial power generation market. In fact, a *tsunami* of LNG has hit coal trade everywhere, including in Europe where the clean-spark spreads have been positive and clean-dark spreads negative in both the UK and Germany.

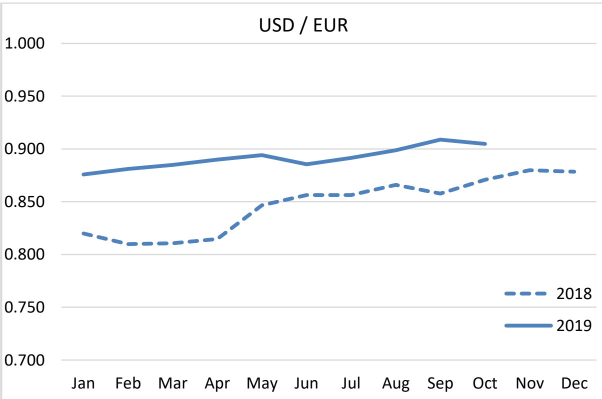
Coking coal prices remain volatile and all are in general decline, with Australia coking coal exporters facing particularly large discounts, not helped by China's apparent decision to halt coal imports through Jingtang port and its use of quotas. During the first half of 2019, Australian prime hard coking coal prices held firm, averaging 200 US$/tonne. However, by the end of September 2019, the price of this coking coal had plummeted to 130 US$/tonne.

The OPEC Reference Basket oil price rose from around 60 US$/bbl at the start of 2019 to around 70 US$/bbl in the summer, before falling back to around 60 US$/bbl in October 2019 (Table 1).

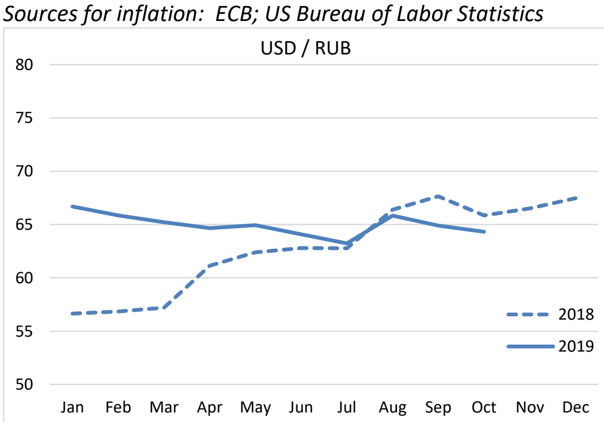


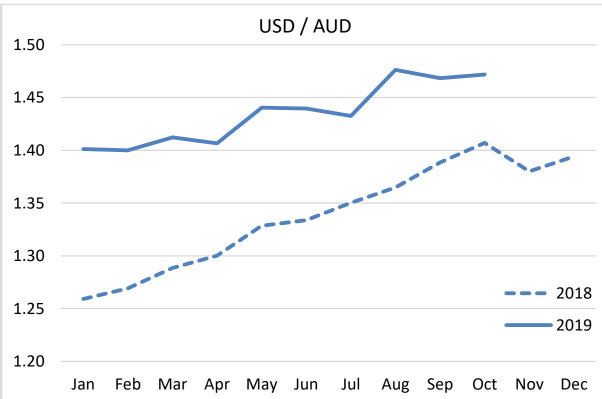
Source: IHS Markit (McCloskey first week quotation of the month, basis 6 000 kcal/kg converted to 7 000 kcal/kg)





