



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

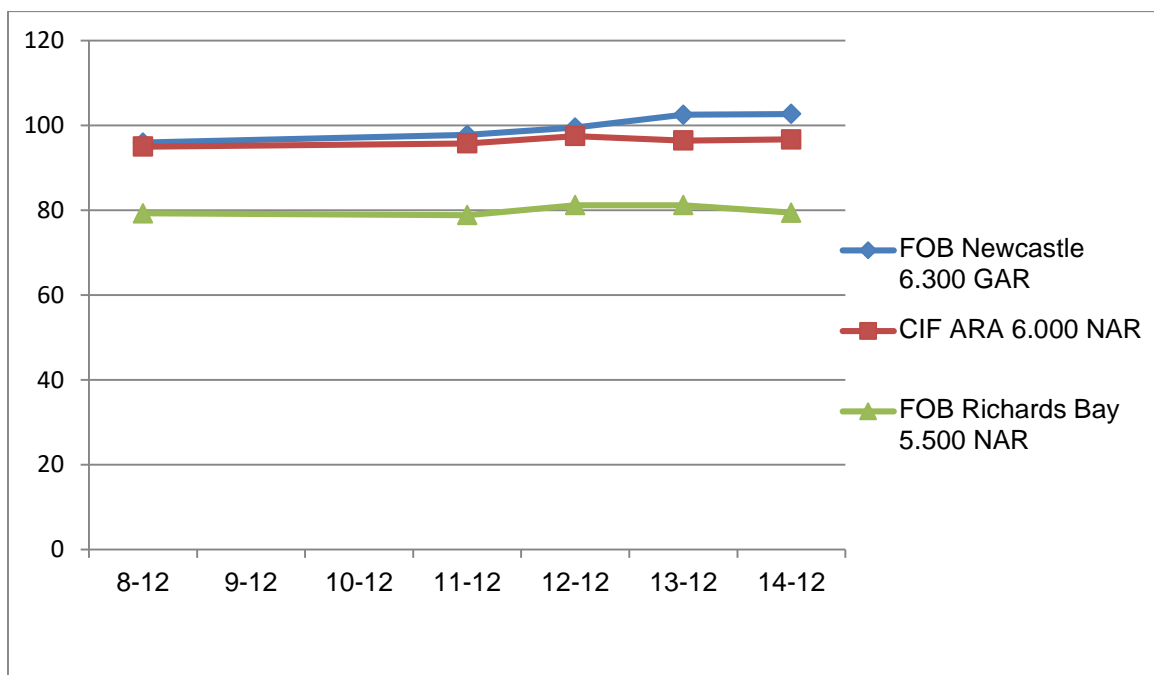
Date 15/12/2017

**INTERNATIONAL COAL PRICE ASSESSMENTS**

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	102.70	+0.20	104	+0.80
CIF ARA 6,000 NAR	96.70	+0.25	95.05	-0.80
FOB Richards Bay 5,500 NAR	79.40	-1.80	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	82.85	+0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	66.00	+0.25

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	54.45	+0.15	419.29	+0.35
PCC7 (CFR South China 4,700 NAR)	74.10	+0.35	570.61	+1.62
PCC8 (CFR South China 5,500 NAR)	86.00	+0.20	662.26	+0.30

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



*(Source: Platts Coal Trader International – Date 14/12/2017)*

## **NEWS**

### **Caution prevails amid rising Indonesian thermal coal prices**

Indonesian thermal coal buyers were cautious in concluding deals as prices were rising amid supply tightness, sources said Thursday. An Indonesia-based trader said there has been a slight slowdown in Chinese buying since Wednesday in reaction to the sudden rise in prices. He received bids for January-loading Supramax shipments of 3,800 kcal/kg NAR coal at \$45.80-\$45.90/mt FOB but he is skeptical to take a position for the second half of January as current price levels might be “risky.”

Many miners were postponing their mid-January shipments due to rains and the trader said it was likely that the shipments might be postponed further. Some of the traders were holding back their offers as they expected the prices to be supported by the current rainy weather in Indonesia, he said. A West India-based trader said the prices were supported by the recent increase in Chinese buying interest. “People are not keen to take positions. They just want to see where prices settle given the limited availability,” he said, adding the market is likely to ease going ahead, owing to the upcoming holiday season. Buying interest for a January loading Supramax shipment of 4,200 kcal/kg GAR coal was at \$45-\$45.50/mt FOB, while an offer was at \$47/ mt FOB, he added.

### **Indian power utilities’ Apr - Nov thermal coal imports fall 13% on year**

Indian power utilities imported around 38.79 million mt thermal coal during April-November, down 13% from a year ago, according to Central Electricity Authority data released Thursday. Of the total, 11.08 million mt were imported for blending with domestic coal and 27.71 million mt for power plants, the data showed. Of the 11.08 million mt, around 2.52 million mt were imported by six state-owned utilities for their power stations and the balance by 13 private power producers, to be blended with domestic coal. For plants designed to use imported coal, 0.86 million mt went to a state-owned utility and 26.85 million mt to 10 private power utilities. Twenty-seven utilities did not import any coal in the first eight months of fiscal 2017-2018, running from April to March, and no data was available for one.

Adani Power imported the highest volume of coal during April-November with 8.93 million mt, followed by Tata’s Mundra ultramega power project with 6.7 million mt and JSW Energy with 2.64 million mt. On a monthly basis, power utilities imported around 5.16 million mt of thermal coal in November, up 14% year on year. The monthly imports rose on the back of winter restocking and low inventories at thermal power plants. Power utilities imported 65.12 million mt of steam coal in fiscal 2016-2017, down 19% on the year.

### **Coal’s share would drop to 36.1% under new South Korea plan**

Coal’s share of the South Korean power mix would fall to 36.1% by 2030 from 45.3% in 2017 under a plan supported by new President Moon Jae-In, the Ministry of Trade, Industry and Energy said Thursday. In its long-term Basic Blueprint for Power Supply and Demand, the energy ministry said renewable sources would account for up to 20% of the power mix in 2030, up from an estimated 6.7% in 2017. LNG would increase to 18.8% of the generation mix in 2030, up from an estimated 16.9% this year in an effort to reduce reliance on coal and nuclear, the energy ministry said.

In contrast, coal’s share in the power mix would fall to 36.1% in 2030 from 45.3% in 2017, and nuclear would drop to 23.9% from 30.3% over the same period, according to the blueprint, which outlines the country’s energy road map for 2017-2031. The new plan puts more emphasis on issues related to the environment and safety, moving away from the stable supply and economic efficiency focus that the country has long given top priority, the ministry said in a statement. “When building new power plants, the government will reduce its heavy reliance on large nuclear power and coal plants and put higher priority on renewables and gas plants,” the ministry said.

*(Source: Platts)*

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

*Unit: USD/ton*

<b>Size</b>	<b>From</b>	<b>To</b>	<b>Freight rates</b>	<b>Change</b>
<b>Capesize</b>	Australia	China	11.55	-0.35
(150,000 tons)	Queensland	Japan	13.10	-0.35
	New South Wales	South Korea	13.45	-0.35
<b>Panamax</b>	Richards Bay	India West	12.40	+0.00
(70,000 tons)	Kalimantan	India West	9.35	+0.00
	Richards Bay	India East	12.75	+0.00
	Kalimantan	India East	7.85	+0.00
	Australia	China	12.10	-0.20
	Australia	India	13.70	+0.00

*(Source: Platts Coal Trader International – Date 14/12/2017)*