

PETROVIETNAM POWER CORPORATION
PETROVIETNAM POWER COAL IMPORT AND SUPPLY COMPANY
DAILY NEWS

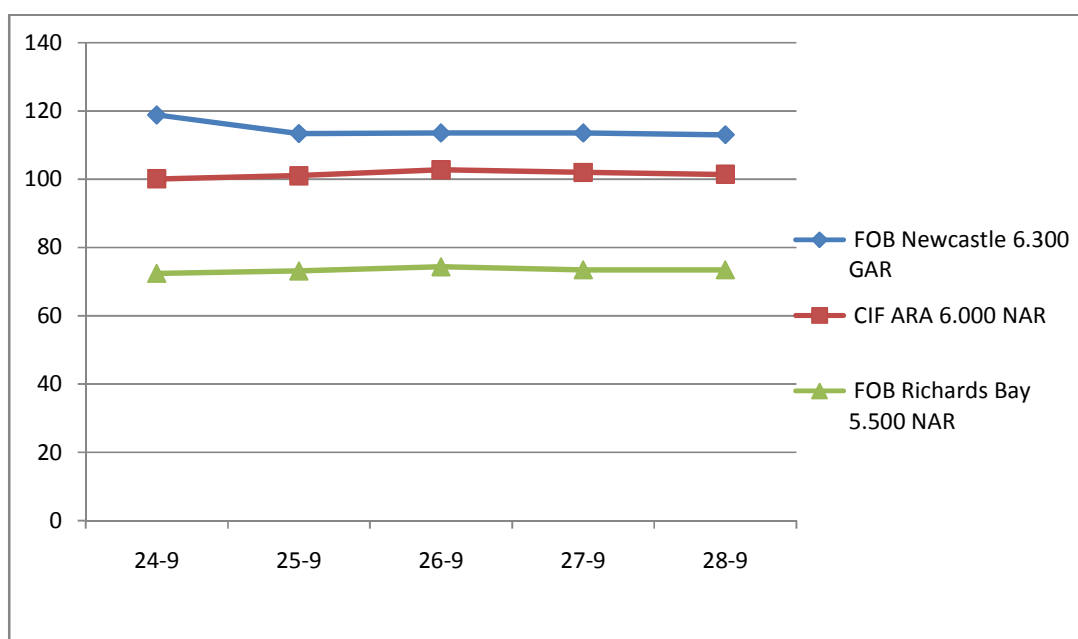
Date 03/10/2018

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	113.00	-0.50	N/A	N/A
CIF ARA 6,000 NAR	101.740	-0.60	N/A	N/A
FOB Richards Bay 5,500 NAR	73.50	+0.05	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	72.40	+0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	53.25	+0.75

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	48.15	+0.15	330.22	+1.34
PCC7 (CFR South China 4,700 NAR)	62.40	+0.90	427.95	+6.57
PCC8 (CFR South China 5,500 NAR)	78.45	+0.50	538.03	+3.94

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2018



(Source: Platts Coal Trader International –Date 28/09/2018)

NEWS

China heads off for week-long holidays; India demand seen strengthening

The Chinese market was largely inactive amid approaching Golden Week holidays next week, while Indian demand continued to pickup strength on the back of low stockpiles at utilities, sources said Friday. Market sources in China said that there had been tighter safety checks at mines following an accident at Shenhua's Inner Mongolia mine over the weekend. "Some utilities are also starting to restock, and many Chinese traders are of the view that import restrictions will not be relaxed, the negative sentiment has some impact on the contract prices," a trader said. The spot market however, seemed little affected. Trades for 5,500kcal/kg NAR grade coal were heard at Yuan 632-633/mt FOB Qinhuangdao and the 5,000 kcal/kg NAR grade was stable at Yuan 555/mt FOB. Meanwhile, activities in the Chinese seaborne market for Australia 5,500 kcal/kg NAR grade coal were muted, according to market sources. A south China-based trader said he received offers at around \$67/mt FOB Newcastle this week but did not conclude any deal. He said there would be a shipment from Australia arriving in early to mid-October which was booked early last month. "Demand is low but there is still some buying interest, so it all depends on users' quotas," he added.

India market active for Australian coal

Separately, a market source in India said two Australia high ash cargoes of about 85,000 mt and 130,000 mt in size were transacted this week at \$77-\$78.50/mt CFR west coast India. He pegged the Panamax freight rate from Newcastle to west coast India at about \$15/mt. However, shipping sources pegged the Panamax freight rate from Newcastle to west coast India at about \$17/mt. Meanwhile, the volatility in South African coal prices is keeping buyers at the sidelines. "Demand is low but sellers are getting aggressive," the trader said, adding the discounts were deepening. South African 5,500 kcal/kg NAR coal was offered at a discount of \$22/mt to 6,000 kcal/kg NAR prices, while discounts for 4,800 kcal/kg NAR were at \$32-\$32.50/mt to 6,000 kcal/kg NAR prices. There was some demand for Australian high-ash coal from Indian cement producers, but he had not seen many offers.

India bids higher for mid CV

An Indonesia-based trader said given the Golden Week holidays in China next week, Chinese buying has slowed. A trade for a Panamax shipment of 3,800 kcal/kg NAR coal was heard at \$40/mt FOB, according to a south China-based trader, who added that the deal was done earlier this week. However, he noted that India continued to be active as most of the power utilities were running low on stocks. "India bids are much better especially for mid CV coal," he added. He said buying interest for 5,100 kcal/kg GAR coal was at around \$54-\$54.25/mt FOB, while offers were still around \$55/mt FOB, both for loading in October, on Panamax basis. Another Indonesia-based trader said offers for October-loading Supramax shipments of 4,200 kcal/kg GAR coal were at \$40/mt FOB. A west India-based trader said the major dampener for the Indian market was the depreciation in the Indian rupee which was slowing the restocking activity, he added. The Indian buying interest for October-loading 4,200 kcal/kg GAR coal was at \$38-\$39/mt FOB, while the offers were at \$39-\$39.25/mt FOB. Offer for October-loading 5,100 kcal/kg GAR coal with 1.4% sulfur was at \$56/mt FOB but no counterbids were available.

(Source: Platts)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

				<i>Unit: USD/ton</i>
Size	From	To	Freight rates	Change
Capesize	Australia	China	9.85	+0.55
(150,000 tons)	Queensland	Japan	11.30	+0.70
	New South Wales	South Korea	12.15	+0.70
Panamax	Richards Bay	India West	14.65	+0.00
(70,000 tons)	Kalimantan	India West	11.00	+0.00
	Richards Bay	India East	14.85	+0.00
	Kalimantan	India East	9.30	+0.00

Australia	China	14.40	+0.10
Australia	India	16.40	+0.00

(Source: Platts Coal Trader International –Date28/09/2018)