Sources for inflation: ECB; US Bureau of Labor Statistics

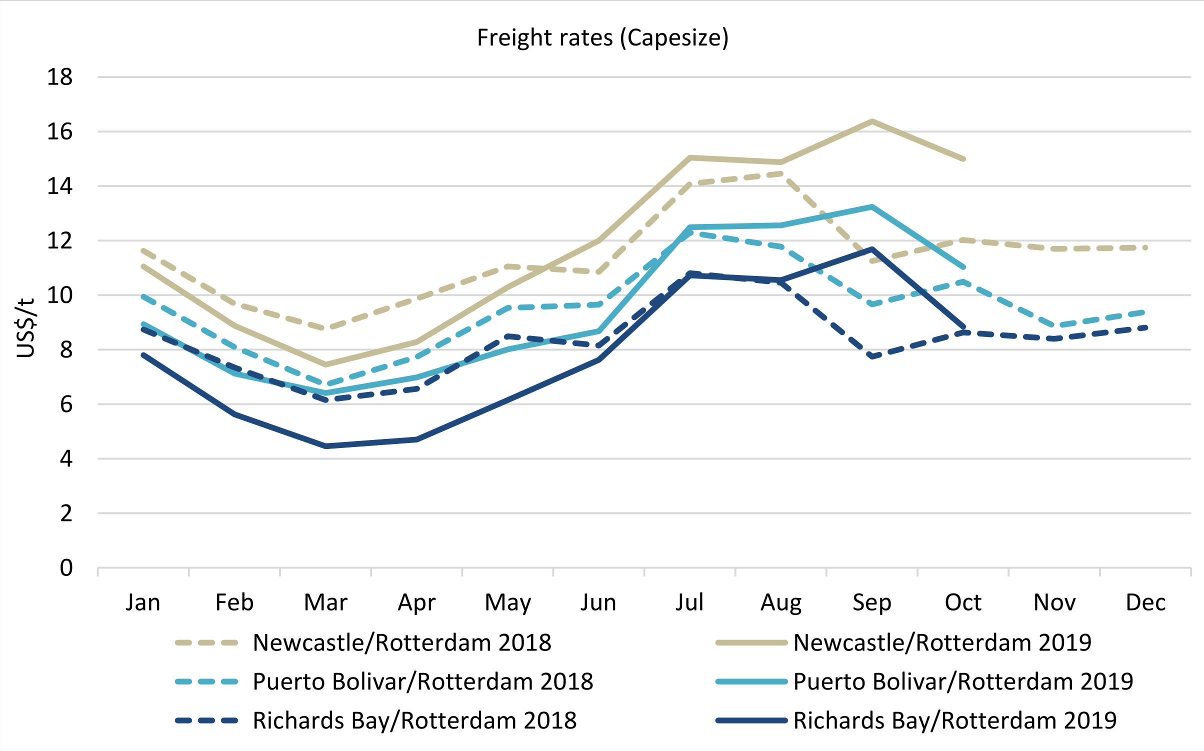




Sources for exchange rates: ECB, BoE and OECD

Freight Rates

Freight rates fell in the first quarter of 2019. Rates from Murmansk port in Russia to northwest European ports firmed first, followed by others. Since the lows of spring, relative rates converged somewhat, making freight rates from Australia look a little more competitive for European importers.



Source: Clarksons

EU COAL MARKET[1]

	2019 (1-6) Mt	2018 (1-6) Mt
Hard coal imports	72.6	78.8
Hard coal production	33.5	38.5
Lignite production	159.2	180.4

Coal production in the European Union fell in the first half of 2019 as hard coal mining ended in Germany and Spain (Table 5): total hard coal production was 33.5 Mt (-12.9% compared with H1 2018) and lignite production was 159.2 Mt (-11.8%). Coal imports were also lower at 72.6 Mt, 7.9% less than H1 2018. Steam coal demand suffered as less coal was delivered for power generation: -15% in the main coal-using member states. Lignite-fired power generation in the EU fell by an estimated 12%.

Coal use in Ireland fell more sharply than elsewhere as coal-fired power generation dropped 79% in the first half of 2019. Following unplanned technical outages during 2018, the three units at the 915 MW ESB Moneypoint power station were little used in the first six months of 2019. In July 2019, ESB announced one hundred job losses at the power station – this being half the workforce and reflecting the impact high carbon prices are having on coal use in the EU.

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

In Germany, the Commission on Growth, Structural Change and Employment (KWSB) gave its recommendations on a coal phase-out on 26 January 2019, with twenty-five votes in favour (including all the green NGO representatives) and one vote against from the Lausitz region. All Germany's major political parties wish to transpose the recommendations into law. This will then largely determine the future role of coal and lignite in Germany, setting an end date of 2038, or even 2035 following a review in 2032, after the step-wise reduction of coal and lignite power generation, with targets for 2023 and 2030, and review points in 2023, 2026 and 2029 to determine if security of supply, competitiveness and regional prosperity are being maintained. The following measures are proposed:

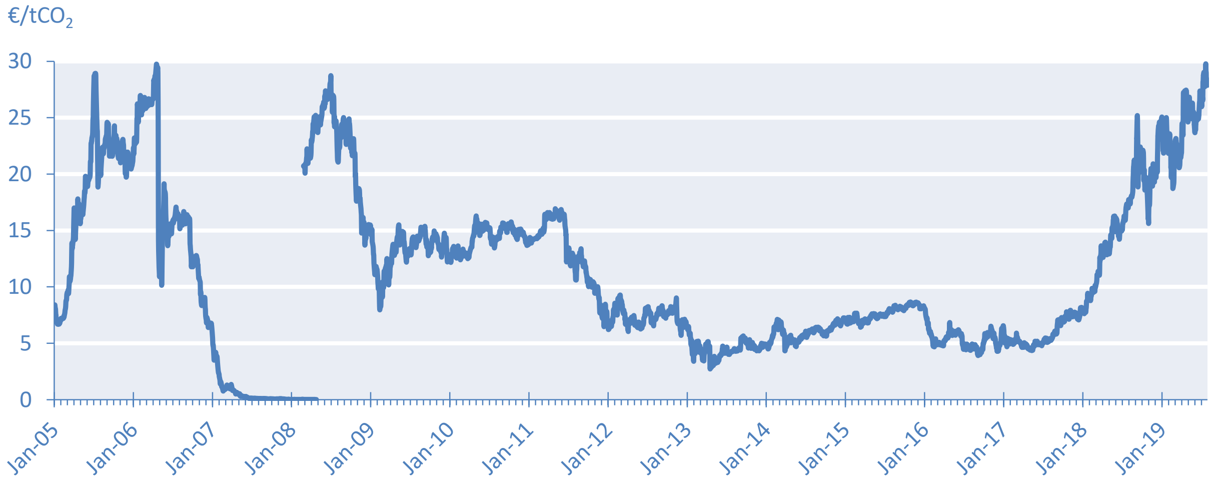
- cancellation of the EU ETS allowances saved due to the decommissioning of coal plants;
- annual security of supply monitoring;
- faster permitting of gas-fired power plants;
- CO_2 pricing for non ETS sectors to be introduced; and
- financial and other measures to help lignite and hard coal regions.

