



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

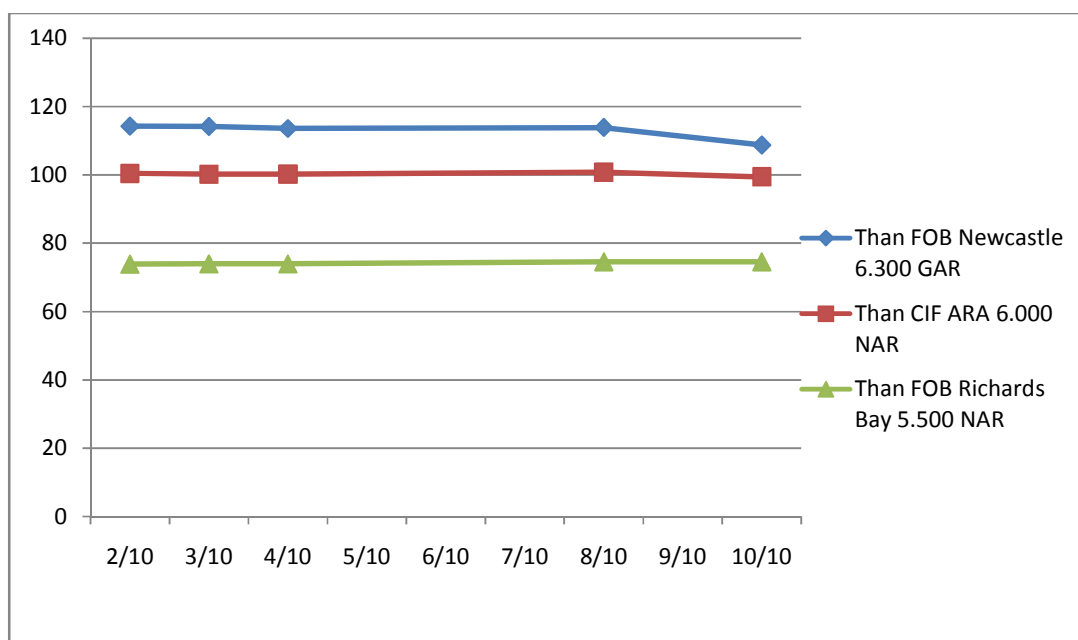
Date 15/10/2018

**INTERNATIONAL COAL PRICE ASSESSMENTS**

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	108.75	-0.85	N/A	N/A
CIF ARA 6,000 NAR	99.45	-1.50	N/A	N/A
FOB Richards Bay 5,500 NAR	72.55	-1.45	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	72.50	+0.20
FOB Kalimantan 5,000 GAR	N/A	N/A	53.00	+0.20

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	48.50	+0.35	334.42	+2.52
PCC7 (CFR South China 4,700 NAR)	62.50	+0.30	387.93	+2.93
PCC8 (CFR South China 5,500 NAR)	79.50	+2.05	548.18	-6.71

**DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2018**



*(Source: Platts Coal Trader International –Date 10/10/2018)*

## **NEWS**

### **Australia's TerraCom signs one-year offtake agreement for Blair Athol thermal coal**

Australian miner TerraCom has signed a one-year offtake agreement for the sale of 320,000 mt of coal from its Queensland-based Blair Athol thermal coal mine with a "major Korean customer," the company said Monday. The deal follows successful trial shipments and was done at a fixed price for calendar 2019, TerraCom said. It comes after TerraCom secured a three-year offtake agreement with a major, unnamed Japanese customer for up to 1.06 million mt of thermal coal late last month. "The combined committed sales under these Korean and Japanese agreements represent up to 55% of forecast annual sales from BA for calendar 2019," TerraCom said.

The company also announced Monday that as of October 4 it had loaded 1 million mt of Blair Athol coal onto trains via its load out facility at the mine, which was commissioned in April. The mine, which TerraCom produced first coal from in August 2017 after purchasing it from the Rio Tinto-led Blair Athol Coal Joint Venture for the token sum of A\$1 (\$0.75), produced a total of 724,972 mt ROM in the April-June quarter, and has previously said it expects 476,000 mt ROM in the current July-September period. Coal from the Blair Athol mine is sold to

the export market via the Dalrymple Bay Coal Terminal.

### **Australian watchdog tells Newcastle Port to cut charges for Glencore coal shipments**

The Australian Competition and Consumer Commission has finalized its arbitration between Glencore and the Port of Newcastle Operations on Monday, ruling that the port charges for ships carrying the miner's coal will be reduced by around 20% to A\$0.61 (\$0.43) per gross ton. In the course of the arbitration, PNO submitted to the ACCC that the 2018 charge for ships should be increased to A\$1.36/GT. In contrast, Glencore submitted the charge should be reduced to A\$0.41/GT.

The port provides the only commercially viable means of exporting coal from the Hunter Valley region in the state of New South Wales, the ACCC noted. A key part of the dispute was whether PNO was able to charge for dredging of the shipping channel, that had been undertaken or funded by port users. The ACCC excluded these amounts from the costs that PNO could recover and determined that Glencore should pay a lower price, backdated to 2016. The ACCC's arbitrated terms and conditions are operative until the "declaration" of the shipping channel service at the port expires on July 7, 2031.

### **Sep thermal coal derivatives down 21% on year to 115 mil mt: ICE**

The volume of thermal coal derivatives traded and cleared on the ICE platform in September totaled 114.8 million mt which was largely unchanged on month and down 21% on year, according to data from ICE Futures Europe and electronic trading platform globalCOAL late Thursday. Options made up 17% of the total volume at 19.65 million mt - a decrease of 12% on month and down 37.5% on year - with futures making up the rest.

ICE Rotterdam derivatives made up 86.6% of total volume for September, with a volume of 99.49 million mt. This was an increase of 8% on the month but down 19% on the year. Rotterdam options totaled 19.2 million mt, down 9% on the month and also down 35% on the year. ICE Richards Bay derivatives came to 2.29 million mt, a drop of 56% on the month and down 52% on the year. No options were traded for this contract, with the last options trade for Richards Bay in January. The September Richards Bay volume was also the lowest volume for this contract since S&P Global Platts began collecting data in 2011. GlobalCOAL's FOB Newcastle derivative volume for September totaled 13 million mt, a drop of 23% on the month and down 28% on the year. September saw 450,000 mt of options traded for this contract, which was down 64% on the month and down 79% from the year ago period.

*(Source: [www.platts.com](http://www.platts.com))*

## **INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS**

				<i>Unit: USD/ton</i>
<b>Size</b>	<b>From</b>	<b>To</b>	<b>Freight rates</b>	<b>Change</b>
<b>Capesize</b> (150,000 tons)	Australia	China	10.25	+0.10
	Queensland	Japan	11.80	+0.10
	New South Wales	South Korea	12.65	+0.10
<b>Panamax</b> (70,000 tons)	Richards Bay	India West	15.30	+0.00
	Kalimantan	India West	11.65	+0.00
	Richards Bay	India East	15.60	+0.10
	Kalimantan	India East	9.80	+0.10
	Australia	China	15.00	+0.00
	Australia	India	17.00	+0.00

*(Source: Platts Coal Trader International –Date10/10/2018)*