



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

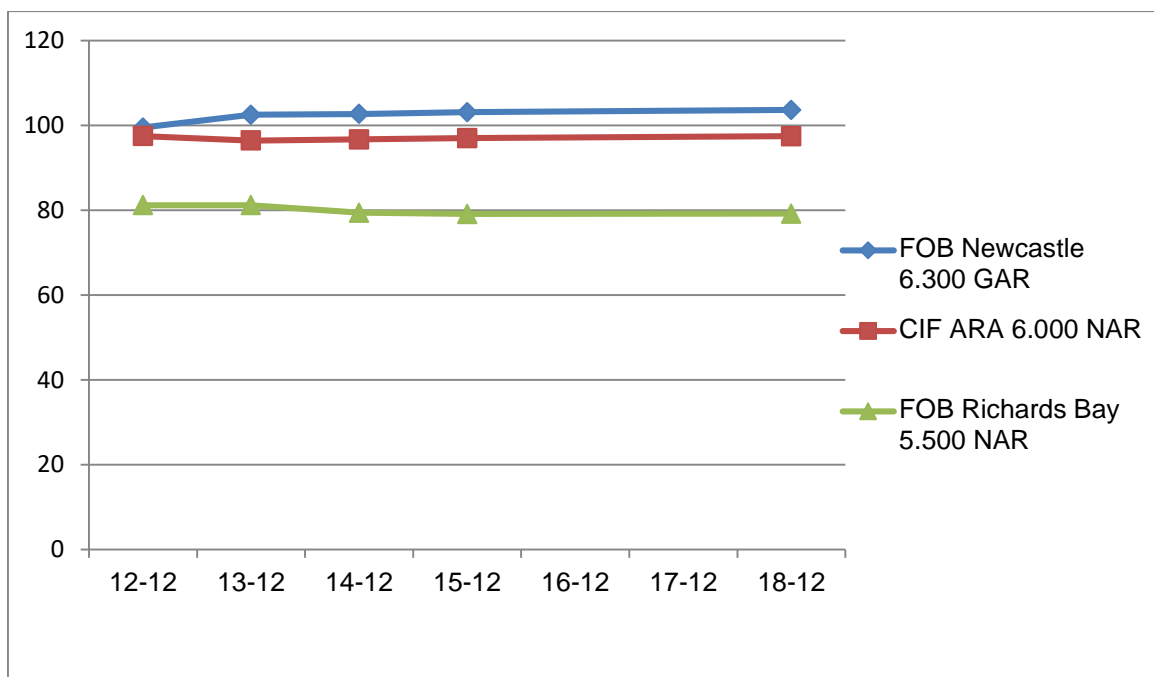
Date 19/12/2017

**INTERNATIONAL COAL PRICE ASSESSMENTS**

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	103.65	+0.55	104.20	-0.60
CIF ARA 6,000 NAR	97.45	+0.45	96.10	-0.40
FOB Richards Bay 5,500 NAR	79.20	+0.10	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	+0.00

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	54.50	+0.05	420.29	+0.89
PCC7 (CFR South China 4,700 NAR)	74.10	+0.00	571.44	+0.69
PCC8 (CFR South China 5,500 NAR)	86.30	+0.30	665.52	+3.11

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



*(Source: Platts Coal Trader International – Date 18/12/2017)*

## **NEWS**

### **Low CV Indonesian coal attracts China buyers in Asian thermal coal market**

Lower calorific value thermal coal from Indonesia was sought by Chinese buyers, including power utilities, leaving Australian high ash cargoes on the shelf despite resilient domestic prices, sources said Monday. East China-based utilities were heard to book some Indonesian 3,400 kcal/kg NAR geared-vessel spot cargoes at \$36-\$36.50/mt FOB, according to a South China trader. Chinese power utility Huaneng on Monday issued tenders seeking 550,000 mt of imported coal ranging in specification from 3,400 kcal/kg NAR up to 5,500 kcal/kg NAR for January arrival, sources said.