A Structural Development Bill and associated Climate Bill have been tabled for debate in the Bundestag, and a coal phase-out bill is under discussion , as well as a law to protect workers. Germany's related 2030 climate programme might also be put into law. To avoid any contradictions, it is likely that all these related initiatives will be decided together.

Carbon Prices

The price of CO_2 emission allowances under the EU Emissions Trading System (ETS) tripled in 2018 and continued to rise in 2019 to reach 30 €/EUA at the end of July 2019. At these levels, the carbon cost of burning a tonne of lignite to generate electricity is similar to the cost of mining that same tonne of lignite. With such a dramatic and rapid rise in input costs, many power utilities in the EU are experiencing financial difficulties.

Carbon prices: allowance prices under the EU Emissions Trading System (ETS), 2005-2019



Source: European Energy Exchange

Hard Coal

Country	2019 (1-6) Mt	2018 (1-6) Mt
Czechia	1.5	2.1
Germany	0.0	2.2
Poland	30.8	31.8
Spain	0.1	1.1
United Kingdom	1.1	1.4
Total	**33.5**	**38.5**

Czech Republic

Hard coal production in H1 2019 fell 27.7% to 1.5 Mt in the Czech Republic, continuing a trend of decline, while imports increased 11.3% to 1.9 Mt, mostly from Poland. Hard coal-fired generation fell 31%, whereas gas-fired generation grew 76%, but together they only accounted for about 8% of total generation.

Germany

GDP growth for 2019 is forecast to be 0.8%. Overall energy use in Germany declined by 1.7% (or a weather-adjusted 2.4%) in the first six months of 2019 with large declines in hard coal and lignite, somewhat offset by growths in oil, natural gas and renewables.

Hard coal production in Germany definitively ended in December 2018.

Based on data since 1990 and the latest BDEW statistics and forecasts, hard coal consumption for power generation in Germany continued to fall below trend in the first half of 2019, by an estimated 10.3% year-on-year. However, hard coal imports rose by 7.8% to 22.6 Mt, comprising 5.7 Mt of coking coal and 16.9 Mt of steam coal. This increase was only due to a favourable contango situation; imports have since decreased, especially as coal stocks filled up all available stockyards.

Poland

In Poland, hard coal production declined 3.2% in 2018. This rate of production decline continued for steam and coking coal in H1 2019, with a 3.2% fall to 30.8 Mt *c.f.* H1 2018. Exports also slipped back, to 1.9 Mt in H1 2019 (-5.0%) – very much lower than the 1970s and 1980s heyday when exports peaked at over 40 Mtpa. Seaborne coal exports have essentially now ended, with the sailing of the last 3 000-tonne shipment to the UK. Overland sales to EU member states now account for almost all trade, the Czech Republic being the most important customer. Meanwhile, coal imports were 8.3 Mt in H2 2019 or 7.9% lower than in the same period of 2018: 6.3 Mt of steam coal and 2.0 Mt of coking coal, two-thirds from Russia. Electricity generation from natural gas has grown, meaning that coal stocks have grown as contracted coal was still delivered.

The commissioning of two 900 MW hard coal units at Opole reached a milestone in May 2019 with the synchronisation of unit 6 to the Polish grid. Tauron will also commission its new 910 MW unit at Jaworzno in 2019. Meanwhile, Enea commissioned its 1075 MW unit at Kozienice in 2017 and groundworks are underway at its 1000 MW unit C at Ostrołęka in partnership with Energa, although PGE, the third partner, announced its withdrawal from the project in November 2019. Enea and Energa may now seek financing from outside of Europe.

Spain

Coal production at underground and open pit mines ceased from 1 January 2019, other than from the small San Nicolás underground coal mine near Mieres in Asturias which produces up to 200 ktpa for heating plants and for the nearby 15 MWe La Pereda experimental power plant. Coal imports fell

16.1% to 6.1 Mt of mostly steam coal for power generation. Natural gas continues to displace coal for power generation.

