



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

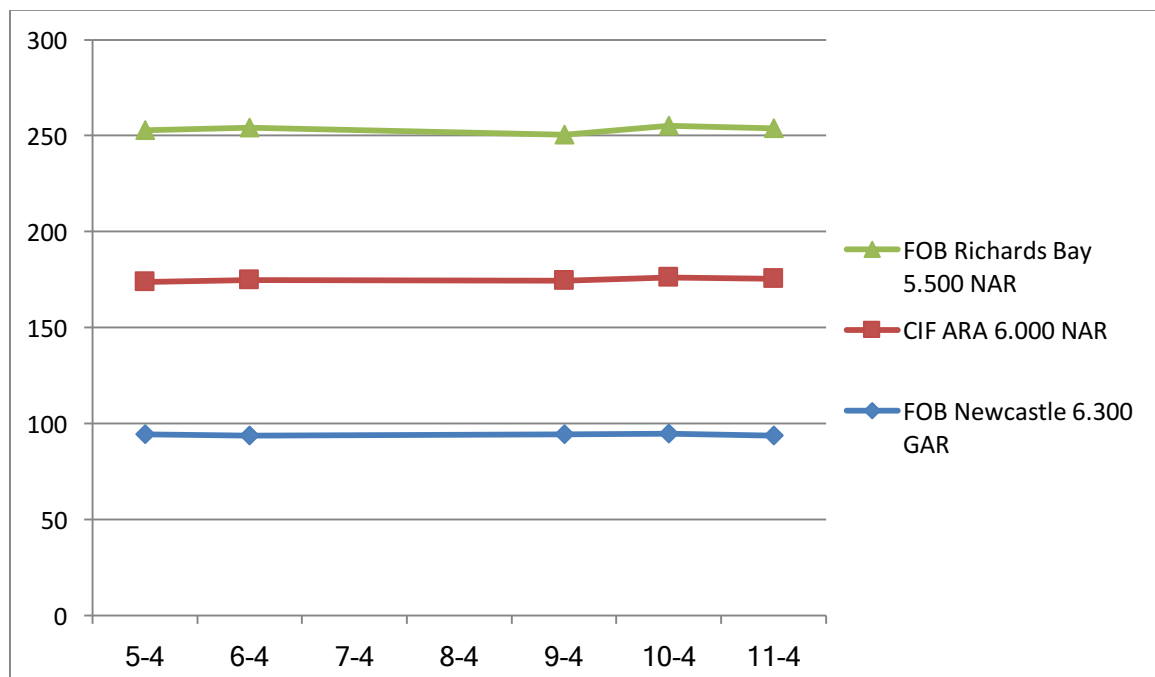
Date 12/04/2018

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	93.75	-1.10	93.60	-0.50
CIF ARA 6,000 NAR	81.60	+0.35	83.00	+1.00
FOB Richards Bay 5,500 NAR	78.45	-0.45	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	76.00	-0.25
FOB Kalimantan 5,000 GAR	N/A	N/A	61.50	-0.50

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	48.20	-0.50	353.06	-4.02
PCC7 (CFR South China 4,700 NAR)	69.30	-0.50	507.60	-4.19
PCC8 (CFR South China 5,500 NAR)	77.25	-0.25	565.84	-2.42

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2018



(Source: Platts Coal Trader International – Date 11/04/2018)

