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AGSM OF PT. COALINDO ENERGY 2016

PT Coalindo Energy will be held an Annual General Shareholder's Meeting on Thursday, 26 May 2016 at The Mulia Hotel Senayan.

Board of Management PT Coalindo Energy:

President Commissioner : Pandu P. Sjahrir
Commissioner : Paulus W. Broto
President Director : Supriatna Suhala
Managing Director/CEO : Maydin Sipayung
Director : Feisal Sham
Director : Nico Tahir

SUPPORT FROM GOVERNOR OF SOUTH SUMATRA

South Sumatra Provincial Governor Alex Noerdin supports the plan to develop railway routes devoted to the transportation of coal. The coal railway routes as initiated by PT Banjarsari Pribumi of Muaraenim will be developed from Muara Enim to special economic zone of Tanjung Api-Api and the project will further be handled by Governmental Division of Communications (Transportation—Ed) and Division of Mining.

PRODUCTION TARGET DECREASES

PT Harum Energy Tbk is targeting the production of coal at 3 million tons this year, lower than last year's target at 3.6 million tons. "The decline of coal production is due to low price of coal this year," said Harum Energy's President Director Ray Antonio Gunara.

65 IUPS WITH NON-C&C STATUS

Indonesian Forum for Environment (WALHI) revealed that 65 permits of mining undertakings (IUPS) in Bengkulu have the status of non-clean and clear (non-C&C). Quoting the data from the Corruption Eradication Commission (KPK) Director of WALHI Bengkulu Beni Ardiansyah said the mining permits have so far been problematic in term of administrative and financial issues.

STARTING TO RISE

After a period of depression in the year 2015 a number of coal mining companies have begun to emerge from the downturn since the beginning of this year. Nevertheless, the press reported, the revenues of 15 out of 21 coal companies listed on the Indonesia Stock Exchange have averagely slumped 15.13 percent to US\$1.79 billion in the first quarter of the year 2016. In fact, in the same period of the previous year those issuers managed to make revenues of US \$ 2.11 billion.

SCRUTINY OF IUPS EXTENDED

The Corruption Eradication Commission (KPK) will extend the time of scrutiny of 3,700 permits of mining undertakings (IUPS) that have so far been problematic in a number of regions of Indonesia. The completion of the scrutiny of IUPS was previously scheduled at end of this month. However, because of so many problematic IUPS the duration of scrutiny has to be extended. It was said by Chairman of KPK Agus Rahardjo.

COAL EXPORTS DECLINE

Deputy of Distribution and Services of Statistics of the Central Bureau of Statistics (BPS) Sasmito Hadi Wibowo said the gradual trend of coal exports continued to decline until April 2016. It can be shown from the evidence of export of mineral fuels as dominated by coal commodities that has so far dropped to USD4.33 billion. Indonesia's coal export in the world fell 3 (three) million tons.

HBA IN MAY WEAKENS

Entering the month of May 2016 the reference price of coal (HBA) failed to sustain the upward trend that has occurred since March 2016 and there has been a 2.14-percent decline. HBA in May 2016 is at US\$51.2 per ton, down \$1.12 when compared to HBA in April 2016 at US\$52.32 per ton. It was said by Head of Public Communications of Indonesian Ministry of Energy and Mineral Resources Sujatmiko

COAL SEAPORT IN BATANG

Indonesian Minister of Communications (Transportation—Ed) Ignatius Jonan is encouraging the development of the seaport in Batang, of which was previously intended for fishing boats but later on the function can be expanded into a seaport of coal. "As planned it can also be used for loading and unloading of coal when the coal-fired power plant (PLTU) of Batang will later on be operational. But there is still a need of dredging into a depth of about five meters," he explained.

UNSTABLE IN SECOND QUARTER

The Central Bureau of Statistics (BPS) estimated that the price of coal will remain unstable in the second quarter of this year, so it will continue to experience further contraction. Whereas, in the first quarter the growth of the sector was in contraction, or minus 0.66 percent. In the meantime the coal price in the international market remains low and the demand from importing countries of the world is also low. It was said by Deputy of Statistical Analysis and Balances of BPS Kecuk Suharyanto.

STILL PROSPECTIVE

The demand of coal from industries will be very high in the upcoming 2-3 years following the highest needs of coal for industrial purposes. Indonesian Minister of Industry Saleh Husin said the coal mining sector is still prospective because the domestic demand is quite high.

TO EYE PLTU

Coal mining contractor PT Samindo Resources Tbk began to eye the business of mouth power generation with capacity up to 1,000 MW due to currently sluggish business of coal. Director of Samindo Resources Soemarno Witoro Soelarno said, "The capacity of 100-200 MW can be directly operated by the company but the capacity up to 1,000 MW has to be operated in consortium".

MORATORIUM IN ACEH

The mining moratorium policy made by Aceh government as cited under a Gubernatorial Decree as imposed for two years has generated a positive impact to the improvement of governance in the mining sector while reducing the rate of deforestation and land damages. It was informed by the Coordinator of Anti-Corruption Movement (GeRAK) of Aceh Askalani.

COAL PRICE SOARS

Coal price has been soaring to the highest level for eight months. Analyst of the Central Capital Futures Wahyu Tribowo Laksono said the boom of price is due to tightening supply, rising demand of China, and escalating sales of oil. At the close of trading on Monday (May 16) the price of coal contract for June 2016 in Rotterdam stock exchange rose 0.75 point or 1.54 percent to US\$49.40 per ton.