



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

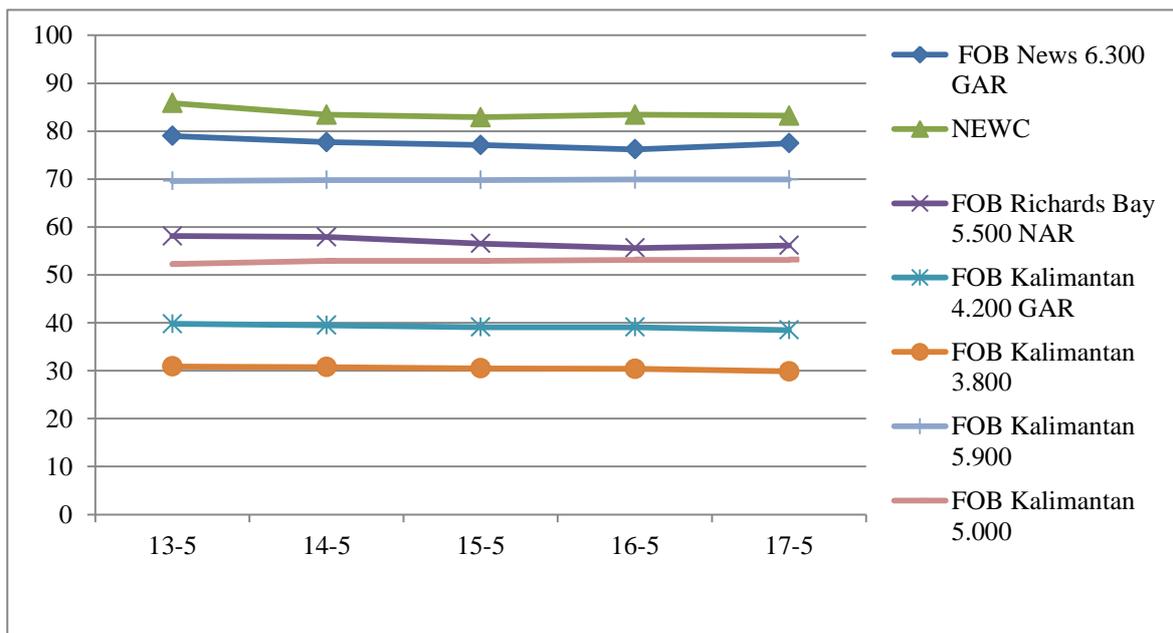
Date 23/5/2019

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	77.45	+1.25	N/A	N/A
FOB Newcastle 6,000 NAR	80.32	N/A	N/A	N/A
FOB Kalimantan 5,500 GAR	56.15	+0.55	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	69.90	+0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	53.15	+0.00

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	46.50	-0.50	320.24	-1.84
PCC7 (CFR South China 4,700 NAR)	61.00	+0.10	420.10	+2.77
PCC8 (CFR South China 5,500 NAR)	69.75	+0.00	480.36	+2.38

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2019



(Source: Platts Coal Trader International – Date 17/5/2019)

NEWS

New Ukraine president offers improved steel, coal prospects in longer term

Comic actor Volodymyr Zelenskiy's landslide win in Ukraine's presidential election Sunday appears to be a protest vote, as most of the country seeks a break from a recent history of corruption. Zelenskiy has vowed to "reboot" peace talks with Russia, stop the war in eastern regions and unify Ukraine after five years of conflict following Russia's annexation of Crimea in 2014. This is expected to be positive for the country's steel and coal industries, which have a big presence in the annexed areas, but only in the longer term. However, while there is "no mystery" to Zelenskiy's appeal to voters, it has little to do with his reform plans or foreign policy agenda, Andrey Dikhtyarenko, editor of Realna Gazeta, one of Ukraine's independent news outlets said in recent days, with no big immediate changes expected. Observers note that it remains to be seen what the incoming president's policy and approach will be after discussing taking back control of the steel and coal mining-rich Luhansk and Donetsk republics in the eastern Donbass, region, lost to Russia under incumbent president Petro Poroshenko, in office since 2014. Strategy decisions may occur only following parliamentary elections in October 2019, when Zelenskiy is expected to have the largest political party.