NEWS

Australia raises Canberra thermal coal price forecast for Japan's FY 2018-2019

Australia's chief economist's office has lifted its price forecast for the Japanese fiscal year 2018-2019 (April-March) thermal coal benchmark price to \$95/mt FOB Newcastle basis 6,000 kcal/kg NAR, up from the previous forecast of \$77/mt in its October-December 2017 quarterly report, the Resources and Energy Quarterly released Monday showed. Supply concerns around Indonesian shipments hit by seasonal rainfall and strong demand have kept Asian buyers keen to snap up cargoes of Newcastle thermal coal, the report said. However, the Japan FY 2018-2019 (April-March) benchmark price is likely to drift down steadily over the next few years as demand deteriorates relative to supply. In such a situation, the chief economist's office has put its Japanese FY 2018-2019 (April-March) forecast at \$80/mt FOB Newcastle. "In the medium to long term, the lack of large new developments in major exporting nations will tend to sustain prices above the \$60/mt mark," the report said. Australian thermal coal export volumes are to be 202.1 million mt in fiscal 2017-2018 (July-June), up marginally from 201.7 million mt in the previous year, and tipped to rise to 203.6 million mt in the fiscal year to June 2019 year. Chinese thermal coal imports are forecast to reach 186 million mt this year, before declining 7 million mt/year from 2019 to 2022, and falling to 152 million mt in 2023, the report said. Japan's imports of the fuel are expected to fall by 1 million mt/year 2 million mt/year from 143 million mt in 2018 to 136 million mt by 2023, the office of the chief economist said. India is tipped to see a similar slide, dropping from 147 million mt in 2018 to 140 million mt in 2023, it said.

Indian railways moves 555.23 million mt coal in fiscal 2017-18, up 4% on year

State-owned Indian Railways carried 555.23 million mt of coal during fiscal 2017-2018 (April-March), up 4% year on year, according to data released Monday by the Directorate of Statistics and Economics. Of the total coal volume transported by the railways in the last fiscal year, 462.29 million mt constituted domestic coal, up almost 1%, while 92.94 million mt was imported coal, up 24%. The domestic coal volume transported to thermal power plants went down by 32% to 225.96 million mt during the 12-month period, while imported coal deliveries to thermal power plants stood at 17.94 million mt, up by a whopping 177%, the data showed. The directorate's data showed imported coal deliveries to steel plants in the country were up by 36% to 40.04 million mt in the period under review, while around 16.23 million mt of domestic coal was supplied to steel plants by the railways, down 13%. Meanwhile, domestic coal deliveries to the other users jumped to 219.81 million mt during the last fiscal year, a spike of 111%, while deliveries of imported coal to other users were down by 11% to 34.96 million mt, the data showed. Coal movement has around a 50% share in overall freight traffic of Indian Railways.

China's coal supply overhang weighs on Indonesia thermal coal prices

Downward pressure on Indonesian thermal coal prices increased Wednesday as an apparent overhang of supply in China's domestic and seaborne markets kept sentiment bearish. Buying price expectations continued to move down in the wake of weaker Chinese domestic thermal coal prices, said a trader in north China. This has led to a number of Chinese buyers turning to the domestic spot market for supply, he said. "Import demand for China may remain lackluster for a few more weeks. All the suppliers attending Beijing's conference brought at least one cargo to sell, but demand was not there," he added. An April-loading geared shipment of 3,800 kcal/kg NAR Indonesian thermal coal was heard traded on the sidelines of the Beijing gathering at \$40.85/mt FOB, according to a Singapore-based trader. He also heard a May-loading geared shipment of 3,800 kcal/kg NAR Indonesian thermal coal traded at \$40.30/mt FOB. "All the traders were holding bearish views about the market for May as demand is quite weak," said a trader in south China. Bids for 4,200 kcal/kg GAR Indonesian thermal coal for May loading were heard at \$39/mt FOB, based on geared-vessel shipments, he said. An Indonesia-based trader had heard a bid for a geared-vessel shipment of 4,200 kcal/kg GAR Indonesian coal from India at \$40/mt FOB for April loading. Bids from China for this grade hovered around \$39/mt FOB Kalimantan. "India can only keep stocks for 10-14 days, while China can keep stocks for up to 20-30 days," he noted.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

				<i>Unit: USD/ton</i>
Size	From	To	Freight rates	Change
Capesize	Australia	China	7.15	-0.10
(150,000 tons)	Queensland	Japan	8.25	-0.10
	New South Wales	South Korea	8.80	-0.10
Panamax	Richards Bay	India West	12.80	+0.00
(70,000 tons)	Kalimantan	India West	8.60	+0.10
	Richards Bay	India East	13.00	+0.00
	Kalimantan	India East	7.15	+0.10
	Australia	China	11.20	-0.20
	Australia	India	12.60	-0.40

(Source: Platts Coal Trader International – Date 11/04/2018)