



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

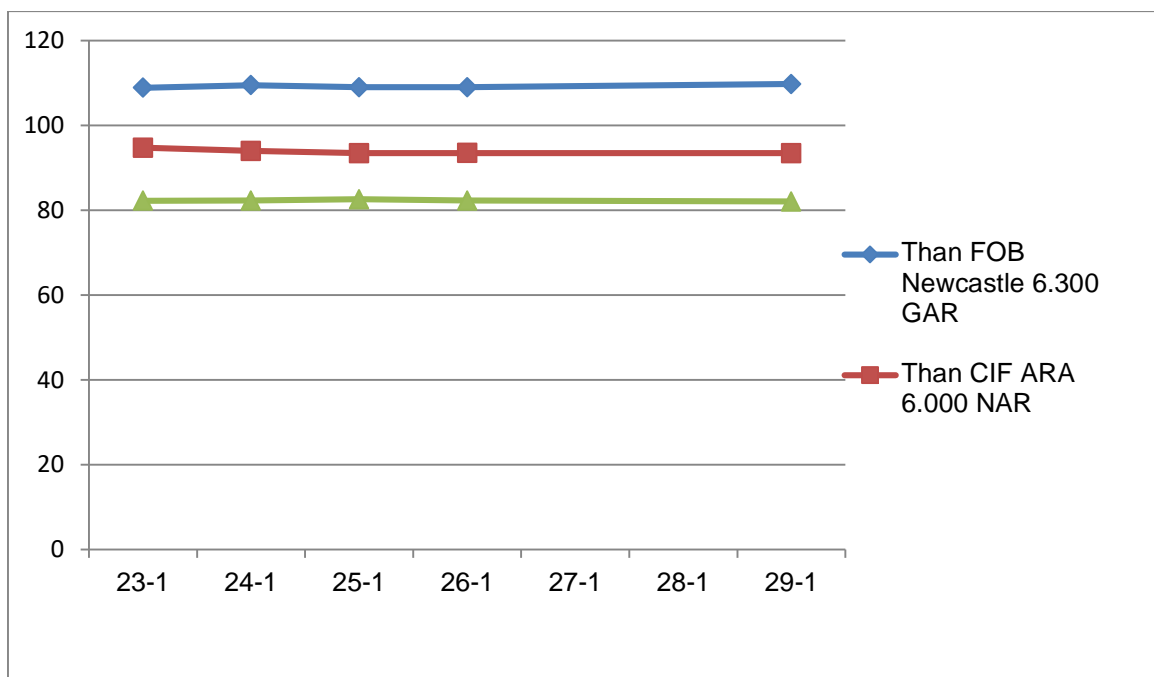
Date 30/01/2018

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	109.75	+0.75	109.30	+0.80
CIF ARA 6,000 NAR	93.45	-0.05	93.50	-0.05
FOB Richards Bay 5,500 NAR	81.55	-0.75	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	88.00	+0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	71.70	+0.20

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	57.40	+0.25	423.21	+2.10
PCC7 (CFR South China 4,700 NAR)	79.50	+0.15	586.16	+1.48
PCC8 (CFR South China 5,500 NAR)	94.80	+0.30	698.97	+2.64

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2018



(Source: Platts Coal Trader International – Date 29/01/2018)

NEWS

Rail snarl ups and cold weather fuel prices in Asia thermal coal market

Indonesian supply continually affected by rainfall, Japan trades higher on cold weather and snowfall in China led to logistical problems in deliveries of domestic thermal coal to Chinese ports, while coal-fired generation in Japan was expected to rise further after the Asian country experienced its coldest winter day in nearly 50 years, market sources said Monday. Some Chinese miners lowered their prices by Yuan 10-15 a few weeks ago, but now some smaller miners have undone this. “Snow in the northern side has given some logistics trouble, and some private mines have started to raise prices again by Yuan 10-15,” a source in China said. Costs of transporting domestic thermal coal from some of China’s northern coal regions to coastal dispatch ports were on an uptrend, he said. “Therefore, prices will not turn around anytime soon,” he said, adding colder weather was forecast for China.