State aid to the Spanish coal industry totalled just €210 thousand in 2018 and several companies went bankrupt. To continue operating after 31 December 2018, the remaining and otherwise profitable companies would have had to repay past state aid, as required by EU law. Some companies were determined to continue and negotiated with the Spanish government for a "just and orderly transition" for mineworkers, for companies and indeed for the national economy.

In the event, on 24 October 2018, a *Framework Agreement for a Just Transition of Coal Mining and Sustainable Development of the Mining Regions* was signed by the Spanish government, CARBUNIÓN and the trade unions FICA-UGT, CCOO and USO. It includes all the trade unions' proposals and so is favourable for mineworkers, except subcontractors who were left out. It contains no flexibility on the repayment of past state aid. However, CARBUNIÓN eventually signed the agreement to protect workers' rights. With no agreement on aid repayment, and with utilities unwilling to buy indigenous coal, coal companies were forced to close mines, despite the clear market demand for coal in Spain.

United Kingdom

Coal-fired generation was almost zero in the UK over the summer months of 2019; gas and renewables were the main sources. Coal supply in the first half of 2019 was split four ways, roughly equal: UK indigenous supply (1.1 Mt, -17.8%), Russian imports, US import and other imports. Imports totalled 3.9 Mt (-17.7%), including 1.3 Mt of coking coal. Coal stocks grew to an excessive 5 Mt by July 2019 *c.f.* an annual market of *c.*10 Mt, as coal demand fell faster than many had predicted.

Cottam coal power station closed at the end of September. Aberthaw and Fiddlers Ferry will close in 2020, leaving just 5 GW of coal capacity (Ratcliffe, West Burton and half of Drax). Auctions under the UK capacity market, deemed illegal by the ECJ after Tempus Energy's action, are set to go ahead on the assumptions that the situation will be resolved and payments made.

Private company British Steel will sell Scunthorpe steelworks to a Chinese company, Jingye. The new export coking coal mine project in Cumbria has announced a marketing deal with Javelin.

The proposed UK ban on the sale of house coal was delayed from the earlier threatened date of winter 2018/19. This policy may now come under a proposed new Environment Bill and so be further delayed. Heritage railways, with a combined consumption of *c.*40 ktpa, are also concerned.

Finally, the UK government announced and parliament agreed to a net-zero GHG emission target by 2050, despite the estimated £1 trillion cost and the challenges of decarbonising transport and heating.

Lignite

Country	**2019 (1-6) Mt**	**2018 (1-6) Mt**
Bulgaria	13.8	13.4
Czechia	19.1	19.4
Germany	68.0	84.2
Greece	15.2	17.1
Hungary	3.3	3.5
Poland	26.1	28.9
Romania	11.0	11.4
Slovakia	0.8	0.8
Slovenia	1.7	1.6
Total	**159.2**	**180.4**

Bulgaria

Lignite production in Bulgaria increased by 3.1% in the first half of 2019 to 13.8 Mt. Mini Maritsa Iztok EAD, a subsidiary of the state-owned Bulgarian Energy Holdings EAD, is by far the country's largest coal producer. In 2019, the company's business plan foresees lignite production of 27.5 Mt, requiring the removal of 95 million cubic metres of overburden. The company's coal mines in south-eastern Bulgaria sell their output mainly to three thermal power plants located nearby: one owned by ContourGlobal, one by AES and one state-owned. These and other coal power plants generate around 45% of Bulgaria's electricity output.

Czech Republic

Brown coal production fell 1.6% to 19.1 Mt, compared with H1 2018, of which 14.4 Mt was used for lignite-fired electricity production (-2.0%). Four companies mine lignite (SD, SEAS, SU and VUAS) – more than half of production comes from mines in North Bohemia.

ČEZ has announced its intention to decommission certain coal power plants: over 1 GW will be closed in 2020, starting with Prunéřov I and the possible installation of a gas-fired power plant. By 2035, ČEZ wants to shut down more than half of its coal-fired power plants (currently 4.64 GW).

Germany

German lignite production declined sharply to 68.0 Mt in H1 2019 (-19.2% *c.f.* H1 2018) and power plant deliveries were 19.6% lower. Extraction declined in all the mining areas: Rhineland (-23.6%), Central Germany (-17.7%) and Lusatia (-13.5%). Lignite-fired power generation fell by around 20% to 59.5 TWh. Contributing factors to these declines were: an increase in electricity generation from renewable sources, notably wind (+20% onshore, +35% offshore); an increase in gas-fired power generation (+11%); the transfer of lignite plants into a secure and reliable standby reserve; a large number of overhauls at lignite plants; and, the impact of RWE's reduced lignite output to protect Hambach forest. The manufacture of refined products based on lignite in the first half of 2019 was also lower.

