



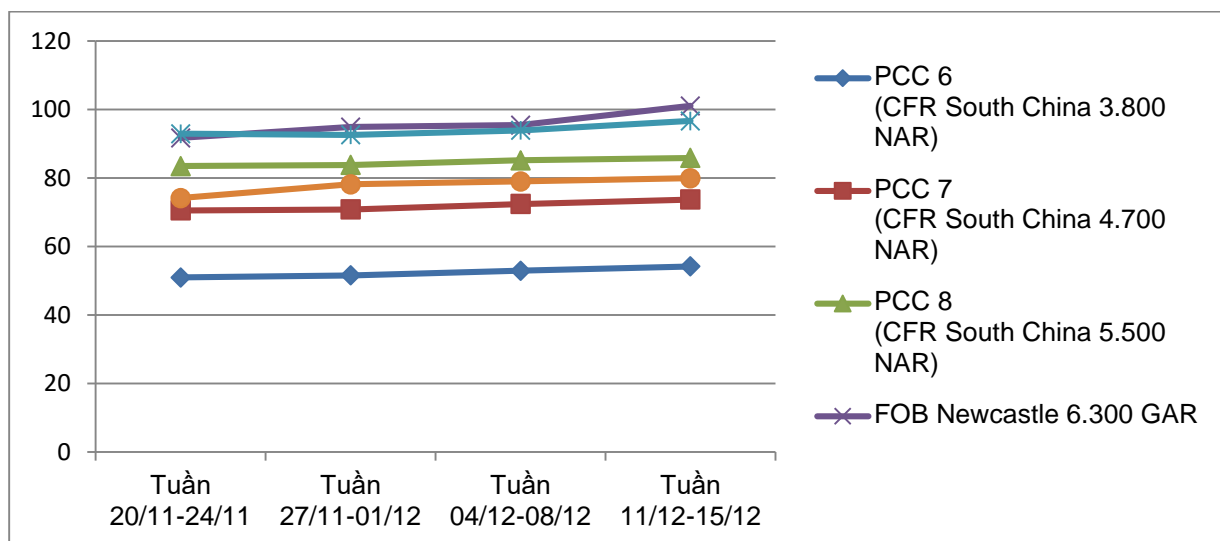
**PETROVIETNAM OIL & GAS GROUP**  
**PETROVIETNAM POWER CORPORATION**  
**WEEKLY NEWS – SECOND WEEK OF**  
**DECEMBER**  
 (From 11/12 – 15/12/2017)

**I. COAL MARKET ANALYSIS**

**1. INTERNATIONAL COAL PRICE ASSESSMENTS**

*Unit: USD/ton*

Price index	Week 20/11-24/11	Week 27/11-01/12	Week 04/12-08/12	Week 11/12-15/12
<b>PCC 6</b> (CFR South China 3,800 NAR)	50.98	51.58	52.94	54.22
<b>PCC 7</b> (CFR South China 4,700 NAR)	70.58	70.86	72.42	73.76
<b>PCC 8</b> (CFR South China 5,500 NAR)	83.50	83.82	85.18	85.88
<b>FOB Newcastle 6,300 GAR</b>	91.74	94.92	95.5	101.11
<b>CIF ARA 6,000 NAR</b>	92.97	92.63	93.92	96.68
<b>FOB Richards Bay 6,000 NAR</b>	74.15	78.20	79.04	79.95
<b>NEWC</b> (FOB Newcastle 6,000 NAR)	91.91	96.24	96.8	100.71



*Chart 1: Average coal price week 2<sup>nd</sup> December (2017)*

*(Source: Platts Coal Trader International)*

## 2. INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Unit: USD/ton

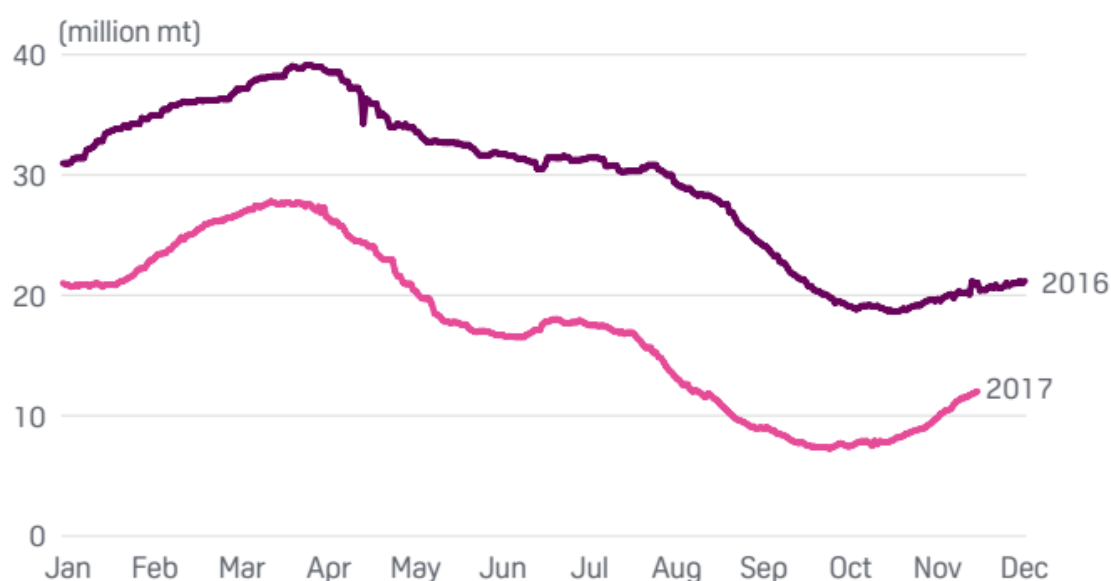
	Week 2 <sup>nd</sup> - December	11/12	12/12	13/12	14/12	15/12
<b>Capesize (150,000 tons)</b>						
1	Australia – China	11.90	11.95	11.90	11.55	11.75
2	Queensland – Japan	13.45	13.50	13.45	13.10	13.30
3	New South Wales – South Korea	13.80	13.85	13.80	13.45	13.65
<b>Panamax (70,000 tons)</b>						
1	Richards Bay - India West	12.25	12.25	12.40	12.40	12.45
2	Kalimantan - India West	9.10	9.25	9.35	9.35	9.25
3	Richards Bay - India East	12.60	12.60	12.75	12.75	12.80
4	Kalimantan - India East	7.70	7.85	7.85	7.85	7.75
5	Australia - China	12.20	12.20	12.30	12.10	12.00
6	Australia - India	13.60	13.60	13.70	13.70	13.70

