



**PETROVIETNAM OIL & GAS GROUP**  
**PETROVIETNAM POWER CORPORATION**  
**DAILY NEWS**

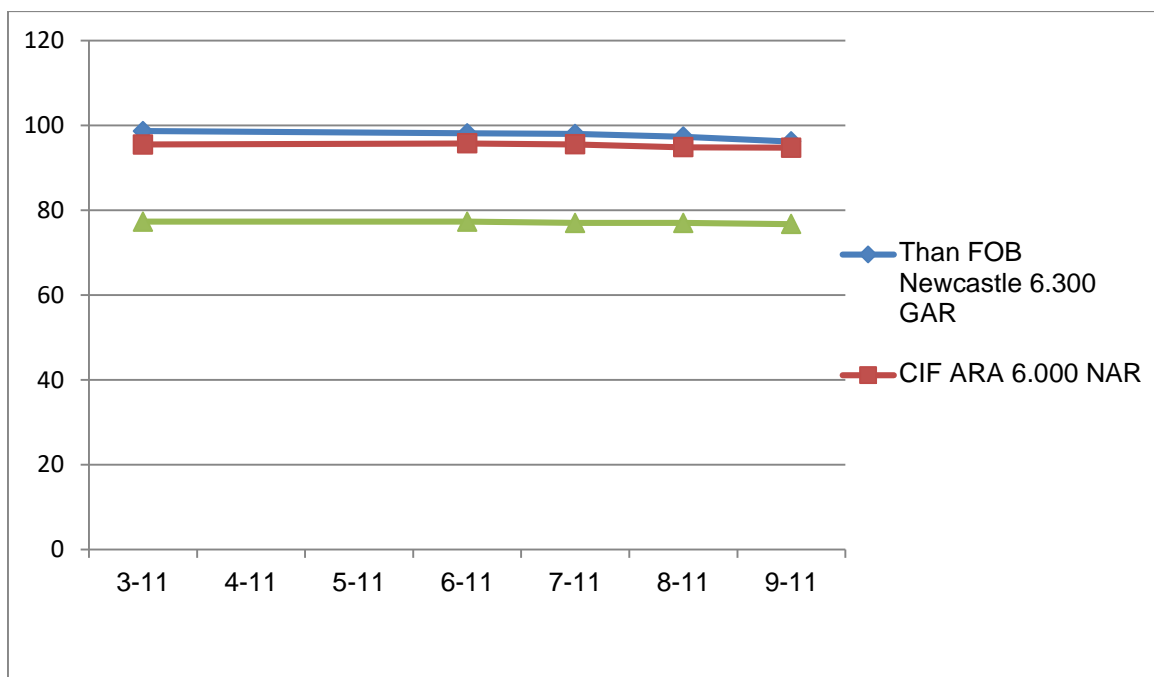
Date 10/11/2017

**INTERNATIONAL COAL PRICE ASSESSMENTS**

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	96.20	-1.15	98.10	-0.80
CIF ARA 6,000 NAR	94.75	-0.10	93.40	+0.15
FOB Richards Bay 5,500 NAR	76.75	-0.25	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	82.40	+0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	64.70	-0.50

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	52.30	-0.50	404.57	-3.60
PCC7 (CFR South China 4,700 NAR)	72.70	-0.50	562.37	-3.49
PCC8 (CFR South China 5,500 NAR)	87.00	-0.80	673.00	-5.73

**DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2017**



(Source: Platts Coal Trader International – Date 09/11/2017)

