

GLOBAL SNAPSHOT

Equities (% Change)	05-09-2017	1 Day	1 Week	1Mth	Currencies (% Change)	05-09-2017	1 Day	1 Week	1Mth
SENSEX	31,809.55	0.34	-0.07	-2.17	INR	64.13	0.13	-0.37	-0.66
NIFTY	9,952.20	0.40	0.13	-1.68	EUR	1.19	0.15	0.23	0.98
DOW JONES	21,753.31	-1.07	-0.25	-1.54	JPY	108.81	-0.83	1.41	1.88
NASDAQ	6,375.57	-0.93	1.47	0.38	AUD	0.80	0.65	0.97	0.88
NIKKEI	19,385.81	-0.63	-0.86	-3.07	GBP	1.30	0.79	0.84	-0.02
TOKYO	1,590.71	-0.80	-1.07	-2.52	Indo Rupiah	13338.00	-0.01	0.07	-0.12
HANG SANG	27,741.35	0.00	-2.27	-0.38	RAND	12.91	-0.49	0.89	2.40
SHANGHAI	3,384.32	0.14	0.33	3.45	YUAN	6.54	0.12	0.85	2.80
KOSPI	2,326.62	-0.13	-2.25	-3.19					
Energy (% Change)	05-09-2017	1 Day	1 Week	1Mth	Freight (% Change)	05-09-2017	1 Day	1 Week	1Mth
WTI (\$/bbl)	48.66	2.90	4.57	-2.06	BDI	1,215.00	2.00	1.00	17.73
BRENT (\$/bbl)	53.38	1.99	4.54	1.43	CAPEXSIZE	2,313.00	3.12	-2.86	41.30
N.Gas (\$/mmbtu)	2.97	-3.19	-0.37	5.50	PANAMAX	1,275.00	4.00	4.94	10.58
Gold (\$/ounce)	1339.71	0.44	2.24	6.37	HANDYSIZE	491.00	1.00	2.94	2.72
Silver (\$/ounce)	17.89	0.07	2.60	9.87					
IRON ORE (62% Fe)	78.39	0.68	-0.66	5.76					

CIL Monthly Production & Offtake (in mn MT)

Date	Production	Offtake
31-01-2017	55.99	51.35
28-02-2017	54.30	47.70
31-03-2017	66.07	52.30
30-04-2017	38.44	45.29
31-05-2017	40.74	46.41
30-06-2017	39.66	45.67
31-07-2017	36.64	44.33

INVENTORY – PORTS; POWER PLANTS

European Coal Jumps to 4-Year High

European coal for 2018 jumped to its highest in almost four years as China hinted at curbing capacity and southern European demand for power generation increased. The active futures contract of Coal on ICE touched \$80/MT. On the demand side for coal, Italy's use of conventional thermal power was up 4.5 percent in July versus the same month last year, while hydropower generation was down 15%. Enel SpA, Italy's biggest utility, boosted coal use to 28 percent of power output in the first half, versus 25 percent a year earlier. Spain's water reserves are more than 25 percent below the 10-year average. While, French nuclear outages more than doubled in August versus the same month last year.

China Thermal Coal inventory at major ports decreased by 0.5% (w/w) to 13.49mn MT

China thermal coal inventory at major ports increased by 0.5% (w/w) to 13.49mn MT as on 1st Sep.17 from 13.56mn MT as on 25th Aug.17. While, Inventory at QHD port increased by 0.5% (w/w) to 5.56mn MT from 5.53mn MT in last one week.