Greece

Seasonally adjusted Greek GDP grew by almost 2% year-on-year in the first half of 2019 and unemployment rates fell. Electricity demand is expected to increase by 1.7% in 2019.

Lignite production in the first half of 2019 was 15.2 Mt, an 11.4% decrease *c.f.* H1 2018. Public Power Corporation's (PPC) lignite production for 2019 is forecast to be 27.2 Mt, a 21.4% fall compared with 2018 (small, independent producers may add 2 Mt). Lignite power generation will likely fall 26.8%, to be replaced by natural gas (+28%) with a record 34% share compared with lignite's 21% share of the Greek interconnected system. Electricity imports are also growing, by an estimated 46% in 2019. Greece is well connected to Italy, Albania, North Macedonia, Bulgaria and, most importantly in terms of imported TWh, Turkey. Power generation from non-hydro renewable energy sources grew by 6.6%. These changes are driven by higher EU ETS allowance prices, environmental restrictions on older lignite units, low gas prices, rising RES output, low electricity import prices, and increased lignite production costs.

The Kardia I and II lignite-fired units, totalling 600 MW, were decommissioned in July 2019, leaving twelve lignite units in operation with an installed capacity of 3 737 MW owned by PPC and its subsidiaries. Most operate at low capacity or are out of operation for long periods. Five lignite units totalling 1 512 MW are at risk of decommissioning, three by June 2020.

The international tender for three PPC power stations and an operating license for a fourth, and all related assets and resources was declared null and void in July 2019. This was the second aborted attempt at a sale to create a more competitive power generation market in Greece at the insistence of the European Commission's DG Competition.

Given the high EU ETS allowance prices and an ambitious "green" policy, there is growing concern about the feasibility of the planned commissioning in 2021 of the new 660 MW Ptolemais V lignite-fired power plant. An intensive restructuring process is underway within PPC, based on a business plan that would see a decisive shift towards renewable energy sources.

In August 2019, the PPC board decided to pass on EU ETS emission allowance costs to residential consumers through their electricity bills. Then, in September, the Greek government legislated that the so-called NOME (*Nouvelle Organisation du Marché de l'Electricité*) auctions introduced in 2016 would be terminated. These auctions forced PPC to sell fixed-volume, forward power contracts outside the mandatory pool at lower prices, although supposedly above cost. The partial privatisation of the DSO network is now a priority for the new Greek government, not the sale of lignite mines and power plants.

Hungary

Lignite production in Hungary declined to 3.3 Mt in the first half of 2019, 6.5% less than in the corresponding period of 2018. It was almost entirely used for power generation. Mátrai Erőmű Zrt. is the only significant lignite producer, supplying its own power plant. Coal imports declined by 8.8% to 0.7 Mt, mostly coking coal.

Poland

In Poland, Lignite production fell from 28.9 Mt in the first half of 2018 to 26.1 Mt in H1 2019 (-9.6%). Lignite-fired power generation fell likewise. At the PGE GiEK Turów power station, a new 490 MW unit is under construction. The planned commissioning date for this investment is April 2020.

The Polish government's development scenarios for lignite deposits over the 2030-2050 timeframe included a *base scenario* with the exploitation of three deposits: PGE Złoczew to 2030 (18-20 Mtpa from a 611 Mt resource), PAK Ościsłowo to 2030 (3 Mtpa from a 50 Mt resource) and PGE Gubin from 2030 (18-20 Mtpa from a 1 624 Mt resource). Only the first of these is now considered in national plans, with the other two as backup reserves, if needed. An earlier, more optimistic, but unlikely *development scenario* assumed deposits at Legnica, Oczkowice and Dęby Szlacheckie would be developed.

Romania

Coal production in Romania declined in the first half of 2019 by 3.2% compared with H1 2018 to 11.0 Mt. The state-owned Oltenia Energy Complex requires state aid and/or a loan to enable the company to pay for CO_2 emission allowances under the EU ETS. Based on the lignite consumed in its power plants, the company will have to pay €340 million this year for CO_2 emission allowances, a cost which represents 51% of the company's turnover. The company is examining all options for the future.

Elsewhere, at Iernut, construction of Romgaz's €270 million 430 MW gas-fired CCGT power plant is proceeding, partly funded by EU ETS auction revenues. When completed in June 2020, the plant will alleviate a generation deficit in northern Romania. Romgaz is also conducting a feasibility study for a second new gas-fired CCGT power plant at Mintia near Deva in Hunedoara County, so at the heart of Romania's hard coal mining region. Gas could be supplied from the country's own resources or from the propsed Alexandroupolis LNG terminal in Greece.

