



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

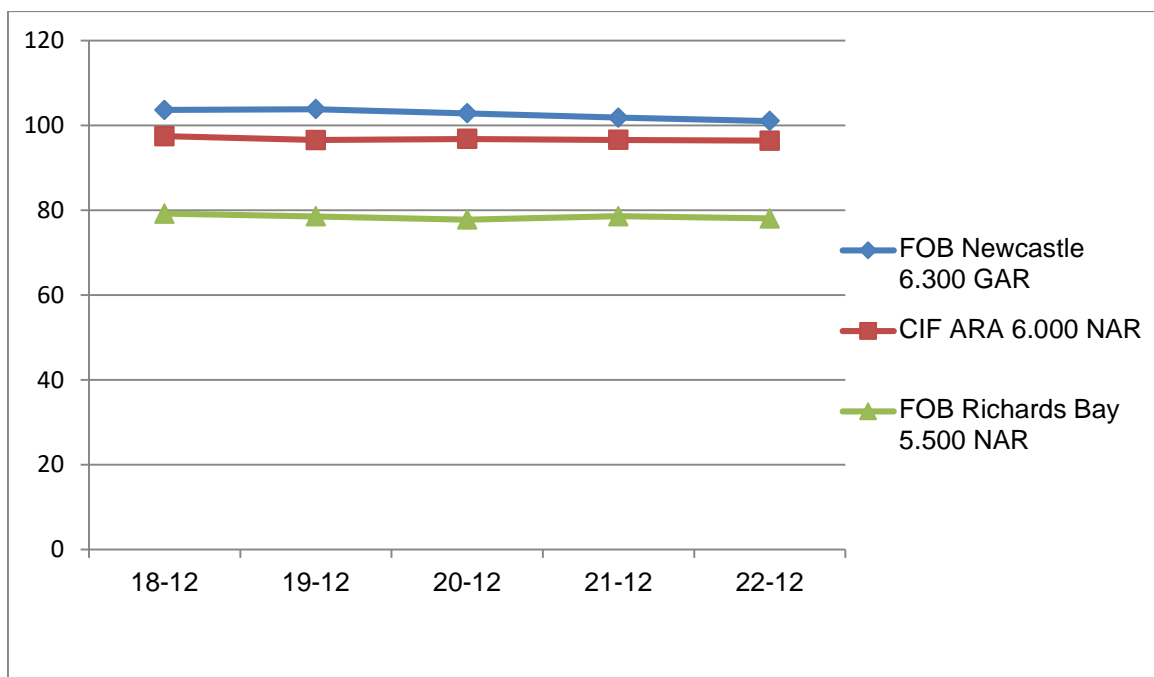
Date 26/12/2017

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	101.05	-0.80	102.80	-0.80
CIF ARA 6,000 NAR	96.40	-0.20	94.90	+0.00
FOB Richards Bay 5,500 NAR	78.05	-0.55	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	82.90	+0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	66.10	+0.00

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	54.90	+0.20	420.56	+0.54
PCC7 (CFR South China 4,700 NAR)	74.50	+0.20	570.70	+0.18
PCC8 (CFR South China 5,500 NAR)	87.70	+0.20	671.83	-0.04

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2017



(Source: Platts Coal Trader International – Date 22/12/2017)

NEWS

Thailand's Nov coal imports down 8% on year at 1.62 mil mt

Thailand imported 1.62 million mt of coal in November, down 7.6% year on year, Customs Department data released Thursday showed. It imported 595,753 mt of bituminous coal, down 12.5% year on year, largely from Indonesia, Australia and the US, while its imports of other coals edged down 0.97% over the same period to 1.01 million mt, mostly from Indonesia. Imports of anthracite fell 71.9% year on year to 14,844 mt.