Coal Stocks at Indian Power plants declined 30% since Aug.17 to 11.85mn MT

Total Coal stocks at Indian thermal power plants declined by 30% since Aug.17 to 11.85mn MT as on 3rd Sep.17 from 16.9mn MT as on 1st Aug.17. While No. of power plants with less than 4 days of inventory stood at 9 (critical stock levels) and with less than 7 days of inventory stood 3 as on 3rd Sep.17

POLICY & MAJOR UPDATES

Four coal mines targeted for closure halt production in Anhui

Four coal mines in eastern China's Anhui province, earmarked for closure this year, had halted production by the end of August. These mines include Huaibei Xinguang Group Jinshi Mining, Huainan Mining Industry Group Xinzhuangzi mine, Huaibei Mining Industry Group Daihe mine and Wanbei Coal-Electricity Group Liuqiao No. 1 mine, with a combined capacity of 7.05 Mtpa. The province said it will seal the mine shafts before end-November, bring this year's de-capacity work to a perfect end.

Deutsche Bank Lifts Coal Price Forecasts on China Supply Curbs

Supply restrictions in China and lower exports from Indonesia supporting seaborne thermal coal prices has prompted Deutsche Bank to lift its coal price forecast.

Price Forecast (Per MT)	Avg. 2018	Avg. 2019
Newcastle Thermal Coal	\$81	\$78
Richards Bay Thermal Coal	\$78	\$75

China Qinhuangdao Coal Price Fall 0.16% W/w to 606 Yuan/Ton

As of	Average Price	% Change
09/04/2017	606	-0.16%
08/28/2017	607	-0.16%
08/21/2017	608	unchanged
08/14/2017	608	unchanged
08/07/2017	608	unchanged
07/31/2017	608	0.50%
07/24/2017	605	1.00%
07/17/2017	599	1.70%
07/10/2017	589	0.68%
07/03/2017	585	1.04%

TRADE DEVELOPMENTS & MINING UPDATES

China Coal's Revenue Growth to Continue in 2H on Higher Prices

China Coal's revenue should continue to grow in 2H as coal prices climb. With few capacity additions planned, prices of the fuel drive revenue. Thermal coal for power plants accounts for more than 85% of sales volume, with the rest coming from coking coal for steel production. The miner may increase its exposure to power, though progress has been slow. Coal chemical sales may shrink following the disposal of two subsidiaries and higher internal consumption.

CIL Production likely to rise on provisional basis in Aug.17

CIL's production and that of its subsidiary companies stood at 102% of targeted production at 37.63mn MT in August 2017 on a provisional basis. Offtake of CIL was 102% of the target at 43.75mn MT. The miner registered a high growth rate of 28% in output for FY17 over that in the last financial year, while the average rise in power demand stood at 10.3%.

Finland to introduce law in 2018 phasing out coal



Finland will introduce legislation in 2018 to phase out coal and increase carbon taxes the strategy that would require the country to find alternative energy sources to keep its power system stable. Coal produces roughly 10% of the energy consumed by Finland in 2016, which is the Nordics' largest coal consumer and burned about 4.1 million tonnes of oil equivalent. This strategy has a goal of getting rid of coal as an energy source by 2030. However, the law will leave "room for manoeuvre" to ensure security of supply meaning coal-fired power plants could still be available to avoid the risk of blackouts. Finland is raising its nuclear power capacity to reduce dependency on Russian energy imports. Two new reactors, Olkiluoto 3 and Hanhikivi 1, are due to go online in 2018 and 2024.

INFRASTRUCTURE & TECHNOLOGY UPDATES

China plans another 100 panda solar power plants worldwide

China is touching with Canada, Australia, Germany and Italy to launch about 100 panda-shaped power stations, with an expected investment of 350 million yuan (\$52 million). Panda Green Energy connected the first panda-shaped solar farm to the grid, a 50MW power project located in Datong of Shanxi province. The solar panda was constructed in cooperation with the United Nations Development Program and is set to comprise a second 50MW phase, totaling an installed capacity of 100MW. The innovative project is built with darker crystalline silicon and lighter-colored thin film solar cells to emphasize the panda resemblance. Utilization of one panda solar power plant will save the equivalent of a total 1.06mn MT of coal and cut emissions of greenhouse gases by 2.74 mn MT in 25 years.

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