Slovakia

GDP growth in Slovakia is forecast to be a healthy 3.5% in 2019, while unemployment is low and falling. Coal use will decrease in the coming years, because of state aid rules. Aid, including compensation for EU ETS emission allowance costs, is granted in the general public interest to maintain electricity supply security, but will now only continue until 2023, rather than the previously agreed 2030. Coal production in the first half of 2019 rose slightly, to 0.8 Mt (+2.2%). Čary lignite mine has 40 Mt of accessible reserves remaining and alternative uses, such as fertiliser, may offer an opportunity if energy use is curtailed.

Slovenia

The only remaining lignite mine in Slovenia is operated by Premogovnik Velenje d.o.o. – a company belonging to the state-owned utility, Holding Slovenske elektrarne d.o.o. (HSE). In the first half of 2019, lignite production increased year-on-year by 8.5% to 1.7 Mt. 2019 is Premogovnik Velenje's 144th year and has seen the production of its 250th million tonne of lignite from its underground mine at Velenje in the Šaleška dolina valley. The company plans to mine lignite, which is mainly used for electricity generation at an adjacent power plant, until 2054. In H1 2019, Slovenia used 1.4 Mt of lignite for power generation.

NON-EU COAL MARKET

Ukraine

While privately owned mines in Ukraine perform well, the state-owned coal mines remain in crisis, despite efforts by the Ministry of Energy. Total coal production in the first half of 2019 increased 5.6% to 13.3 Mt compared with H1 2018. The strategy to 2035 shows coal's share of power generation remaining fairly stable at around one third, along with one half from baseload nuclear. Overall power demand grows by 2% per annum to 195 TWh by 2025, with renewables, including hydro, expected to take a 20% share.

Ukraine has a heavy dependence on energy imports, including now imported coal, having become an absolute coal importer in 2018 as exports shrank to zero. In 2018, Ukraine imported 21.3 Mt of hard coal, including 6.9 Mt of steam coal of which two thirds came from Russia. In the first six months of 2019, coal imports stood at 10.6 Mt, 4.6% lower that the corresponding period of 2018. The loss of mines, notably anthracite mines, in the non-controlled territories of eastern Ukraine and the poor performance of state-owned coal mines led to this situation.

Looking to the future, state subsidies should end in 2020 and twenty to twenty-five loss-making, state-owned mines should close by 2025, leaving only competitive coal mines and power plants. This should allow continued private investment in the sector, including in modernisation projects and pollution control: DTEK has already modernised sixteen units. Ukraine's 2035 strategy aims to further reduce emissions – the coal sector being the largest methane emitter.

Energy market reform has progressed well in Ukraine, with full electricity market liberalisation from 1 July 2019 which EURACOAL recognised in a letter dated 30 May 2019 to those responsible in the Ukrainian government.

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European Association for Coal and Lignite AISBL

TABLE 1

Evolution of world market prices for coal, freight and crude oil

McCloskey steam coal marker price (7 000 kcal/kg)

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
steam coal	**2018**	112.23	105.54	94.21	93.45	99.75	110.58	116.55	110.28	117.41	118.35	113.97	100.42
(US$/tce CIF NW Europe)	**2019**	98.40	92.17	87.38	63.71	67.78	59.05	62.43	68.50	66.22	69.81	65.52	
steam coal	**2018**	92.01	85.47	76.37	76.13	84.45	94.69	99.80	95.50	100.71	103.06	100.27	88.20
(€/tce CIF NW Europe)	**2019**	86.19	81.20	77.32	56.69	60.61	52.28	55.65	61.56	60.18	63.17	59.22	

Source: IHS Markit (McCloskey first week quotation of the month, basis 6 000 kcal/kg converted to 7 000 kcal/kg)

Freight rates (US$/t)

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Richards Bay/Rotterdam	**2018**	8.74	7.35	6.15	6.56	8.50	8.15	10.81	10.46	7.75	8.64	8.40	8.81
(Capesize)	**2019**	7.81	5.63	4.46	4.71	6.16	7.63	10.73	10.55	11.69	8.85		
Queensland/Rotterdam	**2018**	11.63	9.69	8.76	9.88	11.06	10.86	14.09	14.46	11.25	12.03	11.70	11.75
(Capesize)	**2019**	11.06	8.88	7.45	8.28	10.30	12.00	15.05	14.88	16.38	15.00		
Puerto Bolivar/Rotterdam	**2018**	9.94	8.10	6.72	7.73	9.53	9.65	12.30	11.78	9.66	10.49	8.87	9.38
(Capesize)	**2019**	8.94	7.13	6.41	6.99	8.02	8.68	12.50	12.56	13.24	11.03		

Source: Clarksons (monthly averages from weekly data)

Currency rates

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
USD / EUR	**2018**	0.820	0.810	0.811	0.815	0.847	0.856	0.856	0.866	0.858	0.871	0.880	0.878
	2019	0.876	0.881	0.885	0.890	0.894	0.886	0.891	0.899	0.909	0.905		
USD / RUB	**2018**	56.6	56.8	57.2	61.1	62.4	62.8	62.8	66.4	67.6	65.8	66.5	67.5
	2019	66.7	65.8	65.2	64.7	64.9	64.1	63.2	65.8	64.9	64.3		
USD / AUD	**2018**	1.26	1.27	1.29	1.30	1.33	1.33	1.35	1.36	1.39	1.41	1.38	1.39
	2019	1.40	1.40	1.41	1.41	1.44	1.44	1.43	1.48	1.47	1.47		

