



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

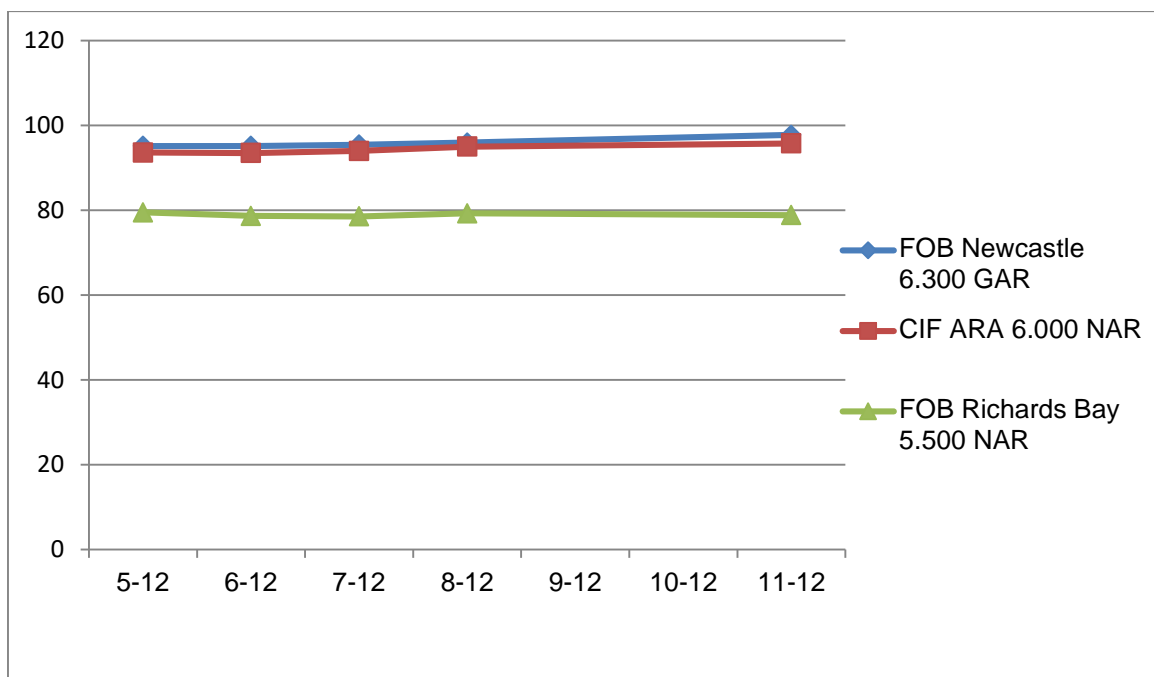
Date 12/12/2017

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	97.75	+1.80	101.00	+1.60
CIF ARA 6,000 NAR	95.75	+0.75	94.90	+1.60
FOB Richards Bay 5,500 NAR	78.85	-0.40	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	82.75	+0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	65.50	+0.00

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	53.70	+0.50	414.11	+3.87
PCC7 (CFR South China 4,700 NAR)	73.40	+0.50	566.02	+3.88
PCC8 (CFR South China 5,500 NAR)	85.80	+0.00	661.65	+0.04

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2017



(Source: Platts Coal Trader International – Date 11/12/2017)

NEWS

Indonesia thermal coal prices firm on Chinese demand, tight supply

The Indonesian thermal coal market opened the week on a strong note amid steady Chinese demand and tight supply for prompt loading cargoes, sources said Monday. Prices, especially for 3,800 kcal/kg NAR coal, have seen a rise of around \$1 over the past week, a China-based trader said. There were few cargoes available for H2 December, and offers were mostly for H1 January loading cargoes. An Indonesia-based trader received firm buying interest for December shipments, but none of the miners had anything to offer. “The only offers left are for January,” the trader said. He received a bid for 3,800 kcal/kg NAR coal with 0.3% sulfur at \$46/mt FOB and for 4,700 kcal/kg NAR at \$65/mt FOB, both for early January loading on Supramax vessels.

