



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

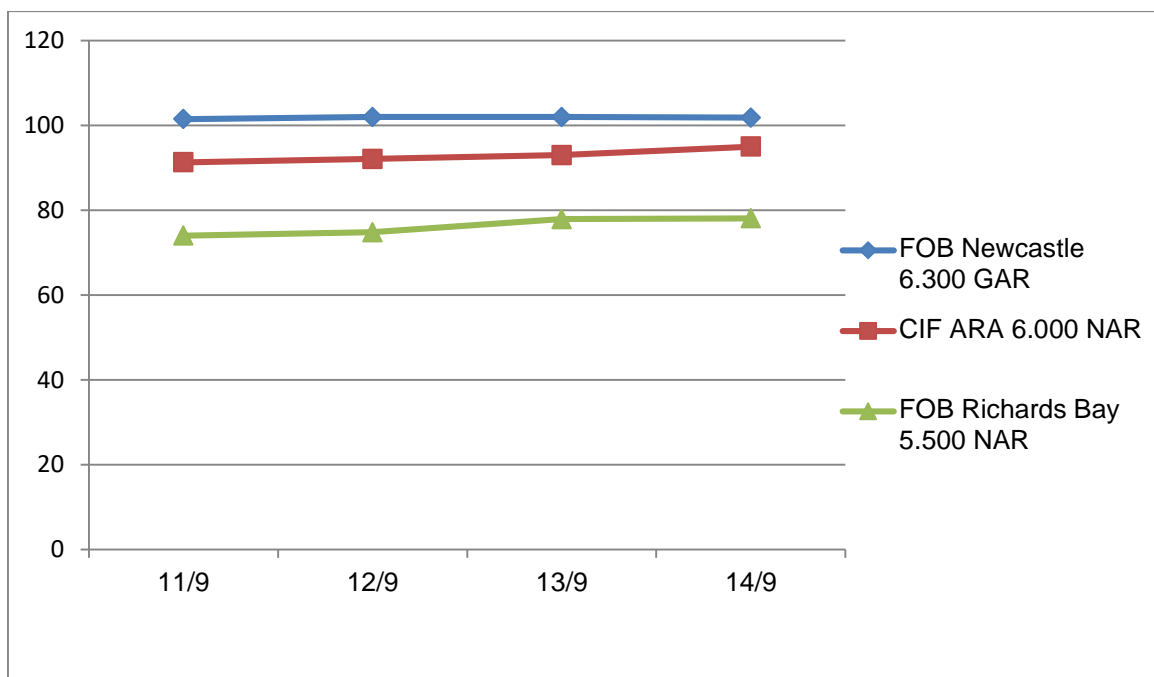
Date 19/09/2017

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	101.85	-0.15	100.15	-0.15
CIF ARA 6,000 NAR	95.00	+2.00	93.70	+2.90
FOB Richards Bay 5,500 NAR	78.10	+0.20	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	78.50	+0.25
FOB Kalimantan 5,000 GAR	N/A	N/A	64.00	+0.25

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	52.25	+ 0.25	399.18	+ 3.43
PCC7 (CFR South China 4,700 NAR)	71.00	+ 0.00	542.44	+2.08
PCC8 (CFR South China 5,500 NAR)	84.50	+ 0.50	645.57	+6.27

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2017



(Source: Platts Coal Trader International – Date 14/09/2017)

NEWS

Asia seaborne thermal coal prices rally on strong China buying

Resurgent Chinese and Indian thermal coal buying were pushing prices higher Thursday, with a few trades for Indonesian coal heard at higher levels, sources said. A Singapore-based trader said an October-loading, geared-vessel cargo of 4,200 kcal/kg GAR, or 3,800 kcal/kg NAR coal, with 0.5% sulfur rejection, was heard traded to China earlier this week at \$44.50/mt FOB Kalimantan. Some Indian buyers in the stock-and-sale business were willing now to pay almost \$45/mt FOB for a geared-vessel shipment of 3,800 kcal/kg NAR Indonesian coal for loading in the second half of September, he said.