Sources: ECB Euro foreign exchange reference rates; Bank of England database; OECD.Stat Monthly Monetary and Financial Statistics (MEI) dataset

Crude oil (US$/barrel)

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
crude oil	**2018**	66.85	63.48	63.76	68.43	74.11	73.22	73.27	72.26	77.18	79.39	65.33	56.94
	2019	58.74	63.83	66.37	70.78	69.97	62.92	64.71	59.62	62.36	59.91		

Source: OPEC Reference Basket (ORB) price

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World seaborne coal trade

TABLE 2

Steam coal				
exporting country	**2019 (1-6) Mt**	**YoY change *c.f.* 2018 (1-6) Mt**	**%**	**2018 (1-6) Mt**
PACIFIC				
Australia	101.2	1.7	1.7%	99.5
Canada	0.3	0.2	101.9%	0.2
China	2.1	0.3	17.9%	1.8
Colombia	10.4	0.9	9.1%	9.5
Indonesia	226.8	20.5	9.9%	206.3
Russia	43.3	3.3	8.3%	40.0
South Africa	36.2	0.6	1.6%	35.6
USA (exc. to Canada)	9.3	-2.5	-20.8%	11.8
sub-total	429.7	24.9	6.2%	404.7
ATLANTIC				
Canada	0.0	-0.2	-98.6%	0.2
Colombia	25.1	-6.6	-20.9%	31.7
Indonesia	1.8	-1.9	-51.2%	3.7
Russia	48.5	0.4	0.9%	48.1
South Africa	3.5	-0.6	-14.0%	4.1
USA (exc. to Canada)	9.7	-1.9	-16.5%	11.6
sub-total	88.6	-10.8	-10.9%	99.4
others	**2.8**			1.6
total	**521.1**	**15.3**	**3.0%**	**505.8**

steam coal data includes anthracite

TABLE 3

Coking coal				
exporting country	**2019 (1-6) Mt**	**YoY change *c.f.* 2018 (1-6) Mt**	**%**	**2018 (1-6) Mt**
Australia	92.3	4.3	4.8%	88.0
Canada	15.2	0.7	4.5%	14.5
China	0.9	0.3	52.4%	0.6
Russia	13.1	1.7	14.4%	11.5
USA (exc. to Canada)	25.0	-2.3	-8.4%	27.3
others	1.4	-0.1	-8.9%	1.5
total	**147.8**	**4.4**	**3.1%**	**143.4**

Source: IHS Markit McCloskey and own calculations

EURACOAL
European Association for Coal and Lignite AISBL

TABLE 4

European crude steel production

COUNTRY	2019 (1-6) Mt	YoY change *c.f.* 2018	2018 (1-6) Mt
Austria	4.0	3.7%	3.8
Belgium	4.0	-0.6%	4.0
Bulgaria	0.3	-11.5%	0.3
Croatia	0.1	-3.8%	0.1
Czechia	2.4	-2.3%	2.5
Finland	1.9	-8.3%	2.1
France	7.7	-3.8%	8.0
Germany	20.7	-5.1%	**21.8**
Greece	0.8	-1.8%	0.8
Hungary	0.9	-6.1%	1.0
Italy	12.6	-2.0%	12.8
Luxembourg	1.2	0.8%	1.2
Netherlands	3.4	-2.7%	3.5
Poland	4.8	-8.3%	5.2
Portugal (est.)	1.1	0.0%	1.1
Romania (est.)	1.8	0.0%	1.8
Slovakia	2.6	0.8%	2.6
Slovenia	0.3	-5.8%	0.4
Spain	7.4	0.0%	7.4
Sweden	2.6	0.3%	2.5
UK	3.8	-3.1%	3.9
unspecified	0.4		
EU-28	**84.7**	**-2.5%**	**86.8**
Belarus	1.3	15.5%	1.1
Bosnia & Herzogovina	0.4	76.2%	0.2
Moldova	0.2	-34.5%	0.3
North Macedonia	0.1	1.6%	0.1
Norway	0.3	10.1%	0.3
Serbia	1.0	3.6%	1.0
Switzerland (est.)	0.8	0.0%	0.8
Turkey	17.0	-10.1%	18.9
Ukraine	10.9	5.2%	10.4

