



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

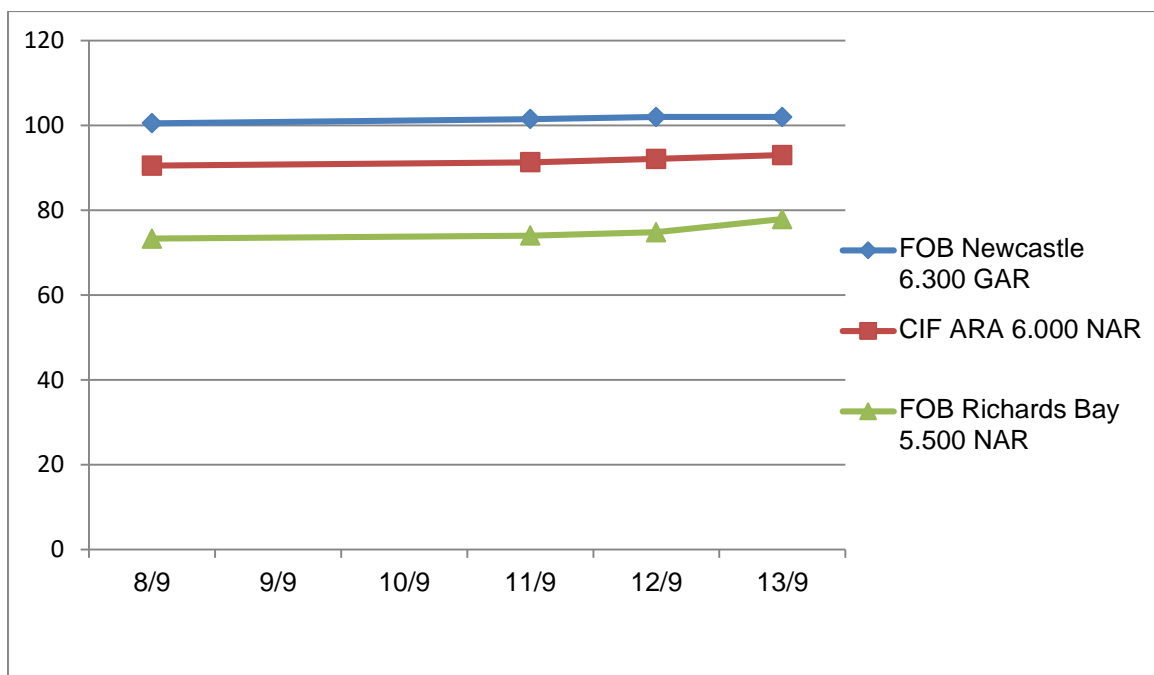
Date 15/09/2017

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	102.00	+ 0.00	100.30	+ 0.30
CIF ARA 6,000 NAR	93.00	+ 0.90	90.80	+ 0.30
FOB Richards Bay 5,500 NAR	77.90	+ 3.10	N/A	N/A
FOB Kalimantan 5,900 GAR	78.25	+ 0.25	78.25	+ 0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	63.50	+ 0.50

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	52.00	+ 0.50	395.75	+ 3.53
PCC7 (CFR South China 4,700 NAR)	71.00	+ 1.00	540.36	+ 7.24
PCC8 (CFR South China 5,500 NAR)	84.00	+ 0.50	639.30	+ 3.37

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2017



(Source: Platts Coal Trader International – Date 13/09/2017)

