



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

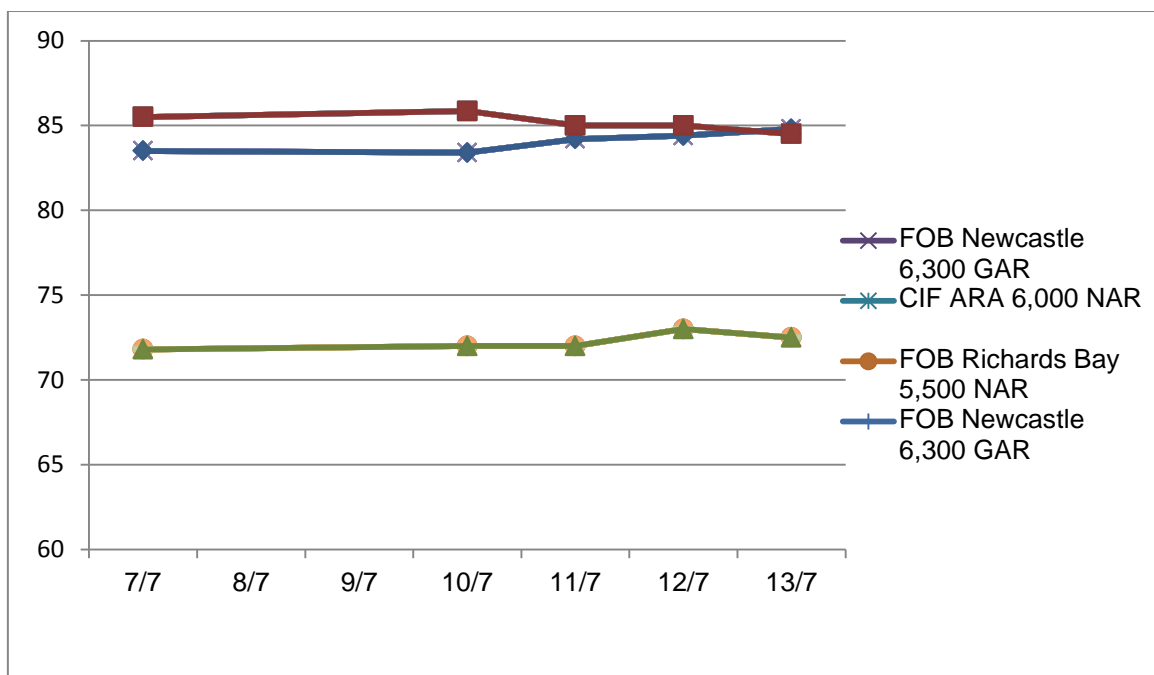
Date 17/07/2017

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	84.80	+ 0.40	84.50	+ 0.50
CIF ARA 6,000 NAR	84.50	- 0.50	83.30	- 0.20
FOB Richards Bay 5,500 NAR	72.50	- 0.50	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	71.25	+ 0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	55.75	+ 0.00

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	46.75	+ 0.75	315.75	+ 4.75
PCC7 (CFR South China 4,700 NAR)	62.30	+ 1.00	420.77	+ 6.32
PCC8 (CFR South China 5,500 NAR)	76.00	+ 0.00	513.30	- 0.53

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2017



(Source: Platts Coal Trader International – Date 13/07/2017)

NEWS

Toba Bara secures US\$171.7 million in syndicated loans

Publicly listed coal miner PT Toba Bara Sejahtera, through its subsidiary PT Gorontalo Listrik Perdana (GLP), has secured syndicated loans worth US\$171.7 million for the development of a Sulbagut-1 coal-fired power plant project in Gorontalo. The Sulbagut-1 plant, estimated to have a total investment value of around \$170 million to \$220 million, will generate 2x50 megawatts of electricity once it begins operating in 2019. Indonesia's largest lender by assets, Bank Mandiri, will act as the lead arranger of the loans, which will mature in a period of 12 years. "The syndicated loans will not affect the company's operational activities and, in the long run, it will boost the company's revenues and financial condition," Toba Bara said in a statement published on the Indonesia Stock Exchange website on Thursday.

Toba Bara has allocated \$60-65 million in capital expenditure this year, 85 to 90 percent of which will be used for the initial engineering, procurement and contracting phase of the Sulbagut-1 plant. The company produced 1.1 million tons of coal in the first quarter of 2017 and aims to mine a total of 5 to 6 million tons of coal by the end of the year. During the same period, the company booked profits of \$10.2 million, up 96.2 percent year-on-year compared to the first quarter of 2016.

China June coal output rises as summer power demand heats up

China's coal production rose 10.6 percent to 308 million tonnes in June from a year ago, data showed on Monday, as miners ramped up output to meet a pick-up in demand during the hot summer months, data from the National Statistics Bureau showed. Authorities have called for coal miners to boost output to ensure power supplies as people crank up air conditioners with a prolonged heatwave hitting across the country. Heavy rainfall has also slashed hydropower capacity in the south, helping boost demand for coal-fired electricity. Thermal coal prices have surged this year, hitting a fresh record of 614.6 yuan (\$90.81) a tonne in early trading on Monday. The country has fulfilled 65 percent of its target for capacity cutbacks on outdated coal capacity. The National Statistics Bureau also showed coke output fell 1.4 percent in June from a year ago to 38.16 million tonnes. The most-traded coke futures on the Dalian Commodity Exchange has gained 32 percent this year.

\$3bn coal-fired power plant planned for electricity-starved Myanmar

Myanmar, a country deeply troubled by poor energy planning and a subsequently underdeveloped electricity system, is planning a \$3bn coal-fired power plant, despite protests against the facility. Aung San Suu Kyi's government is trying to address a situation whereby only a third of the country's 60 million people are connected to the grid and major cities experience persistent blackouts. Coal is seen as a strong solution however a proposal for a 1280 MW plant in eastern Kayin has proven unpopular with the public. More than 100 activist groups across the country have signed a joint statement calling for the project to be cancelled and urging the government to look at renewable energy instead.

Myanmar aims a more than fourfold increase in its electricity generation of over 23,500 MW. The Kayin state project, which is still awaiting approval from the authorities, is among the 11 planned coal-fired plants in Myanmar and, by itself, would increase the country's current electricity production by 25 per cent, official data shows. Apart from protests, analysts say that the government will have to import coal for the plants, exacerbating the country's economic difficulties. Most of Myanmar's 49 planned hydropower projects have stalled, amid a lengthy dispute with China over the building of the Myitsone mega dam, compounding the energy problem. Thailand-based TTCL Public Company Ltd, developer of the project, said it would build a high-efficiency low-emissions coal-fired station at Kayin with advanced "clean coal" technology to mitigate environmental impact. A feasibility study on the environmental and social impact will be ready later this year before the final decision from the energy ministry, local authorities said.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Unit: USD/ton

Size	From	To	Freight rates	Change
Capesize	Australia	China	6.25	+ 0.40
(150,000 tons)	Queensland	Japan	7.05	+ 0.40
	New South Wales	South Korea	7.30	+ 0.40
Panamax	Richards Bay	India West	10.50	+ 0.05
(70,000 tons)	Kalimantan	India West	7.00	+ 0.00
	Richards Bay	India East	10.75	+ 0.05
	Kalimantan	India East	5.95	+ 0.00
	Australia	China	9.65	+ 0.00
	Australia	India	11.00	+ 0.00

(Source: Platts Coal Trader International – Date 13/07/2017)