



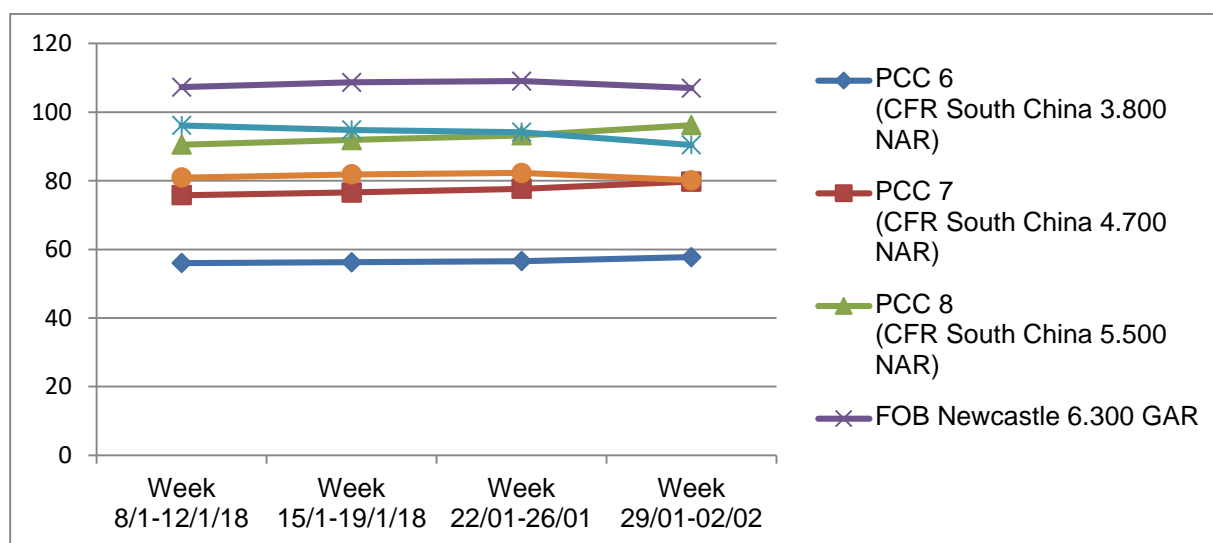
**PETROVIETNAM OIL & GAS GROUP**  
**PETROVIETNAM POWER CORPORATION**  
**WEEKLY NEWS – FIFTH WEEK OF**  
**JANUARY**  
 (From 29/01 – 02/02/2018)

**I. COAL MARKET ANALYSIS**

**1. INTERNATIONAL COAL PRICE ASSESSMENTS**

*Unit: USD/ton*

Price index	Week 8/1-12/1	Week 15/1-19/1	Week 22/01-26/01	Week 29/1-2/2
<b>PCC 6</b> (CFR South China 3,800 NAR)	56	56.25	56.59	57.74
<b>PCC 7</b> (CFR South China 4,700 NAR)	75.79	76.60	77.65	79.78
<b>PCC 8</b> (CFR South China 5,500 NAR)	90.55	91.90	93.26	96.22
<b>FOB Newcastle 6,300 GAR</b>	107.26	108.68	109.04	107.00
<b>CIF ARA 6,000 NAR</b>	96.15	94.80	94.19	90.43
<b>FOB Richards Bay 6,000 NAR</b>	80.94	81.84	82.30	80.13
<b>NEWC</b> (FOB Newcastle 6,000 NAR)	106.16	106.39	107.23	108.23



**Chart 1: Average coal price week 5<sup>th</sup> January (2018)**

*(Source: Platts Coal Trader International)*

## 2. INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Unit: USD/ton

	Week 5 <sup>th</sup> - January	29/01	30/01	31/01	01/02	02/02
<b>Capesize (150,000 tons)</b>						
1	Australia – China	8.50	8.50	7.80	7.70	7.60
2	Queensland – Japan	9.75	9.25	9.10	8.90	8.80
3	New South Wales – South Korea	10.25	9.75	9.60	9.40	9.30
<b>Panamax (70,000 tons)</b>						
1	Richards Bay - India West	13.00	12.70	12.60	12.45	12.20
2	Kalimantan - India West	8.90	8.80	8.70	8.55	8.55
3	Richards Bay - India East	13.30	12.85	12.80	12.65	12.40
4	Kalimantan - India East	7.40	7.30	7.30	7.15	7.15
5	Australia - China	12.30	12.15	11.95	11.75	11.65
6	Australia - India	13.45	13.30	13.00	12.80	12.80

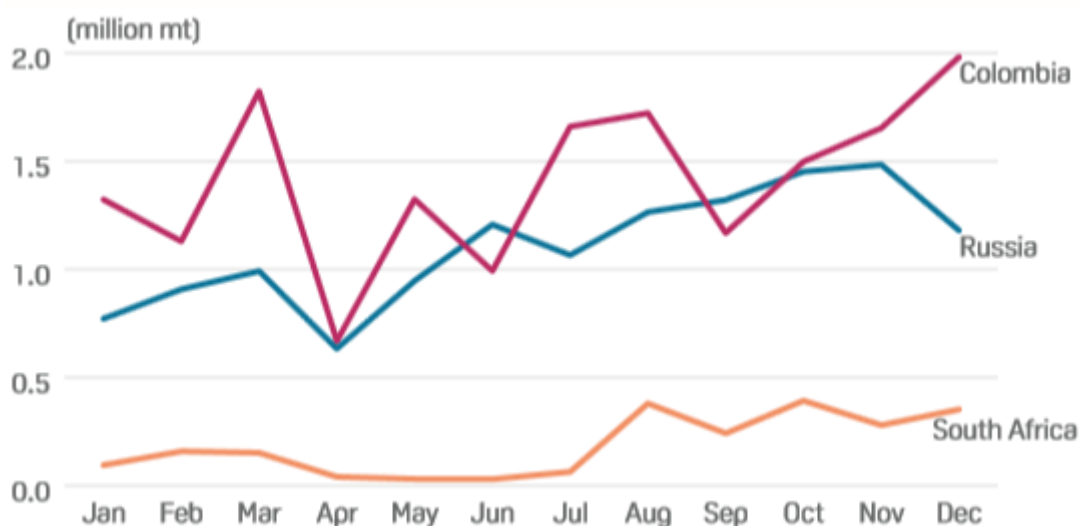
(Source: Platts Coal Trader International)

