



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

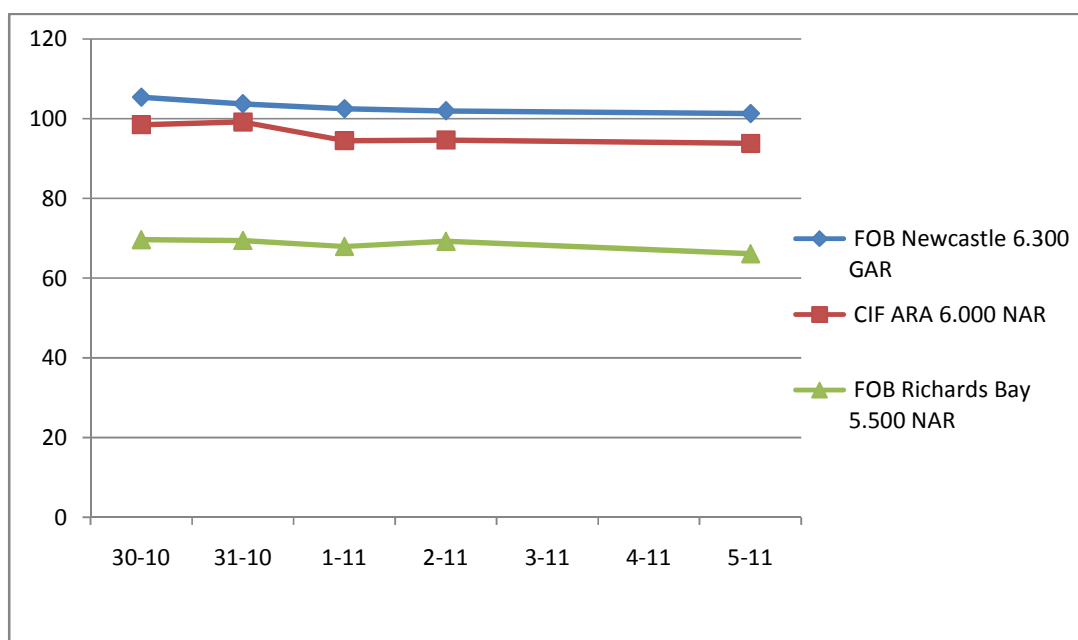
Date 13/11/2018

**INTERNATIONAL COAL PRICE ASSESSMENTS**

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	101.30	-0.70	N/A	N/A
CIF ARA 6,000 NAR	93.80	-0.80	N/A	N/A
FOB Richards Bay 5,500 NAR	66.10	-3.15	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	71.95	+0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	51.50	+0.00

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	43.90	+0.15	302.98	+2.54
PCC7 (CFR South China 4,700 NAR)	59.75	+0.00	412.36	+2.05
PCC8 (CFR South China 5,500 NAR)	76.50	-1.00	527.96	+2.62

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



*(Source: Platts Coal Trader International –Date 5/11/2018)*

## **NEWS**

### **Australia's North Queensland coal exports rise in Oct, shaping up to be record year**

The North Queensland region in Australia registered a small increase in exports during October which sees it on track for a record year in 2018, data from the North Queensland Bulk Ports Corporation showed Wednesday. A total 12.59 million mt of coal was sent during the month from the metallurgical coal powerhouse part of Australia, which comes via Adani's Abbot Point terminal, the common-user Dalrymple Bay and the BHP Mitsubishi Alliance-owned Hay Point terminal. That is a 6% increase year on year from 11.90 million mt and 2% growth from 12.39 million mt in September, NQBP data showed. For January-October, the three terminals have shipped 123.18 million mt of coal, which translates to an annualized rate of 147.80 million mt. If they manage similar rates for the last two months of 2018, it will be a record for North Queensland, surpassing the 144.19 million mt seen in 2016 and 134.85 million mt in 2017. The terminals have a combined nameplate capacity of 190 million mt/year.

The office of Australia's chief economist said in the Resources and Energy Quarterly last month that the country's total metallurgical coal exports in 2018 are expected to be 180 million mt, up from 173 million mt in 2017, and are forecast to rise further to 198 million mt in 2019 and 199 million mt in 2020. "Several idled mines are expected to restart over the outlook period, including Sojitz's recently acquired Gregory Crinum, Baralaba Coal's Baralaba, and Bounty Mining's Cook operations, all in the Bowen Basin," the chief economist report said. "The ramp-up of QCoal's newly started Byerwen mine and Stanmore's Isaac Plains East mine, and planned expansions and productivity improvements at Anglo American and BHP's operations are also expected to support production growth over the outlook period," it said, adding that Pembroke Resource's Olive Downs project is targeting first coal just beyond the outlook period in the second half of 2020.

### **Polish Jan-Sep hard coal production falls 3%, sales down 5%**

Polish hard coal production and sales in the first nine months of the year fell 3% and 5% respectively year on year to 47.3 million mt and 46.9 million mt, according to figures released by the Industrial Development Agency (ARP) Monday. Polish hard coal production in the period fell as output dropped to its lowest ever monthly level in September, the figures showed. Production in September fell to 4.89 million mt, beating the previous record monthly low of 4.995 million mt set last December, and was down 12% year on year and 9% month on month. As recently as 2016, Poland's state-owned mines were regularly producing more than 6 million mt/month. Sales in September fell 7% year on year and month on month to 4.987 million mt, and, like the previous two months, were slightly higher than coal production, as customers prepared for the heating season. As a result, hard coal stockpiles at Poland's collieries fell 9.5% month on month to 1.9 million mt at the end of September. The average price of Polish coal used for power generation purposes in September fell 1.2% to Zloty 245.38/mt (\$64.94/mt) from August, while the price of coal used in the heating sector rose 2.6% month on month to Zloty 309.50/mt.

### **Coal for domestic market realization reaches 74% by end of October**

Coal-mining companies have sold 74 percent, 90.25 million tons, of this year's target of 121.25 million tons as set by the government under the domestic market obligation (DMO) scheme. The coal from the DMO scheme will be used to supply domestic coal-fired power plants (PLTU) and other strategic industries such as cement manufacturers. Under the scheme, the coal miners are required to sell 25 percent of their total production at a price of US\$70 per metric ton.

Energy and Mineral Resources Ministry Minerals and Coal Director General Bambang Gatot Ariyono reminded the coal miners on Monday that sanctions for those who failed to put aside 25 percent of their production for DMO remained in place. His statement came a month before the government meets to decide the minerals and coal program and budget (RKAB), which includes a coal and mineral production target for 2019. The government will also review the achievement of this year's target. This year's national coal production is forecast to be 485 million metric tons. Therefore, the coal for the DMO scheme is set at 121.25 million metric tons, 92 million metric tons

of which is for state-owned electricity company PLN, while the remainder is allocated for other industries.

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

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

				<i>Unit: USD/ton</i>	
Size	From	To	Freight rates	Change	
<b>Capesize</b> (150.000 tons)	Australia	China	10.25	-0.35	
	Queensland	Japan	11.85	-0.35	
	New South Wales	South Korea	12.70	-0.35	
<b>Panamax</b> (70.000 tons)	Richards Bay	India West	14.45	+0.45	
	Kalimantan	India West	10.00	+0.00	
	Richards Bay	India East	14.70	+0.45	
	Kalimantan	India East	8.35	+0.00	
	Australia	China	13.50	-0.10	
	Australia	India	15.20	-0.10	

(Source: *Platts Coal Trader International* –Date5/11/2018)