



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

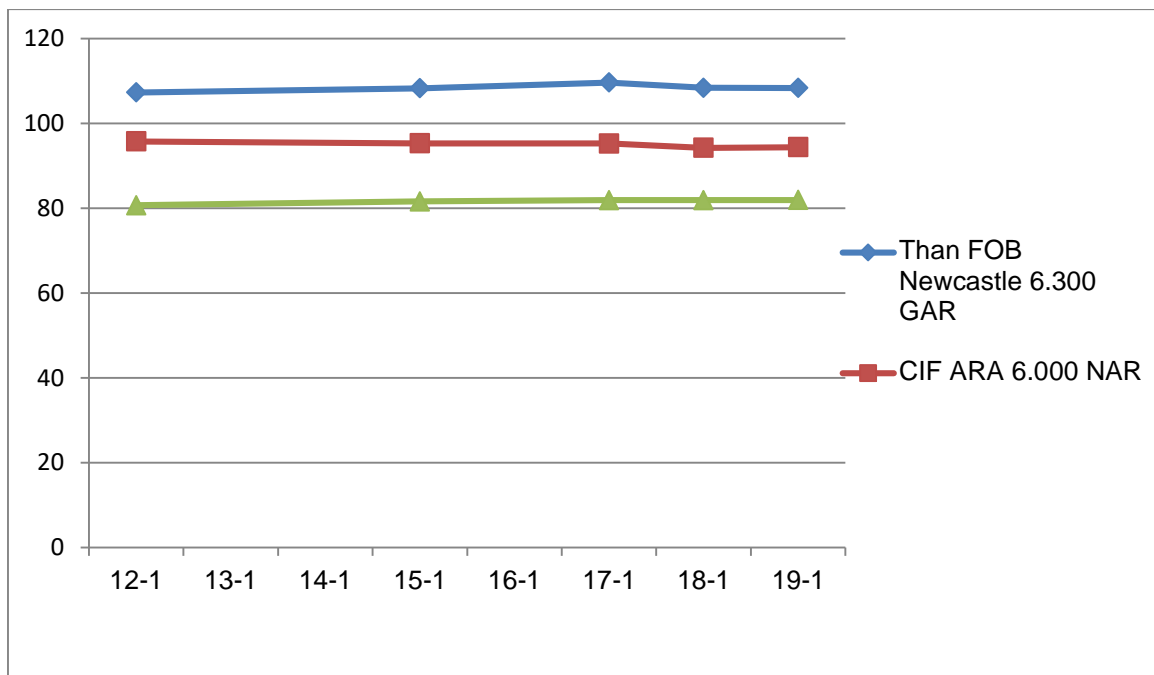
Date 22/01/2018

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	108.35	-0.05	107.70	+0.30
CIF ARA 6,000 NAR	94.40	+0.15	94.00	+0.40
FOB Richards Bay 5,500 NAR	81.95	+0.05	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	86.20	+0.20
FOB Kalimantan 5,000 GAR	N/A	N/A	69.30	+0.00

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	56.00	-0.20	417.85	-3.01
PCC7 (CFR South China 4,700 NAR)	76.50	+0.00	570.82	-2.05
PCC8 (CFR South China 5,500 NAR)	92.00	+0.20	686.47	-0.98

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2018



(Source: Platts Coal Trader International – Date 19/01/2018)

NEWS

Prices slide amid slow buying in Indonesia thermal coal market

Indonesian thermal coal prices capped the week with slight corrections as buying slowed ahead of the Chinese Lunar New holidays and India's budget announcement next month, sources said. An Indonesia-based trader expected the market to come under pressure as China gears up for its week-long holidays in mid-February, but noted that bad weather in Kalimantan could limit the fall in prices. Most miners have limited cargoes available for loading next month, he said, adding that "some people were still expecting higher numbers from China." But some offers for geared vessels of 4,200 kcal/kg GAR coal have already come off the \$49/mt FOB level heard last week. A February-loading Supramax shipment of this grade was heard offered at \$48.50-\$49/mt FOB, the trader said.

A Singapore-based trader said he had seen many cargoes on offer from traders this week but only a few takers, as people were worried about the narrowing window to get vessels delivered to China before the New Year holidays. He said buyers were concerned if they had enough time to get vessels or open letters of credit, also adding that the rainy weather in Indonesia has affected loading schedules. The trader has also heard offers for mid-CV coal available for March. An offer for 5,100 kcal/kg GAR coal was heard at \$72/mt FOB and at \$70-\$71/mt FOB for 5,000 kcal/kg GAR from two major miners. Both were either on geared- or gearless-vessel basis. A Thailand-based trader said that his company bought this week a February-loading, geared-vessel cargo of branded 4,700 kcal/kg GAR coal with low ash and low sulfur at \$69/mt FOB. According to the Indonesia-based trader, strong Australian coal prices have also lent some support to Indonesian coal and he saw offers for 5,800-5,900 kcal/kg GAR coal at around \$90/mt FOB.

Coal stocks at India power plants up 1.6% in latest week

Thermal coal stocks at Indian power plants totaled 13.51 million mt as of Wednesday, up 1.6% on the week and 9.9% on the month, according to data published Friday by the Central Electricity Authority. The stocks, which were down 35.2% on the year, were enough to support nine days of power generation — unchanged on the week. The number of plants at critical or supercritical stock levels was 18, up by four on the week. Stocks of imported coal rose 12% on the week to 364,000 mt.

BHP's thermal coal production rises 10% on year in Oct-Dec

Mining giant BHP's thermal coal production, which comes via its assets in Australia and Colombia, rose in the October-December quarter to 7.30 million mt, a 10% year-on-year growth and 8% improvement from the July-September period, the company said Thursday in its quarterly report. "New South Wales Energy Coal production increased by 10% as it benefitted from improved stripping performance, higher truck utilization and additional bypass coal," BHP said. "This was partially offset by a 6% decline in Cerrejon production, which was impacted by wet weather conditions during the September 2017 quarter," it added.

As a result, the miner has maintained its fiscal 2017-2018 (July-June) thermal coal production guidance at 29 million-30 million mt. In Australia, BHP's thermal coal sales totaled 4.46 million mt in the December quarter, up from 3.85 million mt a year earlier and from 4.03 million mt in the preceding quarter. During the latest quarter, 3.05 million mt of the product was sold to the export market and 411,000 mt domestically. Its sales in Colombia — which was all for export — was 2.62 million mt in October-December, down from 2.72 million mt a year earlier and up from 2.52 million mt in the July-September period. BHP's average realized prices for thermal coal exports stood at \$87/mt in July-December, up from \$74/mt a year earlier and \$75/mt in January-June, it said. The miner's New South Wales Energy Coal business produces coal via the Mt Arthur mine in the Hunter Valley region. In Colombia, it has a one-third interest in Cerrejon, which operates a mine in the La Guajira province.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Unit: USD/ton

Size	From	To	Freight rates	Change
Capesize	Australia	China	6.80	+0.00
(150,000 tons)	Queensland	Japan	8.35	+0.00
	New South Wales	South Korea	8.85	+0.00
Panamax	Richards Bay	India West	12.40	+0.15
(70,000 tons)	Kalimantan	India West	8.30	+0.00
	Richards Bay	India East	12.90	+0.10
	Kalimantan	India East	7.00	+0.10
	Australia	China	11.50	+0.10
	Australia	India	12.80	+0.15

(Source: Platts Coal Trader International – Date 19/01/2018)