



PETROVIETNAM POWER CORPORATION
PETROVIETNAM POWER COAL IMPORT AND SUPPLY COMPANY
DAILY NEWS

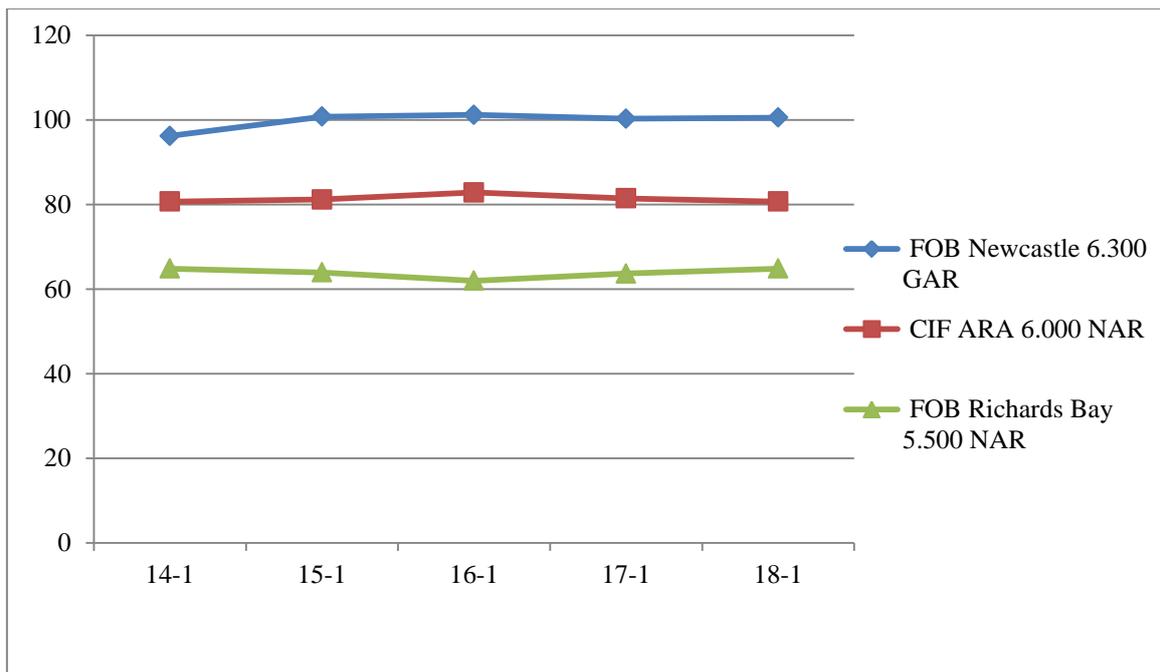
Date 22/01/2019

INTERNATIONAL COAL PRICE ASSESSMENTS

| Daily prompt physical thermal coal assessments | Window 7 – 45 day | +/- | Window 90 - day | +/- |
|--|-------------------|-------|-----------------|-------|
| FOB Newcastle 6,300 GAR | 100.55 | +0.25 | N/A | N/A |
| CIF ARA 6,000 NAR | 84.35 | -0.75 | N/A | N/A |
| FOB Richards Bay 5,500 NAR | 69.65 | +1.50 | N/A | N/A |
| FOB Kalimantan 5,900 GAR | N/A | N/A | 69.95 | +0.00 |
| FOB Kalimantan 5,000 GAR | N/A | N/A | 51.00 | +0.00 |

| China Coal Assessment | USD/tons | +/- | NDT/tons | +/- |
|----------------------------------|----------|-------|----------|-------|
| PCC6 (CFR South China 3,800 NAR) | 41.00 | +0.50 | 276.69 | +3.56 |
| PCC7 (CFR South China 4,700 NAR) | 58.20 | +0.20 | 392.77 | +1.62 |
| PCC8 (CFR South China 5,500 NAR) | 72.50 | +0.25 | 489.27 | +2.02 |

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2019



(Source: Platts Coal Trader International – Date 18/1/2019)

NEWS

India's Tamil Nadu Distribution corp seeks 2 mil mt imported coal

Indian state-run Tamil Nadu Distribution Corporation Limited, or TANGEDCO, has issued two tenders seeking 2 million mt of imported thermal coal of any origin in order to meet the shortfall in supply of domestic coal and to meet the generation target for its thermal power stations in Tamil Nadu, southern India. In the first tender, TANGEDCO has sought 1 million mt of imported coal for delivery from March-July 2019. The power utility requires coal having a heating value of 6,000 kcal/ kg ADB, total moisture 15% as received, 6% ash on air dried basis and 0.60% sulfur air dried. The delivery has to be in Panamax vessels to Kamarajar (Ennore) port or Karaikal port on east coast India.

