



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

18/05/2017

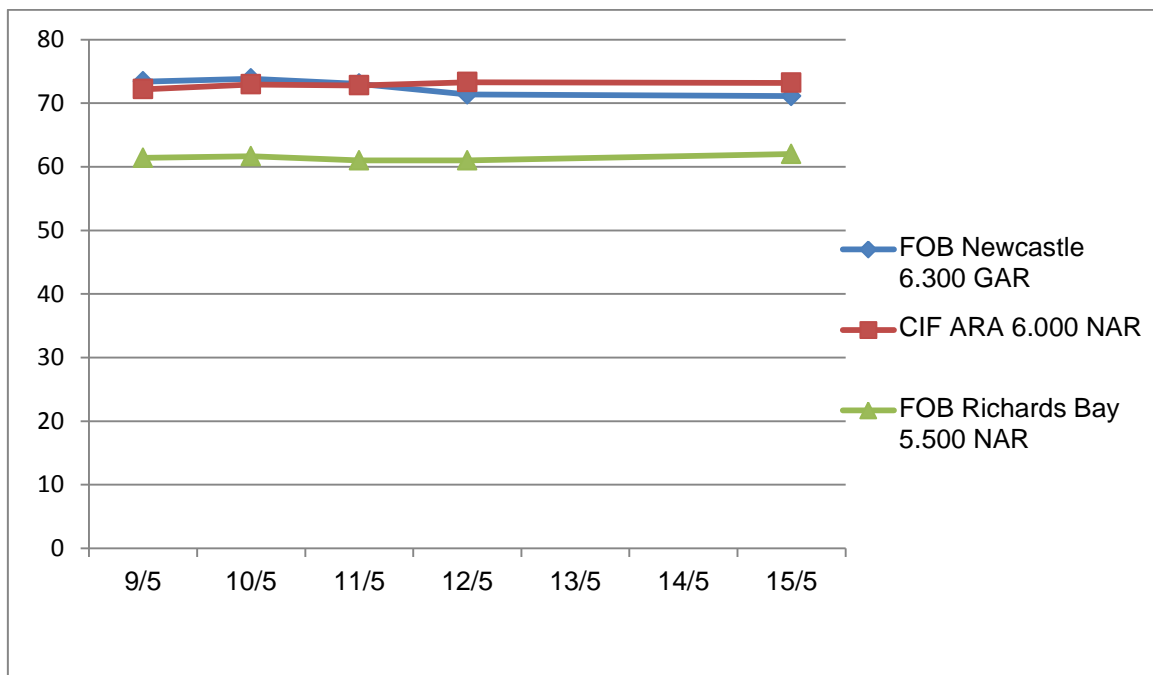
INTERNATIONAL COAL PRICE ASSESSMENTS

Unit: USD/ton

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6.300 GAR	71,10	- 0,25	71,65	- 0,95
CIF ARA 6.000 NAR	73,20	- 0,10	71,45	- 0,15
FOB Richards Bay 5.500 NAR	62,00	+ 1,00	N/A	N/A
FOB Kalimantan 5.900 GAR	N/A	N/A	69,00	+ 0,00
FOB Kalimantan 5.000 GAR	N/A	N/A	53,50	+ 0,00

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3.800 NAR)	42,70	- 0,10	293,35	- 0,92
PCC7 (CFR South China 4.700 NAR)	60,40	+ 0,00	414,95	- 0,33
PCC8 (CFR South China 5.500 NAR)	71,20	- 0,10	489,15	- 1,07

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2017



(Source: Platts Coal Trader International – Date 15/05/2017)

NEWS

Banpu in Q1 profit rebound

Coal miner Banpu Plc posted a net profit of US\$41 million (1.42 billion baht) in the first quarter of this year, reversing a net loss of \$5.2 million in the same period last year, due to rising coal prices and increasing revenue from the power business. President and chief executive Somruedee Chaimongkol said the company had total sales revenue of \$633 million, an increase of \$81 million from the same period last year, pushing up its earnings before interest, tax, depreciation and amortisation by 93% year-on-year. Ms Somruedee said the rise in profit was due largely to rising coal prices. Total coal sales in the first quarter came to \$566 million, contributing 89% of total sales revenue. Banpu aims to strengthen its midstream business strategy in coal trading as well as continuously look for opportunities to become a leading Asia-Pacific energy provider. In the upstream business, Banpu said it would keep the high productivity level of existing coal mines and strictly control their costs while seeking new opportunities for growth, with a focus on value-added businesses. For midstream, Banpu would improve administration and management in coal trading.

(Source: <http://www.bangkokpost.com>)

Coal projected to be largest source of power in ASEAN by 2030

Following increasing demand in recent years, coal is projected to overtake natural gas by 2030 to become the largest source of power in Southeast Asia. The International Energy Agency has forecast a three-fold increase in coal-fueled power generation to 920 terawatt hours (TWh) in 2035 from only 255 TWh in 2013. As a result, the share of coal in total electricity generation is expected to increase to 48 percent. “We see a shift toward more investment in high-efficiency coal. What is the reason for this? It is essentially because the background infrastructure costs for coal are lower,” Benjamin Sporton, the chief executive of World Coal Association (WCA), said in Jakarta on Wednesday. Sporton said the development of gas infrastructure, including pipes, ports and conversion facilities, was about five times more expensive compared to coal infrastructure. “In fact, background infrastructure costs for building a gas plant in Asia are often higher than the costs of building the gas plant itself,” he said. Hence, he said it was natural to see coal take over the crown from natural gas as the largest source of power in Southeast Asia by 2030.

(Source: <http://www.thejakartapost.com>)

Some 551,000 tonnes of imported coal shipped to TPPs, CHPPs in Ukraine in Jan-April

A total of 550,500 tonnes of imported steam coal was shipped to thermal power plants (TPPs) and combined heat and power plants (CHPPs) of Ukraine in January-April 2017, including 137,200 tonnes in April alone and only from Russia, a source in the Energy and Coal Industry Ministry has told Interfax-Ukraine. Over the period 72,900 tonnes of coal was shipped from South Africa, 358,800 tonnes from Russia and 118,900 tonnes from Poland. Coal stocks at TPPs and CHPPs in Ukraine in April 2017 grew by 4.5% or 85,600 tonnes, being 2.008 million tonnes as of May 1, 2017. As of May 1, 2017, gas coal stocks amounted to 1.7 million tonnes and anthracite stocks – 377,500 tonnes. In April 2017, 1.587 million tonnes of coal was shipped to TPPs and CHPPs, and 1.502 million tonnes was consumed. Coal stocks at warehouses of power plants as of May 1, 2017 were 26.9% less than as of May 1, 2016, and fuel oil stocks – 47.2% less.

(Source: <http://en.interfax.com.ua>)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Size	From	To	Freight rates	Change
Capesize (150.000 tons)	Australia	China	6,95	- 0,25
	Queensland	Japan	8,10	- 0,25
	New South Wales	South Korea	8,25	- 0,25
Panamax (70.000 tons)	Richards Bay	India West	10,70	+ 0,00
	Kalimantan	India West	6,85	+ 0,00
	Richards Bay	India East	11,00	+ 0,00

Kalimantan	India East	5,85	+ 0,00
Australia	China	8,80	+ 0,00
Australia	India	10,75	+ 0,00

(Source: Platts Coal Trader International – Date 15/05/2017)