



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

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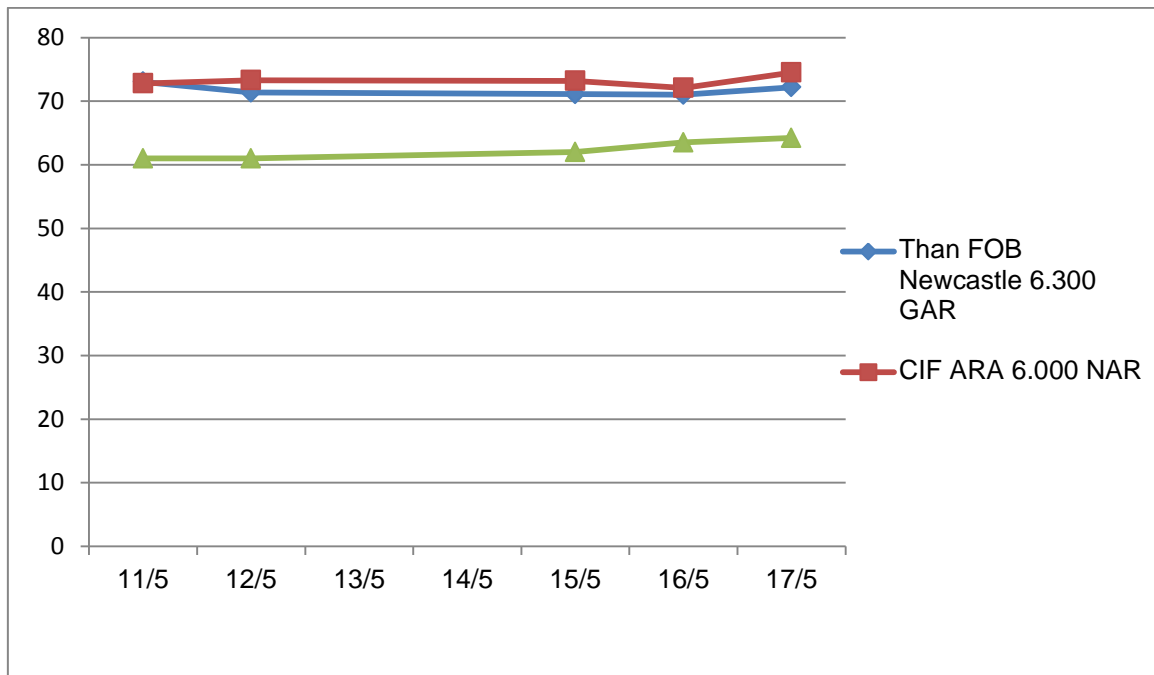
INTERNATIONAL COAL PRICE ASSESSMENTS

Unit: USD/ton

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6.300 GAR	72,20	+ 1,20	73,10	+ 1,00
CIF ARA 6.000 NAR	74,50	+ 2,40	72,25	+ 1,00
FOB Richards Bay 5.500 NAR	64,20	+ 0,70	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)	42,00	- 0,20	288,33	- 1,35
PCC7 (CFR South China 4.700 NAR)	59,80	- 0,20	410,53	- 1,34
PCC8 (CFR South China 5.500 NAR)	70,30	- 0,20	482,61	- 1,34

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2017



(Source: Platts Coal Trader International – Date 17/05/2017)

NEWS

Coal linkage policy to energise power firms' growth trajectory

The Government of India with an aim to reducing dependence on imported coal and auctioning long-term coal linkages to power companies recently approved a long-awaited coal linkage policy, which provided a breather to the thermal power sector. As coal availability is not adequate in India and international prices are high compared with domestic prices, the government is going in the right direction. Also, the government is aiming to bring down thermal coal imports of power PSUs this financial year to "zero". This should reduce the country's import bill by around Rs 17,000 crore. Actually, inadequate domestic coal, rising imports and high price of imported coal necessitate government intervention so that power-producing firms can get sufficient coal. Named Shakti or the Scheme to Harness and Allocate Koyla (coal) transparently in India, the policy would help allocate coal among different coal-using thermal power plants, with the active guidance of coal assigned state governments. Under this policy, coal linkage would be first given to DISCOMS and after that the government would assign linkage to state or central power generation companies through allocation or auctions. The linkage is expected to revive 30,000 Mw of power plants and would help revive stressed assets in the power sector.

With the economy poised to grow at the rate above 7.5 per cent per annum, energy requirements will also rise at a reasonable level. The Indian coal market is set to witness a big boost in the near future because of rising government initiatives. Coal, the key raw material for about 60 per cent of the power produced in the country, has been placed under the five per cent GST slab. The opportunities arising from better fuel availability, reduction in financial distress of DISCOMS and lower interest rate regime are likely to benefit the power sector greatly. As per a government report, India will double its coal production to 1.5 billion tonnes by 2020. This policy is expected to boost energy, utilities and mining sectors. Given the various policy developments in domestic coal sources, it is expected that mining companies would see better growth in business going forward.

(Source: economicstimes)

Ukraine's Jan-Apr coal imports down 9.7% on year to 4.83 mil mt

Ukraine's total imports of coal, including coking coal, thermal coal and anthracite, decreased 9.7% year-on-year to 4.83 million metric tons in January through April, down from 5.35 million mt imported in January-April 2016, the state customs service said Friday. The value of coal imports over the period soared 66.2% to \$770.9 million from \$463.9 million in January-April 2016, the customs service said. Ukraine mainly imports coal from Russia, but also takes some material from the US, Australia, Poland, South Africa and other countries. Coal-burning power plants received 550,500 mt of imported thermal coal and anthracite in January-April, including 137,000 mt in April alone, according to the energy and coal industry ministry. In the first four months, Ukraine's production of coal fell by 3.3% year-on-year to 13.07 million mt. Output of thermal coal increased by 3.2% to 10.76 million mt in January-April, while coking coal output dropped by 25% to 2.31 million mt, according to the ministry.

China's April raw coal production jumps 10% on year to 290 mil mt

China's raw coal production rose 9.9% year on year to 290 million mt in April, National Bureau of Statistics data released Wednesday showed. Over January-April, raw coal production rose 2.5% year on year to 1.11 billion mt. Coal production rose 5% year on year in April in Shanxi, Inner Mongolia and Shaanxi, which account for 67% of China's total coal production. Output in Jiangxi, Hubei, Hunan and Chongqin, where medium to small miners are clustered, fell more than 30% over the same period. China's power generation in April rose 5.4% on year to 476.72 TWh, and over January-April rose 6.6% to 1,938.24 TWh. NBS said thermal power generation rose 5.7% year on year to 352.18 TWh in April, but was down 2% from March, while hydro power generation was down 5.4% year on year at 74.34 TWh in April due to lower rainfall, but was still up from 72.5 TWh in March.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

				<i>Unit: USD/ton</i>
Size	From	To	Freight rates	Change
Capesize	Australia	China	6,80	- 0,05
(150.000 tons)	Queensland	Japan	7,95	- 0,05
	New South Wales	South Korea	8,10	- 0,05
Panamax	Richards Bay	India West	10,30	- 0,40
(70.000 tons)	Kalimantan	India West	6,55	+ 0,00
	Richards Bay	India East	10,60	- 0,40
	Kalimantan	India East	5,55	+ 0,00
	Australia	China	8,75	+ 0,00
	Australia	India	10,35	- 0,30

(Source: Platts Coal Trader International – Date 17/05/2017)