
Taipower awards coal supply tenders

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Bloomberg reported that state owned Taipower has awarded 7 sub bituminous coal cargoes out of the 9 shipments it was seeking in its recent spot tender.

As per report, Noble Group was awarded 6 cargoes, while another trader First Wealth was awarded 1 shipment. The price for the shipments awarded were about USD 178 a tonne CIF basis, which represents a FOB price of about USD 102 for coal with a calorific value of 5,100 kilocalories per kilogram.

Taipower, which received 12 offers in this spot tender, is seeking 630,000 tonnes of sub bituminous coal with a calorific value of 5,000 kilocalories per kilogram for delivery between September to December 2008 period.

Taipower also awarded two long term coal tenders each to PT Berau Coal and Straits Asia Resources Limited for delivery between 2009 and 2016. PT Berau was awarded two tenders for 0.5 million tonnes of general sub bituminous coal, while Straits Asia will supply 1 million tonnes of bituminous coal with a minimum calorific value of 5,500 kilocalories per kilogram. The source said Straits Asia's offer price for first year's supply was about USD 119 on a FOB basis for coal with heating value 5,500 kilocalories per kilogram.

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