A trader in Indonesia said he was seeing strong demand from China and Thailand for 3,400 kcal/kg GAR Indonesian coal at \$26.50-\$26.75/mt FOB for January-loading, geared-vessel cargoes. Chinese buyers were bidding at \$46.60/mt FOB Kalimantan for typical 0.3%-0.4% sulfur, 3,800 kcal/kg NAR, coal for January-loading geared-vessel cargoes, just ahead of bids at \$46/mt FOB from India, he said. Offers for this Indonesian grade for January shipment were at \$47.50/mt FOB Kalimantan, sources said.

Indian buying interest for Indonesian 4,200 kcal/kg GAR thermal coal for shipment on Supramaxes in January was at the lower level of \$44.50-\$45/mt FOB Kalimantan against offers at \$46.50-\$47/mt FOB, Indian traders said. "Once the weather and supply improves, prices will settle down again," a western Indian trader said of Indonesian coal. Meanwhile, Indian buyers were holding back as prices had gone up "too fast." There was some Indian buying interest for 5,000 kcal/kg GAR Indonesian coal at \$64-\$65/mt FOB Kalimantan for January-loading Supramax shipments against offers at \$66-\$67/mt. "There are hardly any fresh bookings for South African coal now. Buyers are just waiting for more clarity on petcoke [cargoes]," he said, referring to uncertainty around an Indian court judgment on the fuel.

### **Cold weather spurs Chinese coal demand**

Some Indonesian 5,000 kcal/kg GAR Panamax cargoes with a late December to early January laycan were bid at \$66/mt FOB, sources in China said. "There are lots of vessels waiting at North China ports to get coal," a trader in China said, adding that domestic 5,500 kcal/kg NAR coal was trading at Yuan 690/mt FOB Qinhuangdao. Other sources pegged this price at close to Yuan 700/mt FOB Qinhuangdao.

Colder winter weather in China is spurring higher coal burn by the top tier of power utilities to around 700,000 mt/day on average, sources said. Traders said the central government was diverting gas supplies to the Beijing region from other parts of China, resulting in less gas supply to industrial users who may turn to coal instead. A trader in China said buying interest remained low for Australian 5,500 kcal/kg NAR thermal coal. "They want Indonesian low-CV coal," he said. A trader in Singapore said he was seeing little buying interest for Australian 5,500 kcal/kg NAR thermal coal for January delivery. "All a bit quiet," was how he described the import market in China, but added that China's domestic market was "very strong." Fair value for Newcastle 5,500 kcal/kg NAR thermal coal, January shipment, was close to \$75/mt FOB, he added. Dry bulk freight on the east Australia-South China trading route remained high at about \$12-\$13/mt on Capesize vessels and a fixture was heard at \$13.85/mt for a Capesize ship sailing from Newcastle to South Korea's Yongheung port in late December, according to shipping sources.

### **Combined coal stocks at China's key Bohai sea ports up 3% on week**

Combined coal stocks at China's key Bohai Sea ports of Qinhuangdao, Caofeidian, and Jingtang totaled 12.7 million mt Monday, up 3% from the week before, according to data released by port operator Qinhuangdao Port. Amid the winter peak season for coal and electricity consumption, purchasing activities from downstream power plants remained at a high level, the port operator said, adding strong winds had caused the temporary suspension of operations at some ports, resulting in a slight rise in coal stocks. Coal stocks were highest at Qinhuangdao port at 6.75 million mt Monday, up from 6.66 million mt a week earlier. Caofeidian port held 2.35 million mt of coal, up from 2.2 million mt a week earlier, and Jingtang port held 3.6 million mt, up from 3.5 million mt the week

before. Elsewhere, coal stocks at Huanghua port, Shenhua Group’s captive coal port in northern China’s Hebei province, stood at 2.08 million mt Monday, unchanged from the week before, Huanghua Port Authority data showed.

(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> (150,000 tons)	Australia	China	11.75	+0.00
	Queensland	Japan	13.30	+0.00
	New South Wales	South Korea	13.65	+0.00
<b>Panamax</b> (70,000 tons)	Richards Bay	India West	12.55	+0.10
	Kalimantan	India West	9.25	+0.00
	Richards Bay	India East	12.80	+0.00
	Kalimantan	India East	7.75	+0.00
	Australia	China	12.00	+0.00
	Australia	India	13.70	+0.00

(Source: Platts Coal Trader International – Date 18/12/2017)