In another tender, TANGEDCO is seeking 1 million mt imported coal from March-September 2019. It has sought coal with heating value of 5,000 kcal/kg GAR, total moisture 30% as received, 8% ash on air dried basis and 0.80% sulfur air dried. The delivery has to be done in Handymax or Supramax vessels to Tuticorin port on the east coast India. Offers for both tenders have to be quoted in \$/mt on CIF basis. Both tenders close January 23, 2019.

Gov't to Limit Coal Plants to Reduce Fine Dust

The government plans to further curb coal-fired power generation to respond to the growing fine dust problem. The Ministry of Trade, Industry and Energy said on Monday that a set of fine dust reduction measures will be included in a new plan of long-term electricity supply and demand to be announced later this year. Part of the plan is to first operate power plants that generate less fine dust such as ones powered by liquefied natural gas. Thus far, coal-fired plants have been operated first due to their lower costs.

The ministry is also seeking to move up the target year to phase out ten aged coal-fired power plants by three years to 2022. It will also ease conditions for limiting the outputs of coal-powered plants to 80 percent of their capacity on a day with excessive fine dust so the measures will be put in place more frequently and at more power plants. Other plans include substituting eco-friendly fuels such as wood pellets for some coal generators installed in large-sized coal generation complexes in South Chungcheong Province and the Seoul metropolitan area.

China December coal output rises about 2 percent to highest in over three years

Coal import from India's Meghalaya state to Bangladesh has stopped following an order of the Supreme Court in the neighbouring country. The coal import was supposed to continue till January 31 but came to a halt suddenly on January 15, according to Paritosh Ghosh, assistant director for traffic at Tamabil land port. "This has created a huge trouble for the coal importers." The SC of India on Tuesday banned the transportation of coal in the state until the next hearing on February 19. Bangladesh imports coal from India through Barchhara, Charagaon and Bagli border check posts in Sunamganj and Tamabil land port in Sylhet.

Following a case filed by the Indian National Green Tribunal stating that the coal mines in Meghalaya are not maintaining rules, the SC, in 2014, ordered to stop mining in the state. Since then, coal import from Meghalaya has become irregular. After various periods of closure and open, the SC cleared the way for coal exports from December 22 last year to January 31, leading coal importers in Bangladesh to open letters of credit (LCs) to import 1 lakh tonnes.

Falah Uddin Ali Ahmed, a former president of the Sylhet Coal Importers Group, said the order halted imports of 50,000 tonnes of coal against which LCs were opened. "As we have to pay interest for the LCs, importers are about to face a great loss." He said small importers mainly bring in coal from India and they are suffering the most. There are about 2,000 small importers involved in coal imports, he said. In the past, Bangladesh used to import 26 lakh to 27 lakh tonnes of coal annually from India, but it came down to 4-5 lakh tonnes recently as India allowed coal exports for a definite time slot, according to Ahmed. Chandan Saha, president of the Sylhet Coal Importers Group, said many coal-laden trucks bound for Bangladesh have been stranded on the Indian side. The value of the stranded coal was about Tk 100

crore. “Indian exporters have filed writ with the Supreme Court which, we hope, will clear the way for coal imports.”

(Source: www.thedailystar.net)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

| Size | From | To | Freight rates | Change |
|-----------------|-----------------|-------------|----------------------|---------------|
| Capesize | Australia | China | 8.45 | +0.80 |
| (150.000 tons) | Queensland | Japan | 9.50 | +0.95 |
| | New South Wales | South Korea | 10.35 | +0.95 |
| Panamax | Richards Bay | India West | 11.20 | +0.00 |
| (70.000 tons) | Kalimantan | India West | 7.50 | -0.15 |
| | Richards Bay | India East | 11.35 | +0.00 |
| | Kalimantan | India East | 6.20 | -0.15 |
| | Australia | China | 10.45 | +0.00 |
| | Australia | India | 11.70 | +0.00 |

Unit: USD/ton

(Source: *Platts Coal Trader International* – Date 18/1/2019)