Over January-November, Thailand imported 20.33 million mt of coal, mainly bituminous coal, up 2.2% year on year, with Indonesia and Australia the key suppliers. In the 10-month period, Thailand consumed 33.11 million mt of coal and lignite, up 2.1% year on year. Coal-fired power plants consumed 20.14 million mt of the total, down 2.9% year on year, and other industrial users the rest. Meanwhile, Thailand produced 13.75 million mt of lignite over January-October, down 3% year on year, according to data released December 12 by Thailand's Energy Policy and Planning Office. Data on production and consumption for November and the first 11 months is scheduled for release in January.

Vinacomin targets 36 million tonnes of coal consumption in 2018

Viet Nam National Coal and Minerals Group (Vinacomin) has targeted coal consumption of some 36 million tonnes in 2018, an increase of 2.5 million tonnes from this year, Dang Thanh Hai, Vinacomin's general director, said. Hai told a conference on Monday that of this total, coal exports are expected to be 1.9 million tonnes, up 400,000 from 2017. "Coal exploitation and trading next year would see favourable conditions as many thermo-power plants are scheduled to become operational, increasing coal demand. In addition, Vinacomin has been active in diversifying its consumption markets, not significantly depending on traditional ones," he added.

Vinacomin plans to produce some 35.36 million tonnes of coal and import 500,000 tonnes of coal in 2018. It is also trying to reduce coal inventories in 2018 to eight million tonnes from the current 10 million tonnes. To meet the set targets, the group signed contracts with its members undertaking coal exploitation and production. Its member will focus on coal that is in high demand and reduce coal with high inventories based on market demand. Vinacomin will also enhance management of natural resources, products' quality, labour safety and environmental protection.

Its total revenue in 2017 reached VND107 trillion (US\$4.7 billion), posting 6.1 per cent year-on-year increase. Its profit was estimated at VND2 trillion, up VND1 trillion from 2016. It contributed VND13.4 trillion to the State budget. The group, this year, also completed divestment from five subsidiaries and six associated companies and transferred two foreign invested projects. The total value following capital withdrawal was VND2 trillion. It also transferred 10 one-member companies limited to its branches. Following its organisation restructure, Vinacomin has four subsidiaries in which it holds 100 per cent of charter capital and five units, out of its total 47 subsidiaries

Ukraine plans to eliminate reliance on anthracite coal in 2019

Ukraine will eliminate its reliance on anthracite coal in 2019 by retooling its power generating units, Energy and Coal Industry Minister Ihor Nasalyk said late Thursday. The units will be upgraded in a government-financed program that will enable them to use thermal coal that is abundantly available in the country, he said. "The program, which is very much needed, allows us to reduce [anthracite use] to 3 million mt in 2018 and to eliminate supplies of anthracite in 2019," Nasalyk said at a news conference. "In 2019 we will be able to meet demand with domestically produced coal."

The plan to eliminate anthracite use is more aggressive than has been previously announced. The energy ministry earlier planned to cut the use of anthracite to 4 million mt in 2018 from an expected 7 million mt in 2017 and 10 million mt in 2016. Ukraine, once a major producer of anthracite, lost all its anthracite mines following a military conflict with pro-Russian rebels in the eastern regions of Donetsk and Luhansk. Reacting to shortages of anthracite, Ukraine stepped up imports of the

commodity, mostly from Russia and South Africa. Ukraine imported 2.34 million mt of anthracite worth \$224.9 million in January-October, according to the state statistics service. Russia accounted for 1.88 million mt of anthracite imports in the period, while South Africa accounted for 456,300 mt, according to the service. Ukraine's many power units relied on anthracite because it has a better calorific content compared with other types of coal.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Unit: USD/ton

Size	From	To	Freight rates	Change
Capesize (150,000 tons)	Australia	China	9.95	-0.45
	Queensland	Japan	11.50	-0.45
	New South Wales	South Korea	11.85	-0.45
Panamax (70,000 tons)	Richards Bay	India West	12.05	+0.00
	Kalimantan	India West	8.85	+0.00
	Richards Bay	India East	12.25	-0.05
	Kalimantan	India East	7.50	+0.00
	Australia	China	11.30	-0.10
	Australia	India	12.45	+0.00

(Source: Platts Coal Trader International – Date 22/12/2017)