An Indonesian producer source said he sold Wednesday to China an October-loading geared shipment of 3,800 kcal/kg NAR coal at \$44.80/mt FOB, and two more geared vessel cargoes for the same loading month to another trader at \$45/mt. Some shipments of 3,400 kcal/kg NAR, or 3,800 kcal/kg GAR coal, for October delivery were heard sold at \$37/mt FOB on a gearedvessel basis. "Prices are so inflated now," a second Singapore-based trader said, pegging the fair market value for 4,200 kcal/kg GAR coal at \$42/mt FOB. "If prices rise too fast, the risk for a sharp drop is there as well," an Indonesia-based source said. "Some sellers are trying to push the market further up, but we are trading conservatively," he added.

Meanwhile, an India-based trader said he concluded a deal for a geared-vessel, September-loading cargo of 4,200 kcal/kg GAR coal at \$44.65/mt FOB. "There are no cargoes anywhere for September," he said. Early-October cargoes were available, but suppliers were holding on to them until the last minute to benefit from any price rise, he said. "Indian buyers are slowly coming back into the market. While there are inquiries, there are no spot cargoes available," he said. Cargoes of 3,800 kcal/kg GAR coal are being offered as high as \$39/mt FOB, but he said deals could be concluded at \$37/mt..

Chinese domestic coal prices rise

In China, higher traded prices for domestic cargoes allowed buyers to raise their bids for Australian 5,500 kcal/kg NAR product undeterred by apparent restrictions for coal imports at some Chinese ports, sources said. At the northern port of Qinhuangdao, 5,500 kcal/kg NAR domestic thermal coal was heard offered at as high as Yuan 660/mt FOB following transactions at Yuan 650/mt this week, up Yuan 20/mt week on week. Extensive safety checks at mine sites ahead of the Chinese Government's October Beijing conference are slowing production in China, sources said. Qinhuangdao prices were at their highest since April, leading to fears that Beijing may take steps to cool down its domestic market, sources added. Bid prices from Chinese buyers were heard at just over \$75/mt FOB Newcastle for October shipments of 5,500 kcal/kg NAR high-ash thermal coal, though \$73/mt was seen as the acceptable price for Chinese customers. Offer prices from Australian coal producers for October Capesize cargoes of this grade were heard at \$78/mt and \$80/mt FOB Newcastle, sources said. Meanwhile, reports of coal import restrictions at Guangzhou Port continued to swirl. "There are a lot of uncertainties," a source said of China's market. Vessel queues for Guangzhou port, and also for Fangcheng, another important entry point for coal imports in southern China, have increased significantly, resulting in delays and growing demurrage bills for ship owners, he said.

Protesters set to rally against Australia's biggest coal mining project

Environmental activists are due to start a week of protests against a major coal mining project they say will damage Australia's Great Barrier Reef and contribute to global warming. The A\$16.5 billion (\$13.20 billion) project has been delayed for more than five years by court challenges from environmentalists and indigenous groups concerned about reef damage, climate change, and the impact on native land and water supply.

The challenges failed and a workers' camp opened in August to begin building the project's \$3.2 billion first stage. The "Frontline Action on Coal" and the "Reef Defenders" groups are to start their protests at Bowen, in the Whitsunday region of Queensland where the reef is situated. Paul Jukes, a Whitsunday farmer and tourism operator, told Reuters by telephone that the demonstrations would

start with a march but could extend to direct action such as activists locking themselves to equipment to prevent it from being moved. "It will be completely peaceful," he said.

The project is located in the remote Galilee Basin, a 247,000 square-kilometre (95,000 square mile) expanse in the central outback that some believe has the potential to become Australia's largest coal-producing region. Adani has said the project would create 10,000 direct and indirect jobs. Coal from the mine would be exported to India. The mine is located 400 km (250 miles) from a Pacific Ocean shipping terminal. Adani is seeking a A\$900 million (\$720 million) concessional government loan to help build a rail line linked to a port. The Australian government is assessing whether to grant Adani the loan through its Northern Australia Infrastructure Facility intended to promote economic development in rural regions.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Size	From	To	Freight rates	Change
Capesize	Australia	China	9.65	+0.25
(150,000 tons)	Queensland	Japan	11.15	+0.25
	New South Wales	South Korea	11.50	+0.25
Panamax	Richards Bay	India West	12.95	+0.10
(70,000 tons)	Kalimantan	India West	9.25	+0.25
	Richards Bay	India East	13.45	+0.20
	Kalimantan	India East	8.15	+0.25
	Australia	China	12.50	+0.30
	Australia	India	14.45	+0.45

(Source: Platts Coal Trader International – Date 14/09/2017)