



PETROVIETNAM OIL & GAS GROUP
PETROVIETNAM POWER CORPORATION
DAILY NEWS

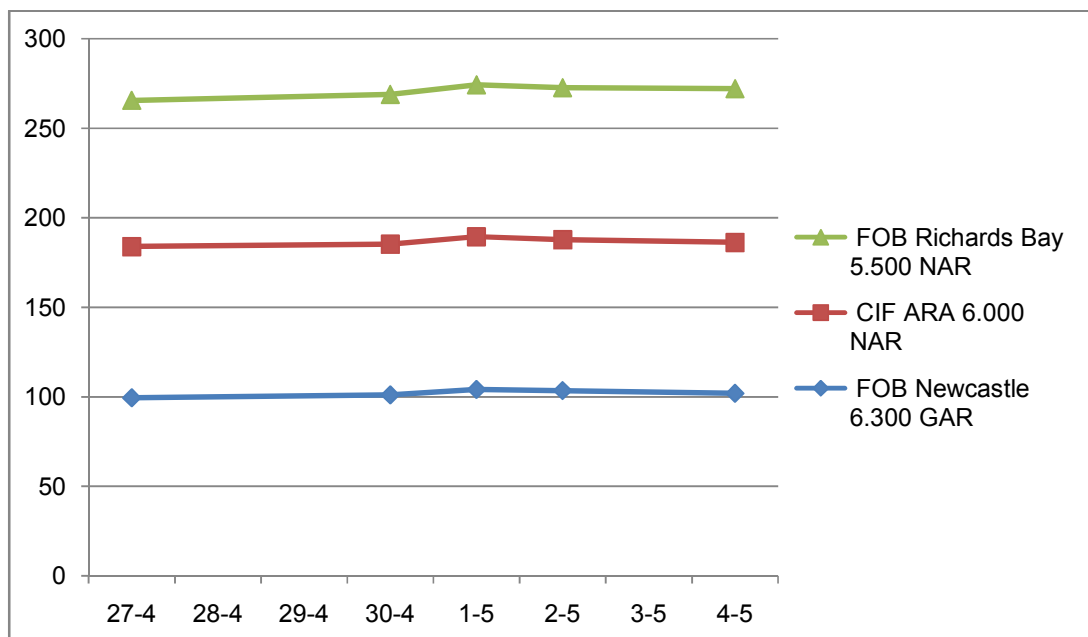
Date 09/05/2018

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	101.90	-0.20	100.50	+0.10
CIF ARA 6,000 NAR	84.25	+0.35	84.50	+0.30
FOB Richards Bay 5,500 NAR	85.85	+1.40	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	61.75	-0.25

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	50.70	-0.45	375.73	-2.38
PCC7 (CFR South China 4,700 NAR)	69.45	-0.20	439.91	-0.61
PCC8 (CFR South China 5,500 NAR)	81.70	0.00	517.50	+0.77

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2018



(Source: Platts Coal Trader International –Date 04/05/2018)

NEWS

US coal production expected to total 751 million st in 2018

The US Energy Information Administration projects US coal production to total 751.2 million st in 2018, a 1.7% increase from the previous month's projection, according to the agency's monthly Short Term Energy Outlook released Tuesday. The agency did not give a reason for the higher estimate. The projected total would still be 2.7% lower than the 772 million st produced last year. In 2019, it expects coal production to total 752 million st. Power-sector coal consumption is projected to total 640 million st in 2018 and 633 million st in 2019, down from 665 million st in 2017.

In 2018, the agency expects coal to make up 28.7% of US power generation, and 28.5% in 2019. Coal made up 30.1% of US power generation in 2017. Natural gas is expected to make up 33.6% of US power generation in 2018 and 34.2% in 2019, up from 31.6% in 2017. The increase is largely due to an increase in dry natural gas production, which is projected to average 80.5 Bcf/d in 2018 and 83.3 Bcf/d in 2019. In 2017, the average rate was 73.6 Bcf/d. Coal exports are projected to total 88.1 million st (79.9 million mt) this year, and 84.6 million st (76.7 million mt) in 2019 compared with 97 million st (88 million mt) in 2017.

Poor demand in European thermal coal market, Richards Bay bullish

Sources in the European thermal coal market displayed a muted sentiment Friday, with demand remaining poor at the end of a short working week on the continent, with South African Richards Bay prices remaining very well bid. A UK-based broker said US and Russian coal remains well offered, but expected the sluggish market to continue coming into next week owing to the upcoming Russian national holiday. The source said a certain US seller remains responsible for the aggressively lower prices for US origin material to suit a long position they have. "Russian coal is well-offered," said a Northwest Europe-based utility trader.

A seller of Colombian coal also said supply remains tight with rainfall affecting supply, explaining other markets like Central and South America have been of more interest than the European market recently. A Switzerland-based trader said the market has not been behaving based on demand recently, and was more of an index setting exercise between a select few players. At the start of trading, two July-loading, multi-origin, 6,000 kcal/kg NAR cargoes traded at \$85.25/mt and \$85.50/mt. In the last hour of trading, a June-loading, multi-origin, 6,000 kcal/kg NAR sleeve trade went through with legs at \$84.50/mt and \$84/mt. S&P Global Platts assessed the CIF ARA, 6,000 kcal/kg NAR, 15-60 day price at \$84.25/mt, up 35 cents on day.

Coal departures from RBCT rise despite supply tightness

Nine coal vessels departed Richards Bay Coal Terminal in South Africa in the week to Friday, up from seven in the previous week, despite continuing reports of supply tightness for several grades of South African coal. Most of the flows were believed to be part of long-term contracts, as sources mentioned spot availability for South African coal was limited. "May is almost completely sold out, it's very difficult to get prompt cargoes. We're looking at June but it's still expensive," a trader said. Three ships were headed to Singapore Port, flat from the previous week. According to cFlow, the port was the top destination for ships departing RBCT over the last three months, with 12 laden vessels sailing there as well as 10 part-laden vessels. Departures to India rose on week, with two ships sailing to Krishnapatnam, and one to Paradip, up from none in the previous week period. Departures to Pakistan fell to one from four the previous week, one ship was headed to Brazil, and one to Spain. The total deadweight tonnage of the laden ships was 823,000 dwt, up from 399,931 dwt the week before.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Size	From	To	Freight rates	Change
Capesize (150,000 tons)	Australia	China	9.35	+0.00
	Queensland	Japan	10.95	+0.00

	New South Wales	South Korea	11.50	+0.00
Panamax	Richards Bay	India West	13.00	+0.00
(70,000 tons)	Kalimantan	India West	9.60	+0.35
	Richards Bay	India East	13.20	+0.00
	Kalimantan	India East	8.10	+0.35
	Australia	China	12.15	+0.00
	Australia	India	13.75	+0.00

(Source: Platts Coal Trader International – Date 04/05/2018)