(Source: Platts Coal Trader International)

## II. NEWS

**India power plant coal stocks up 6% on week, down 43% on year**

### INDIA COAL STOCKS



Source: Central Electricity Authority

Thermal coal stocks at Indian power plants rose to 12 million mt as of Wednesday, up 6.3% on the week, according to data published Friday by the Central Electricity Authority. But stocks were down 43.4% on the year, and only enough to support eight days' power generation. The number of plants at critical or super-critical stock levels was unchanged on the week at 12. Stocks of imported coal were 281,000 mt against 325,000 mt a week earlier.

### **Vessels delayed at Richards Bay coal terminal rise to 35**

There were 35 ships delayed outside Richards Bay Coal Terminal in South Africa Wednesday, up from 27 two weeks ago, S&P Global Platts trade flow software cFlow showed. The rise in delayed ships is due to high winds and swells in the area which caused further delays from Monday, according to market sources. Shipping sources expected the delays to continue in the

near-term as further bad weather was forecast through to the weekend and over the coming week.

The Supramax size Ocean Pearl was originally expected to arrive at RBCT on November 5, while the remaining 34 delayed ships were expected to arrive between December 4-20. Sources estimate more than 5 million mt of coal currently in stockpiles at RBCT. Sixteen of the vessels are returning from India; three from Kenya, Mauritius and Singapore; two from Sri Lanka; one vessel each from Pakistan, the Maldives, Malaysia, and the United Arab Emirates; and four are returning from other ports in South Africa. Nine ships were moored at loading berths. The average deadweight tonnage of the delayed ships is 78,735 mt.

According to sources, the delays are not affecting pricing for South African coal significantly as these coals had been bid up close to a multi-year high in recent weeks, so sources were actually anticipating a possible downward correction despite the delays. A January-loading FOB Richards Bay 6,000 kcal/kg NAR cargo last traded November 29 via globalCOAL at \$95/mt with no deals for this grade reported since, and Platts FOB Richards Bay 5,500 kcal/kg NAR spot price was assessed at \$78.55/mt Tuesday down from the year to date high of \$81.20/mt the week previous. Platts' dry bulk Panamax spot freight rate from Richards Bay-West Coast India was \$12.55/mt Wednesday down 35 cents week on week, while the Capesize Richards Bay-Rotterdam spot freight rate fell to \$10.40/mt from \$12.50/mt.

#### **Indonesian coal price raised this week**

According to a Singapore-based trader, offer prices for Indonesian 6,000 kcal/kg GAR coal were at \$85/mt FOB for January-loading Handysize cargoes, after he sold one cargo of this grade at \$78/mt FOB last month. January-loading Panamax shipments of 4,800 kcal/kg NAR coal with 1.2% sulfur were offered by an Indonesian producer at \$67-\$68/mt FOB Kalimantan. Buying interest for 5,000 kcal/kg NAR Indonesian coal is around \$72-\$73/mt FOB Kalimantan, said a source at the producer, adding they were sold out for that grade.

“Demand from China is still strong. We are quite busy giving offers these days,” said another Indonesia-based producer, who had received regular inquiries for 3,400-3,800 kcal/kg NAR coal. The producer sold a second-half January Supramax shipment of 4,200 kcal/kg GAR coal with 0.3% sulfur to China, and another to India at \$47.50/mt FOB. “We were surprised that even India is willing to pay. It’s a good sign India has come back,” he said. He also sold a January Supramax shipment of 3,400 kcal/kg NAR at \$37.50/mt FOB, up 50 cents from the shipments he sold last week. Meanwhile, bad weather has been a bother point for Indonesian production, he said. “We already have five vessels waiting and seven more have arrived. We did not expect the situation to go this bad. Production is really slow. We are struggling now,” he said.

*(Source: Platts)*