He said some traders might be holding on to their cargoes as they expect prices to strengthen in the coming days. Traders who have positions are also watching the market trends for the second half of the month, when activity typically slows ahead year-end holidays, he said. However, he said most of the bids were from Chinese traders rather than end-users. “Power utilities are not that active currently, which is making demand sustainability doubtful,” he added. He received a bid for an early January loading Supramax shipment of 3,800 kcal/kg NAR coal at \$45.50/mt FOB. The Indonesia-based trader said he does not expect to see any slowdown in the second half of the month. Meanwhile, a west India-based end-user said heavy rain in Indonesia has kept supply tight, lending support to prices. He said the market was likely to remain firm until Chinese buyers restock ahead of Lunar New Year holidays, after which there might be some correction in prices.

Vietnam’s nov coal imports spike 81% on year to 1.45 million mt

Vietnam imported 1.45 million mt of coal in November, spiking 81.05% from the same month last year, according to preliminary data from Vietnam Customs released Friday. Indonesia was the biggest supplier of coal in the month with 820,755 mt, surging 135.86% year on year, followed by Australia and Russia. In the first 11 months, Vietnam imported 12.96 million mt of coal, up 4.89% year on year, mostly from Indonesia, Australia and Russia. The country’s coal production was estimated to have slipped 1% year on year to 34.84 million mt during January-November, data from the General Statistics Office showed on November 29. Actual data for November and January-November is scheduled to be released on December 29.

Vietnam’s coal demand for power generation is expected to increase from around 35 million mt this year to 60 million mt/year by 2020, 100 million mt/year by 2025 and 140 million mt/year by 2030, a representative from Vietnam National Coal-Mineral Industries Holding Corp. Ltd., or Vinacomin, said in June. The Vinacomin official added that Vietnam is unable to quickly raise coal output due to difficulties in production operations, thus, imports are inevitable. Meanwhile, Vietnam’s coal exports soared to a seven-month high of 338,002 mt in November, up 104.72% year on year, mainly to Japan, South Korea and Indonesia. In the first 11 months, Vietnam exported 1.98 million mt of coal, surging nearly 106% from the same period in 2016, largely to Japan, South Korea and Malaysia. Over 2017-2020, Vinacomin targets to export about 2 million mt/ year of high quality coal, the company official said. Most of the country’s coal production is used domestically by the power, cement and other industrial sectors.

Combined coal stocks at China’s key Bohai sea ports rise 0.5% on week

Combined coal stocks at China’s key Bohai Sea ports of Qinhuangdao, Caofeidian and Jingtang totaled 12.335 million mt for the week ended Monday, up 0.5% from the prior week, according to data released by operator Qinhuangdao Port. Demand from downstream power plants remained high due to the onset of winter when coal and electricity consumption peaks, resulting in sideways movements in coal stocks at the Bohai sea ports, the port operator said. Coal stocks were highest at Qinhuangdao port at 6.66 million mt on Monday, up from 6.48 million mt a week earlier. Caofeidian port stocks totaled 2.195 million mt Monday, down from 2.36 million mt a week ago. Jingtang Port stocks totaled 3.5 million mt, up from 3.45 million mt a week earlier. Stocks at Huanghua port, Shenhua Group’s captive coal port in northern China’s Hebei province, stood at

2.08 million mt on Monday, up from 2.04 million mt a week ago, according to data from the Huanghua Port Authority.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Unit: USD/ton

Size	From	To	Freight rates	Change
Capesize (150,000 tons)	Australia	China	11.90	+0.35
	Queensland	Japan	13.45	+0.35
	New South Wales	South Korea	13.80	+0.35
Panamax (70,000 tons)	Richards Bay	India West	12.25	+0.00
	Kalimantan	India West	9.10	+0.10
	Richards Bay	India East	12.60	+0.00
	Kalimantan	India East	7.70	+0.10
	Australia	China	12.20	+0.10
	Australia	India	13.60	+0.15

(Source: Platts Coal Trader International – Date 11/12/2017)