At Qinhuangdao port, spot market prices for domestic 5,500 kcal/ kg NAR thermal coal were heard traded at Yuan 760/mt FOB and cargoes of this grade were offered at Yuan 765/mt, sources said. The 5,000 kcal/kg NAR grade of domestic coal was offered at Yuan 685-690/mt FOB Qinhuangdao. A trader in North China said the supply of domestic thermal coal was becoming tighter on account of transportation bottlenecks on rail routes. Traders at Qinhuangdao port were preferring “fast buy and sell” trading activity, because of an apparent risk of market intervention by the central government, though none has arisen yet, he said. Buying interest in China for deliveries of imported thermal coal has been stimulated by concerns about the reliability of snow-affected railways, sources said.

Japan trades higher on cold temperatures

Meanwhile, delivered thermal coal prices for Japan also stepped higher in Monday’s Asia trade, hitting a new high of \$108.60/mt CFR Kinuura, basis 5,750 kcal/kg NAR, according to S&P Global Platts prices. According to reports from Japan’s meteorological agency, Tokyo registered a temperature of minus 4 degrees Celsius on Thursday — its coldest day since January 1970, and temperatures stayed below zero over Friday and the weekend, leading to soaring electricity demand in Tokyo.

Offer prices for late February- and early March-loading cargoes of Australian high ash thermal coal were shown to the market at close to \$100/mt CFR South China, although bids were sparse in Monday trade. A Queensland 5,500 kcal/kg NAR thermal coal cargo for February shipment was heard to trade last week at \$87.50/mt FOB Gladstone, sources said. Gladstone cargoes had a slight freight advantage over Newcastle shipments, and hence tend to trade at prices slightly higher than its sister port in New South Wales. One source said Newcastle 5,500 kcal/kg NAR thermal coal was scarce and difficult to obtain, adding the buying interest for this grade, March shipment, was about \$85/mt FOB, and rising. A trader in China said he heard a deal around \$88/mt FOB for Newcastle 5,500 kcal/kg NAR, but did not have any further details and Platts could not immediately verify this. Dry bulk freight for shipping Australian Capesize cargoes to China were pegged at \$9.70/mt, and for Indonesia, Panamax cargoes were pegged at \$7.15/mt, sources said. Indonesian 3,800 kcal/kg NAR coal for March loading was offered at \$50.20/mt FOB to bids at \$49.50/mt, and some 3,400 kcal/kg GAR coal traded at \$29.35/mt FOB, both geared-vessel basis, sources said. Kalimantan is facing supply issues amid rains. “We are also facing some delays in vessel loading,” a trader in China said.

Richards Bay terminal reports record high 2017 coal export volumes at 76.5 mil mt

South Africa’s Richards Bay Coal Terminal reported record high export volumes for 2017 Friday at 76.47 million mt, up 5.37% on the year. A source at the terminal said that in fact the total could have been higher but for rail issues and at least two severe storms that impacted export volumes. According to the export data, 81.6% of total volumes went to Asia, with India importing 46.8% of Richards Bay exports at 35.76 million mt. In other markets, 10.1% went to Europe and 7.8% to Africa. RBCT loaded 907 vessels in 2017, down 6 on year with a growth in the number of Capesize vessels from 2016 by 47 to 279 loaded but a loss of 62 Panamax vessels loaded throughout the

year, at 221 for 2017. Handysize cargoes remained relatively unchanged on year at 407 vessels loaded.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Unit: USD/ton

Size	From	To	Freight rates	Change
Capesize (150,000 tons)	Australia	China	8.50	+0.15
	Queensland	Japan	9.75	+0.00
	New South Wales	South Korea	10.25	+0.00
Panamax (70,000 tons)	Richards Bay	India West	13.00	-0.20
	Kalimantan	India West	8.90	-0.10
	Richards Bay	India East	13.30	-0.20
	Kalimantan	India East	7.40	-0.10
	Australia	China	12.30	+0.00
	Australia	India	13.45	+0.00

(Source: Platts Coal Trader International – Date 29/01/2018)