



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

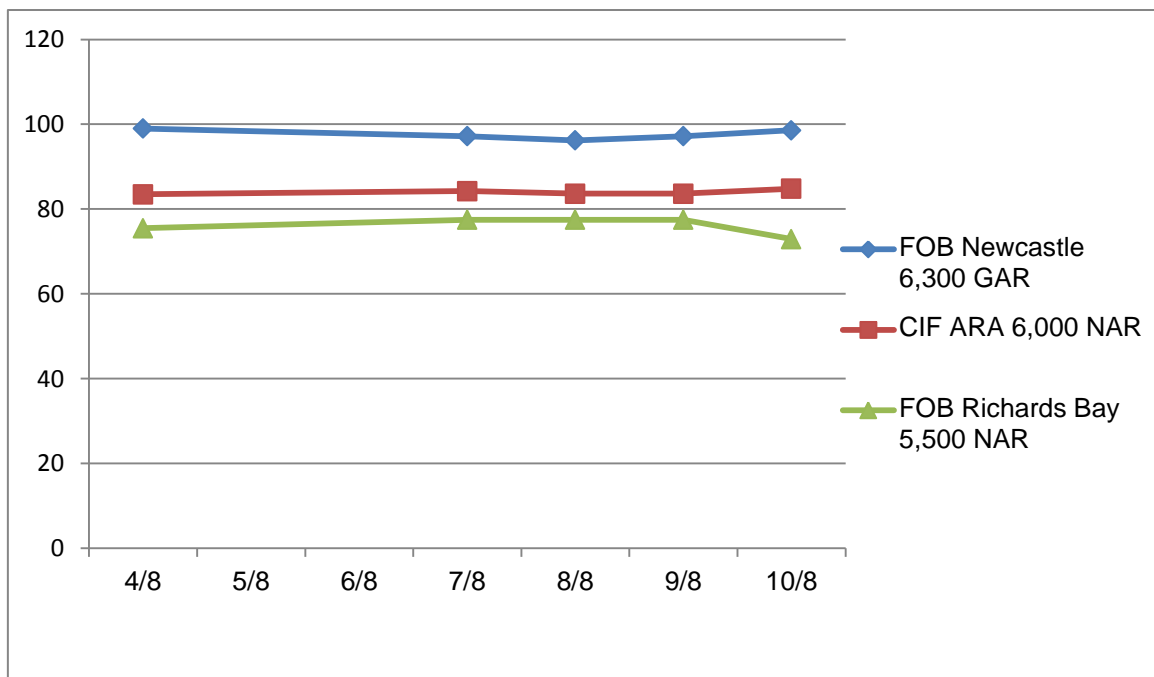
Date 15/08/2017

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	98.60	+ 1.40	95.10	- 1.20
CIF ARA 6,000 NAR	84.80	+ 1.15	84.50	+ 0.80
FOB Richards Bay 5,500 NAR	72.90	- 4.60	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	74.95	+ 0.25
FOB Kalimantan 5,000 GAR	N/A	N/A	60.00	+ 0.70

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	48.70	+ 0.20	322.95	+ 0.29
PCC7 (CFR South China 4,700 NAR)	65.90	+ 0.20	437.01	- 0.08
PCC8 (CFR South China 5,500 NAR)	81.50	+ 0.30	540.46	+ 0.25

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2017



(Source: Platts Coal Trader International – Date 10/08/2017)

NEWS

Chinese coal futures prices ease from record highs

China's thermal coal prices fell on Monday, easing back from a record high despite data showing a drop in domestic coal output in July, as investors factored in likely weaker demand from power companies. The most actively traded thermal coal futures fell 2.7 percent to 587.2 yuan (\$88.15) a tonne by 0456 GMT. On Friday, prices hit 613 yuan a tonne, the highest since the contract launched in May 2015. Open interest fell to 239,506 lots on Monday from 250,038 lots on Friday, indicating investors are closing out long positions and taking profits. "Utilities with high levels of stockpiles have been ordered to restrict purchases and lower their stockpile levels," a coal futures trading manager with a major miner said. Rising stocks levels at major ports also pointed to abundant supply in market, said Wang Fei, a coal analyst with Huaan Futures said. Coal inventory at China's largest coal trading port Qinghuadao rose to 5.795 million tonnes as of Monday, up from 5.415 million tonnes two week ago, port data showed.