NEWS

Screen trades add to tension in Japan thermal coal talks

Tension has sharpened around upcoming October benchmark talks for Japan, with trades Wednesday at \$100/mt for a November-loading parcel of Newcastle 6,000 kcal/kg NAR thermal coal. The \$100/mt FOB Newcastle trade occurred late in the Asia session on globalCOAL's trading screen and exceeded the last November parcel trade on the trading platform at \$97/mt on August 31, which was also for 25,000 mt. Japanese buyers including Tohoku Electric Power are poised to start negotiations with their Australian suppliers on an FOB Newcastle fixed prices for shipments of Newcastle 6,322 kcal/kg GAR coal starting delivery from October 2017 through to September 2018. Market sources said they are anticipating a settlement price in the three digits, or at least \$100/mt FOB Newcastle, for the October benchmark, which would represent a significant uplift on last October's price of \$94.75/mt. Also in Wednesday's trade, a December shipment of Newcastle 6,000 kcal/kg NAR coal went through globalCOAL at \$99/mt FOB, up from \$97.15/mt Monday. An October-loading 25,000 mt parcel of the same grade had traded on globalCOAL at \$102/mt FOB Tuesday. "We are seeing a diversion in pricing for Newcastle 6,000 kcal/kg NAR at the moment," said one market participant, in that 25,000 mt clips are trading on screen at premiums higher than for full, nondivisible Panamax cargoes of 75,000 mt. "We think this trend may well continue in the next few months, and the 75,000 mt non-divisible market could see further weakness as traders who are long have few homes to place the coal other than on screen as end-users are well covered," he said.

South African NUM coal miners to strike at two exxaro mines

South Africa's National Union of Mineworkers (NUM) said Wednesday it had served Exxaro Resources with a 48-hour notice to begin strike action from Thursday at the coal miner's Grootegeluk and Leeuwanpan mines in Limpopo and Mpumalanga provinces. The NUM is seeking a 10% across-the-board pay rise, against an offer of 6.5% from Exxaro. The two mines produce a combined 30 million mt/year of coal products, with the bulk being transported to state-controlled utility Eskom's 3,990 MW Matimba and 4,800 MW Medupi power plants. However, the Grootegeluk mine can also export approximately 1 million mt/year of semi-soft coking coal and thermal coal through Richards Bay Coal Terminal, according to Exxaro's website. Exxaro has told customers it may have to declare force majeure, a source close to the matter said, adding the strike could have an effect on already strong FOB Richards Bay export coal prices as international customers may be affected. Platts assessed the FOB Richards Bay 5,500 kcal/kg NAR 7-45 day spot thermal coal price at \$74.80/mt Tuesday, a more than onemonth high.

Taipower and Komipo announced tender for thermal coal

State utility Taiwan Power (Taipower) announced Wednesday a tender for 480,000 mt of sub-bituminous coal for delivery from December 2017 to March 2018 either to Taichung or Hsinta Port. In the tender TPC10701-GS, Taipower sought six 80,000-mt Panamax shipments of thermal coal with a minimum calorific value of 5,000 kcal/kg gross as received, maximum total moisture of 28% as received, minimum 28% volatile matter air dried, maximum 8% ash air dried and maximum 0.9% sulfur air dried. The utility asks for offers both on a FOB and CFR basis. Additionally, Indonesian shippers are asked to provide a copy of the ET Batubara or the export license issued by Indonesia's Ministry of Trade. Bids close on September 26.

Korea Midland Power Co. Ltd (Komipo) issued Wednesday a spot tender for 390,000 mt of thermal coal for loading in November and for delivery to its Boryeong power plant. In the tender KOMIPO-Bid Notice-2017-SP11, the utility seeks three 130,000-mt of thermal coal with a calorific value of 5,700-6,100 kcal/kg net as received, maximum total moisture of 15% as received, 24%-38% volatile matter air dried, maximum 20% ash air dried, and maximum 1% sulfur as received. Russia, Chinese and Australian Newcastle coal are not allowed to participate in this tender and offers are required to be on single, fixed free-on-board-and trimmed (FOBT) basis. The tender closes on September 19.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

				<i>Unit: USD/ton</i>
Size	From	To	Freight rates	Change
Capesize	Australia	China	9.40	+ 0.05
(150,000 tons)	Queensland	Japan	10.90	+ 0.05
	New South Wales	South Korea	11.25	+ 0.05
Panamax	Richards Bay	India West	12.85	+ 0.00
(70,000 tons)	Kalimantan	India West	9.00	+ 0.00
	Richards Bay	India East	13.25	+ 0.00
	Kalimantan	India East	7.90	+ 0.00
	Australia	China	12.20	+ 0.20
	Australia	India	14.00	+ 0.45

(Source: Platts Coal Trader International – Date 13/09/2017)