Coal production was 33.3 million mt in 2018, down 4.7% from 2017, according to Ukraine's Energy and Coal Industry Ministry. This follows a significant fall in thermal coal production: Ukraine cut its consumption of anthracite, a type of coal with high calorific content, by 62.8% over the past two years after all its anthracite-producing assets in Donetsk and Luhansk were seized by pro-Russian rebels, the ministry said in January 2019. Ukraine used 3.9 million mt of anthracite in its fossil fuel-burning power plants in 2018 compared with 10.5 million mt in 2016. The government has started upgrading power units to use thermal coal, which is abundantly available in other parts of the country.

TsentrEnerg, one of the country's largest fossil fuel-burning power generating companies controlled by the government, upgraded its units and has said it will not use any anthracite in 2019, having reduced usage from 2.2 million mt in 2016. "The work to replace anthracite with thermal coal began in May 2016," the ministry said in a statement. Private power generating firms followed suit and also upgraded their units for use of thermal coal. DTEK, the largest privately held power generating company, had replaced 1.3 million mt of anthracite-burning capacity with thermal coal over the past two years, the ministry reported.

(Source: Platts Coal Trader International)

Coal supply to power sector rises marginally to 40.7 MT in April

Coal despatches by state-owned Coal India Ltd (CIL) to the power sector rose marginally by 1 per cent to 40.7 million tonnes in April 2019 compared to 40.3 million tonnes in the year-ago month, according to official data. However, coal supply by Singareni Collieries Co Ltd (SCCL) declined by 2 per cent to 4.7 million tonnes (MT) last month compared to 4.8 MT in April 2018. The Singareni Collieries Company Limited is jointly owned by the Government of Telangana and the Government of India on a 51:49 equity basis. Public sector mining giant Coal India Ltd had supplied 488 MT of fuel to the power sector in 2018-19, registering an increase of 7.4 per cent over the previous year. The world's largest coal miner had dispatched 454.2 MT of coal to the power sector in 2017-18. Earlier, Union Coal Minister Piyush Goyal had said that no power plant was facing fuel shortages. The minister had also claimed that none of the thermal power plants have reported any loss of generation due to supply shortages.

(Source : <https://www.asianage.com/business/in-other-news/190519/coal-supply-to-power-sector-rises-marginally-to-407-mt-in-april.html>)

China's April raw coal output registers slower growth, reports NBS

China saw a slower growth in raw coal production in April, according to data showed from the National Bureau of Statistics (NBS) on 15 May, as mines' operations were strictly restricted by

frequent safety and environmental checks in the month. A total 294.29 million t of raw coal was produced in April, the NBS data showed. The volume was only 0.1% higher than the level in the same month last year, with the growth moderating from a 2.7% rise in March. It was also 4.06 million t or 1.36% lower than the March level, data showed. In the first four months, China churned out 1.11 billion t of raw coal, edging up 0.6% y/y, accelerating from a rise of 0.4% a year earlier, showed data which is tracked by sxcoal.com timely and closely all the time.

(Source: <https://www.worldcoal.com/coal/16052019/chinas-april-raw-coal-output-registers-slower-growth-reports-nbs/>)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENT

Size	From	To	Freight rates	Change
				<i>Unit: USD/ton</i>
Capesize	Australia	China	7.80	+0.20
(150.000 tons)	Queensland	Japan	8.80	+0.25
	New South Wales	South Korea	9.65	+0.25
Panamax	Richards Bay	India West	12.80	+0.00
(70.000 tons)	Kalimantan	India West	8.85	+0.00
	Richards Bay	India East	12.95	+0.00
	Kalimantan	India East	7.50	+0.00
	Australia	China	11.30	+0.10
	Australia	India	12.10	+0.05

(Source: *Platts Coal Trader International – Date 17/05/2019*)