"Investors are turning bearish on thermal coal prices on abundant supply. The forward curve also shows the market expects prices to go lower," Wang said. Coking coal prices also fell 2.7 percent to 1,303 yuan (\$195.60) on Monday, after touching a record 1,376 yuan a tonne on Friday. Analysts and producers still expect the market to remain tight for the rest of the third quarter. Prices are expected to be supported by high demand in September when utilities stock up to meet winter demand amid forced closures from big miners to meet environmental restrictions. China's coal production in July fell 4.5 percent to 294 million tonnes from a month earlier, its lowest since October, official data showed on Monday. Earlier this month, China's biggest producer Shenhua said it has suspended operations at two large open-pit coal mines in northern China with total capacity of 50 million tonnes.

Coal India Q1 consolidated profit dips 23 per cent to Rs 2,351 cr

State-owned Coal India Ltd (CIL) on Monday posted 23 per cent decline in consolidated profit at Rs 2,351.2 crore for the quarter ended June 30, 2017, due to higher expenses. The company had posted a consolidated profit of Rs 3,065.2 crore in the year-ago period, Coal India Ltd (CIL) said in a filing to BSE. However, CIL's consolidated income during April-June quarter was at Rs 21,774.4 crore, registering an increase of 4.5 per cent. The firm's consolidated expenses increased to Rs 17,836.7 crore in April-June this year, over Rs 16,197.8 crore in the year-ago period. The production of the country's largest coal miner was at 118.8 million tonnes (MT) in the first quarter of FY2017-18 against 125.6 MT in the same quarter of previous fiscal. The company's off take for the April-June quarter was at 137.4 MT, over 133.2MT in the same quarter of previous fiscal. On standalone basis, Coal India posted a profit of Rs 32.18 crore for April-June 2017 against that of Rs 3.6 crore in the year-ago period. However, standalone total income declined to Rs 187.8 crore over Rs 189 crore in the corresponding quarter of previous fiscal.

Australian coal-power pollution would be illegal in US, Europe and China

Australian coal-fired power stations produce levels of toxic air pollution that would be illegal in the US, Europe and China, and regularly exceed even the lax limits imposed on them with few or no consequences, according to an investigation by Environmental Justice Australia. The report reveals evidence that operators of coal power plants in Australia have been gaming the systems that monitor the deadly pollution, while others have reported figures the federal government says are not reliable. Pollution from coal power plants kills hundreds of people each year in Australia. In Sydney alone, about 130 premature deaths are thought to be caused each year by coal-fired power stations, with worse impacts in regions near the stations. Standardising the limits for comparison and collating them with regulations in the US, Europe and China, they found that in almost all cases Australian coal power plants were allowed to emit more toxic pollution.

Some coal-fired power plants in New South Wales were allowed to emit 666 times what would be allowed in the US, and 33 times what is allowed in the EU and China. Australia has no national standard, with each power station having its own limits. But the EJA researchers found even those

limits were poorly monitored, often exceeded and rarely enforced. Allegations uncovered by EJA, that one power station was gaming the system by putting less polluting coal into the generator when the levels were measured, sparked an inquiry by the NSW Environmental Protection Agency in May. The report also compared the toxic pollution from Australia’s old coal-fired stations to that of the newest “ultra supercritical plants,” finding that if current best technology were applied to the existing stations, new plants would not reduce pollution significantly. The report called for urgent action to reduce deaths, including the introduction of binding national emission standards requiring international best practice, and emissions reduction programs run by the states for fine and coarse particle pollution, and sulfur and nitrogen pollution.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Unit: USD/ton

Size	From	To	Freight rates	Change
Capesize (150,000 tons)	Australia	China	7.40	+ 0.00
	Queensland	Japan	8.20	+ 0.00
	New South Wales	South Korea	8.45	+ 0.00
Panamax (70,000 tons)	Richards Bay	India West	10.85	+ 0.05
	Kalimantan	India West	7.30	+ 0.05
	Richards Bay	India East	11.10	+ 0.05
	Kalimantan	India East	6.30	+ 0.05
	Australia	China	9.80	+ 0.20
	Australia	India	11.35	+ 0.10

(Source: Platts Coal Trader International – Date 10/08/2017)