## **NEWS**

### **Kepeco to build coal-fired plant in Vietnam**

Korea Electric Power Corporation (Kepeco), has finalized a deal with Vietnam's Ministry of Industry and Trade and Electricity to build a coal-fired power plant in Vietnam, Kepeco said Thursday. The agreement, worth \$2.3 billion, was signed Wednesday and will see Kepeco build a plant with 1,200 MW capacity in Thanh Hoa province. The plant is expected to be completed by 2021, and operational by 2022. Kepeco will work jointly with Japanese investment and trading business Marubeni Corporation, and will operate the plant for 25 years before transferring management to Vietnam. Vietnam's installed power generation capacity was 38,553 MW at the end of 2016, according to an annual report by Vietnam Electricity, with coal-fired generation representing roughly one third of that capacity. The latest customs data collected by S&P Global Platts shows Vietnam imported 11.65 million mt of thermal coal over January-October this year, with the primary sources being Indonesia, Australia, and Russia. Data published by Coalswarm shows there are currently 10 coal plants under construction in Vietnam with a total capacity of 11,385 MW.

### **South Africa mining union to go ahead with coal strike**

South Africa's National Union of Mineworkers has received a certificate allowing it to proceed with a strike in the coal sector Wednesday afternoon, it said on its website Thursday. The Chamber of Mines, which represents producers including Anglo American, Exxaro and Glencore in South Africa, met with the NUM Wednesday. The Commission for Conciliation, Mediation and Arbitration has issued a certificate of non-resolution to the dispute following a collapse in negotiations between the Chamber of Mines and the NUM. "We confirm we received the certificate to strike yesterday afternoon. We will now meet with the members and they will give us their mandate on when the strike will commence," an NUM spokesman said in a statement.

A Switzerland-based trader said he had not seen much impact on FOB Richards Bay prices, saying he had seen a 50,000 mt January-loading cargo offered Thursday morning at \$92.50/mt FOB Richards Bay for 6,000 kcal/kg NAR coals. Wednesday's best reported offer by the market close for a January-loading cargo was \$93/mt.

Negotiations have been ongoing between employers and the union since June, when the Chamber declared wage talks would be centralized, as some miners wished to conduct negotiations on an individual mine basis. The NUM is currently demanding a one-off Rand 1,100 (\$78) payment for workers for 2017, an 8% pay rise for 2018 and 9% for 2019.

### **New Hope highlights economic benefits of New Acland expansion**

Australian miner New Hope is pleading the economic case for the expansion of its contentious New Acland Stage 3 thermal coal mine in Queensland, citing a new report released Thursday by Ernst and Young. The Australian economy stands to benefit from about A\$7 billion (\$5.38 billion) in additional economic activity if the project is given the green light, according to the report. If it goes ahead, total payments to stakeholders are estimated to amount to A\$8.13 billion, compared to A\$1.26 billion if it doesn't, the report said. The forecast is based on the project operating at 7.5 million mt/year for a 12-year period with construction taking place over three years, starting in 2019.

Earlier in the year, the Queensland Land Court recommended against granting a mining lease for the project due to "major shortcomings" including ground water issues in New Hope's expansion model. New Hope's Managing Director Shane Stephen said that the report showed how much money would go missing from the economy if the Queensland state government rejected the project. "If the expansion of NAC doesn't go ahead, 535 existing full-time jobs will be lost and a further 405 jobs in construction and ongoing operations will not be created. These jobs are critical to the Darling Downs region with many people likely to have to leave the region if they lose their jobs," he said.

*(Source: Platts)*

## **INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS**

				<i>Unit: USD/ton</i>
<b>Size</b>	<b>From</b>	<b>To</b>	<b>Freight rates</b>	<b>Change</b>
<b>Capesize</b>	Australia	China	10.15	+0.00
(150,000 tons)	Queensland	Japan	11.85	+0.00
	New South Wales	South Korea	12.20	+0.00
<b>Panamax</b>	Richards Bay	India West	12.45	+0.05
(70,000 tons)	Kalimantan	India West	8.65	-0.25
	Richards Bay	India East	12.65	-0.05
	Kalimantan	India East	7.25	-0.25
	Australia	China	11.70	-0.05
	Australia	India	13.75	-0.15

*(Source: Platts Coal Trader International – Date 09/11/2017)*