



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

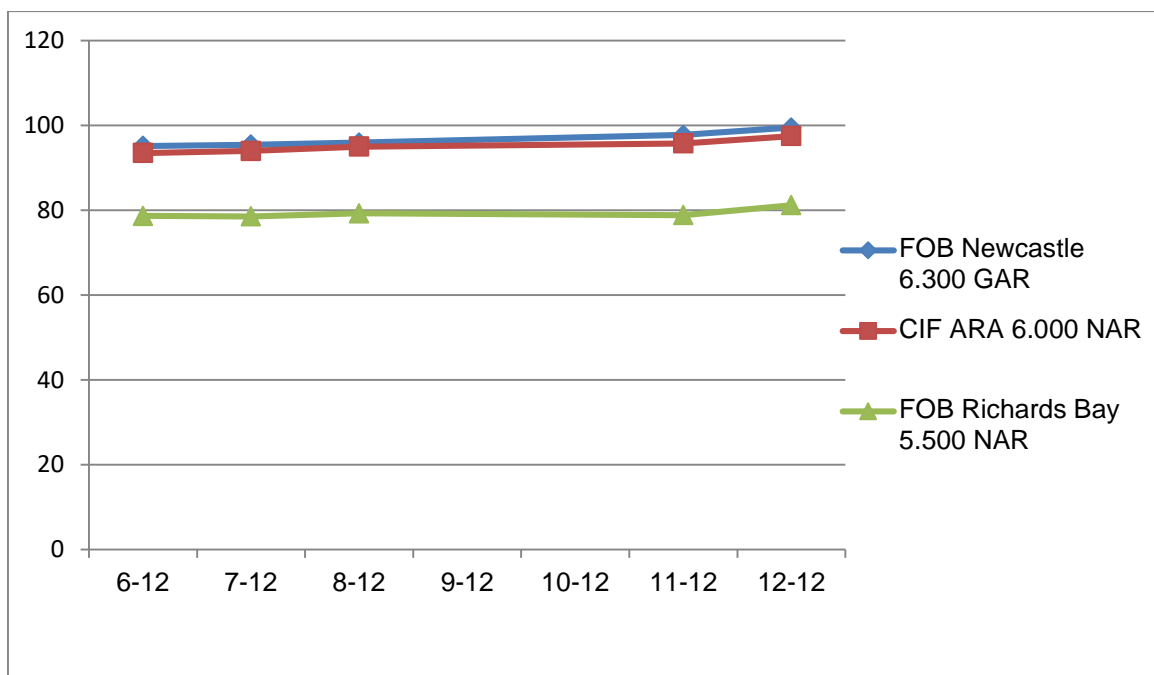
Date 13/12/2017

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	99.50	+1.75	102.15	+1.15
CIF ARA 6,000 NAR	97.50	+1.75	96.10	+1.20
FOB Richards Bay 5,500 NAR	81.20	+2.35	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)	54.20	+0.50	418.04	+3.93
PCC7 (CFR South China 4,700 NAR)	73.45	+0.05	566.51	+0.49
PCC8 (CFR South China 5,500 NAR)	85.80	+0.00	661.76	+0.11

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2017



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

NEWS

Vietnam fails to export 2 million mt of coal to China due to technical barriers

Chinese restrictions on mercury, arsenic, phosphoric, chlorine and fluorine content limited 2 million mt of coal imported from Vietnam, according to a Vietnam Ministry of Industry and Trade's letter obtained by S&P Global Platts Tuesday. Tests have shown that the Vietnamese coal has failed to meet the Chinese requirements to be able to penetrate the China market. As a result, Vinacomin is expected to have 2.5 million mt in stockpiles of the Uong Bi-Vang Danh coal as of end-2017, the ministry said. Vinacomin is looking for buyers from Thailand and South Korea to export the Uong Bi-Vang Danh coal in 2018.

For the next year, the ministry has proposed the central government to allow Vinacomin and Northeast to export 4.05 million mt of coal, the same as their 2017 target. The ministry has also proposed the central government to allow Vinacomin to sign long-term contracts with Japanese buyers to sell high-quality coal until 2025 as these contracts will help Vinacomin in securing more Japanese loans for its coal and power projects. Currently, Vinacomin is permitted to sign contracts to export coal to Japan until 2020. In the first 11 months, Vietnam exported 1.98 million mt of coal, nearly 106% up on the year, customs data showed last week. Japan was the biggest buyer during the period, rising 80% on the year with 906,477 mt of coal. The shipments to China were just 16,240 mt of coal during January-November, up 4.9% year on year.

Queensland government vetoes adani coal project loan

Re-elected Queensland Labor Premier Anastacia Palaszczuk wrote Tuesday to Australian Prime Minister Malcolm Turnbull to formally veto a federal loan worth A\$900 million (\$681 million) to the Adani Carmichael coal project in Queensland's Galilee Basin. The Carmichael coal mine in North East Australia has a potential capacity of 60 million mt of coal a year. India's Adani had applied for the Northern Australia Infrastructure Facility (NAIF) loan for building the 388 km rail line to connect the proposed mine to the seaport.

Palaszczuk wrote on Twitter Tuesday: "As I committed during the election campaign, I have today written to the Prime Minister exercising Queensland's veto over any NAIF funding for the Adani rail line." Adani could not be reached for immediate comment, but in a statement on Facebook it said: "Adani Australia will now fully consider and adjust to the constraints the veto of NAIF funding brings. Adani Australia is 100% committed to Queensland, we have a strong regional Queensland presence. This will not change." "I don't see who is going to fund it now," said a UK-based broker, adding the company had previously been turned down by other financial institutions for funding.

China's coastal coal freight rates rise further in week to December 12

Freight rates for shipping coal from northern China's Qinhuangdao port to the other Chinese ports of Zhangjiagang, Shanghai and Guangzhou in the east and south continued to move up in the week to December 12, port operator Qinhuangdao Port said Tuesday. The freight rate from Qinhuangdao to Zhangjiagang, in eastern China's Jiangsu province, for 20,000-30,000 mt capacity vessels jumped Yuan 11.90/mt week on week to Yuan 76.40/mt (\$11.54/mt) on Tuesday, Qinhuangdao Port said. The rate from Qinhuangdao to Shanghai in eastern China for vessels with a capacity of 40,000-50,000 mt rose Yuan 11.70/mt to Yuan 68.40/mt over the same period. The rate from Qinhuangdao to Guangzhou in southern China for 50,000-60,000 mt capacity vessels gained Yuan 9.60/mt week on week to Yuan 74.40/mt on Tuesday. Increased purchasing activities of downstream power plants during the winter peak season have continued to boost the coastal freight market, the port operator said. Meanwhile, coal stocks at Qinhuangdao port stood at 6.68 million mt on December 12, up from 6.49 million mt on December 5, port figures showed.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Unit: USD/ton

Size	From	To	Freight rates	Change
Capesize	Australia	China	11.95	+0.05
(150,000 tons)	Queensland	Japan	13.50	+0.05
	New South Wales	South Korea	13.85	+0.05
Panamax	Richards Bay	India West	12.25	+0.00
(70,000 tons)	Kalimantan	India West	9.25	+0.15
	Richards Bay	India East	12.60	+0.00
	Kalimantan	India East	7.85	+0.15
	Australia	China	12.20	+0.00
	Australia	India	13.60	+0.00

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