## II. NEWS

### Turkey thermal coal imports in 2017 up 8.4% to 32.98 million mt

Turkey imported 32.98 million mt of bituminous coal in 2017, up 8.4% year on year to the highest volume since S&P Global Platts began collecting data in 2013, data from the Turkish Statistical Institute showed Thursday. December imports stood at 3.6 million mt, up 5.4% on month, the highest volume for the month since S&P Global Platts began collecting data.

#### Turkey thermal coal imports 2017



(Source: Turkish Statistical Institute)

Colombia remained the largest exporter to Turkey in 2017, up 12% to 16.95 million mt after a December volume of 1.98 million mt, up 20% month on month. Colombian coal accounted for 51.4% of imports to Turkey in 2017. Russia remained the second-largest exporter to Turkey in 2017 at 13.29 million mt, also up 12%. December volume was down 20% month on month at 1.18 million mt. Russian coal accounted for 40.1% of imports to Turkey in 2017. S&P Global Platts assessed the weekly CIF Turkey 6,000 kcal/kg NAR 90-day price at \$103.50/mt last Friday. In other markets, coking coal imports for 2017 stood at 5.43 million mt, up 6% on year and anthracite imports up 35% at 884,270 mt.

### **Shenhua price rise spurs China trade in Asia thermal coal market**

China's largest coal producer Shenhua increased its offers for February coal shipments to domestic customers by Yuan 25 (\$4/mt), adding further upward pressure to seaborne thermal coal prices Friday. The price increase applies to end-user and power plant customers that receive coastal shipments of Shenhua's 5,500 kcal/kg NAR grade of domestic coal, and other Chinese domestic coal miners are likely to follow suit in raising offers, sources said. Prices for spot shipments of Chinese domestic thermal coal have been in an upswing since early November on strong demand for the power station fuel during an extreme cold snap in the country. Prices for the 5,500 kcal/kg NAR grade of domestic thermal coal had been trading around Yuan 750-760/mt FOB Qinhuangdao this week, but started to move higher in Friday's trade, a source in China said.

Logistics is the main problem now — trying to get supply from the mines to port. Demand is at an all-time high. Friday's price level had even exceeded the domestic market's last price spike in November 2016, when spot prices at Qinhuangdao port in northeastern China touched a multi-year high of Yuan 760/mt FOB for 5,500 kcal/kg NAR domestic coal, according to S&P Global Platts prices. Qinhuangdao prices rapidly descended from this peak in early 2017 as the central government drastically eased production controls that constrained domestic supply and drove prices to elevated levels. At present, higher prices for domestic thermal coal were providing more headroom for seaborne prices to rise further. "Most market participants are bullish about the market," said a trader. Australian 5,500 kcal/kg NAR high-ash spot cargoes were offered at \$100/mt CFR South China, he said. A South China-based trader reported trading an Australian highash 5,500 kcal/kg NAR Panamax cargo at \$88.15/mt FOB Newcastle, and expected CFR China 5,500 kcal/kg NAR prices to soon reach \$100/ mt for H2 February loadings.

### **Negotiations reconvene at Cerrejon coal mine**

Negotiations have resumed between the owners of the Colombian Cerrejon coal mine, and the workers, represented by Sintracarbon, over wage and benefit issues for workers at the mine, a spokesman told S&P Global Platts Friday. The talks restarted at 10am Thursday in Barranquilla after a two day break. A spokesman for Cerrejon said the negotiations were continuing in good faith and will continue throughout the weekend, adding they will work intensively to present a final offer to Sintracarbon by Sunday evening/Monday morning. Mine workers have a deadline of February 9 should they wish to take industrial action. Sintracarbon were unavailable for comment Friday as negotiations were still underway. Platts weekly FOB Colombia 6,000 kcal/kg NAR 90-day price was assessed at \$85/mt Friday, down \$2 week on week, although sources said the decline had little to do with any uncertainty over industrial action, and was instead linked to the declining prices in key Atlantic markets. — Joseph Clarke, Mario Perez.

### **Coal India's January output rises 1.2% on year 56.69 million mt**

India's largest coal miner, state-run Coal India Limited (CIL), produced 56.69 million mt of coal in January, up 1.2% year on year, but it missed its target of 63.32 million mt for the month, the company said in a filing to the Bombay Stock Exchange late Thursday. The output for April-January was 440.62 million mt, down down 1.5% year on year and below its target production of 469.90 million mt. CIL supplied 53.70 million mt of coal to its customers in January against a target of 57.36 million mt and up 4.5% year on year. Coal supplies for the first 10 months of the current 2017-18 fiscal year which ends in March, stood at 475.12 million mt, against a target of 489.46 million mt but up 7% year on year, the company said. CIL is aiming to produce around 600 million mt coal in the current fiscal year and 1 billion mt by 2019-20.

*(Source: Platts)*