Source: World Steel Association and own estimates

EURACOAL
European Association for Coal and Lignite AISBL

TABLE 5

Hard coal and lignite production and consumption

	Hard coal production			Hard coal deliveries for power generation	
COUNTRY	**2019 (1-6) Mt**	**YoY change *c.f.* 2018**	**2018 (1-6) Mt**	**2019 (1-6) Mt**	**2018 (1-6) Mt**
Czechia	1.5	-27.7%	2.1	0.9	1.1
Germany	0.0	-100.0%	2.2	9.8	10.9
Poland	30.8	-3.2%	31.8	17.0	16.6
Spain	0.1	-90.6%	1.1	3.8	6.3
UK	1.1	-17.8%	1.4	1.5	3.9
EU-28	**33.5**	**-12.9%**	**38.5**	**33.0**	**38.8**
Turkey	0.6	10.9%	0.5	9.0	10.4
Ukraine	13.3	5.6%	12.6	n.a.	11.7

	Lignite production			Lignite deliveries for power generation	
COUNTRY	**2019 (1-6) Mt**	**YoY change *c.f.* 2018**	**2018 (1-6) Mt**	**2019 (1-6) Mt**	**2018 (1-6) Mt**
Bulgaria	13.8	3.1%	13.4	13.8	13.4
Czechia	19.1	-1.6%	19.4	14.4	14.7
Germany	68.0	-19.2%	84.2	60.0	74.7
Greece	15.2	-11.4%	17.1	14.7	16.6
Hungary	3.3	-6.5%	3.5	3.2	3.4
Poland	26.1	-9.6%	28.9	26.0	28.3
Romania	11.0	-3.2%	11.4	10.9	11.0
Slovakia	0.8	2.2%	0.8	1.0	1.1
Slovenia	1.7	8.5%	1.6	1.4	1.4
EU-28	**159.2**	**-11.8%**	**180.4**	**145.4**	**164.5**
Bosnia & Herzogovina	6.0	5.5%	5.7	5.6	5.4
Serbia	18.8	3.9%	18.1	18.1	17.5
Turkey*	36.4	-7.3%	39.3	31.8	35.2

* Asphaltite is included within lignite.

Sources: EURACOAL members and Eurostat

EURACOAL
European Association for Coal and Lignite AISBL

TABLE 6

Hard coal imports

	Coking coal imports		Steam coal imports		Total hard coal imports		
COUNTRY	**2019 (1-6) Mt**	**2018 (1-6) Mt**	**2019 (1-6) Mt**	**2018 (1-6) Mt**	**2019 (1-6) Mt**	**YoY change *c.f.* 2018**	**2018 (1-6) Mt**
Austria	0.8	0.8	1.1	1.0	2.0	6.6%	1.8
Belgium	1.1	1.1	1.0	0.9	2.1	1.4%	2.0
Bulgaria	0.0	0.0	0.3	0.5	0.3	-32.0%	0.5
Croatia	-	-	0.4	0.3	0.4	46.8%	0.3
Czechia	1.2	1.1	0.8	0.7	1.9	11.3%	1.7
Denmark	-	-	1.4	1.3	1.4	7.7%	1.3
Finland	0.3	0.5	0.8	0.9	1.2	-21.7%	1.5
France	1.7	1.9	3.5	4.6	5.1	-21.0%	**6.5**
Germany	5.7	6.2	16.9	14.7	22.6	7.8%	20.9
Greece	-	-	0.2	0.2	0.2	0.4%	0.2
Hungary	0.6	0.7	0.1	0.1	0.7	-8.8%	0.8
Ireland	-	-	0.1	1.2	0.1	-90.6%	1.2
Italy	1.6	1.5	3.8	5.3	5.4	-20.3%	6.7
Netherlands	2.2	2.1	3.5	4.6	5.7	-15.1%	6.7
Poland	2.0	1.5	6.3	7.6	8.3	-7.9%	9.0
Portugal	-	-	1.8	2.1	1.8	-13.3%	**2.1**
Romania	-	-	0.6	0.4	0.6	58.7%	0.4
Slovakia	1.5	1.3	0.4	0.7	1.9	-6.0%	2.0
Slovenia	-	-	0.0	0.0	0.0	-12.5%	0.0
Spain	0.4	0.9	5.7	6.5	6.1	-16.1%	7.3
Sweden	0.0	0.0	0.8	1.0	0.8	-18.0%	1.0
UK	1.3	1.4	2.7	3.4	3.9	-17.7%	4.8
EU-28	**20.2**	**21.0**	**52.3**	**57.9**	**72.6**	**-7.9%**	**78.8**
Bosnia & Herzogovina	0.7	0.6	-	-	0.7	20.6%	0.6
Serbia	-	-	0.0	0.1	0.0	-61.2%	**0.1**
Turkey*	3.9	3.7	12.4	13.5	16.3	-5.9%	**17.3**
Ukraine	6.2	6.6	4.4	4.5	10.6	-4.6%	11.1

revised 2018 figures are shown in **bold**

Sources: EURACOAL members, IHS Markit McCloskey, VDKi, national government statistics, Eurostat, IEA