



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

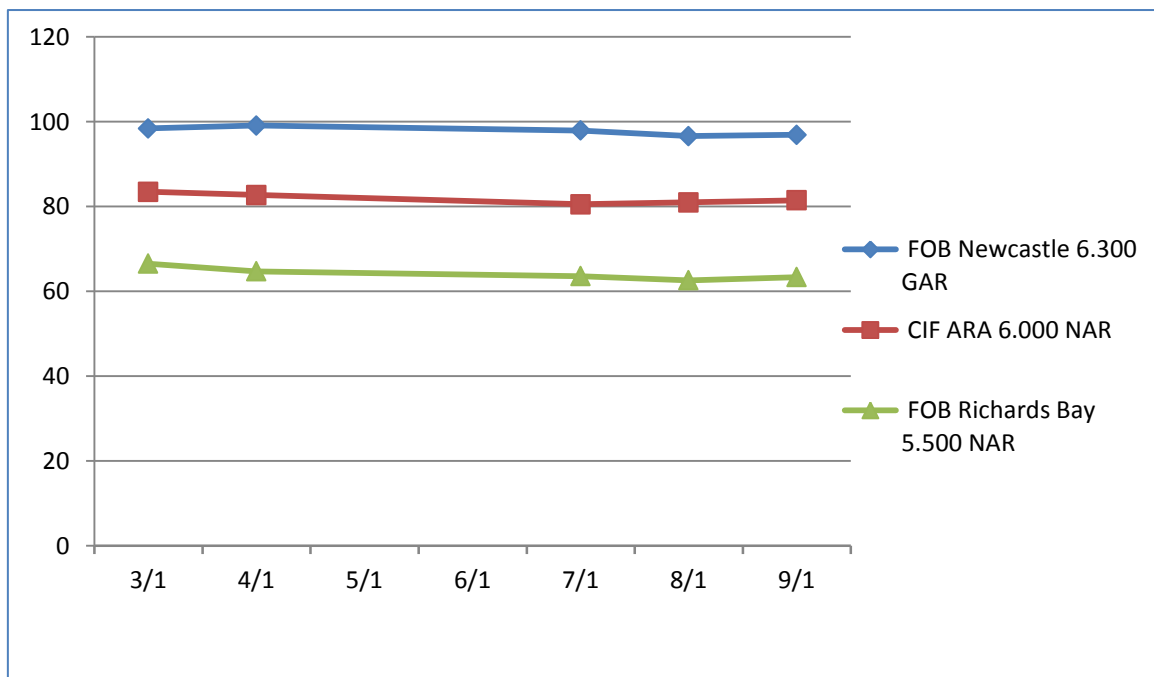
Date 11/01/2019

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	96.90	+0.30	N/A	N/A
CIF ARA 6,000 NAR	81.45	+0.50	N/A	N/A
FOB Richards Bay 5,500 NAR	63.35	+0.75	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	68.40	+0.10
FOB Kalimantan 5,000 GAR	N/A	N/A	46.90	+0.20

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	38.70	+0.10	263.19	-0.32
PCC7 (CFR South China 4,700 NAR)	54.35	+0.10	369.63	-0.72
PCC8 (CFR South China 5,500 NAR)	71.00	+0.00	482.86	-1.84

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2019



(Source: Platts Coal Trader International – Date 9/1/2019)

NEWS

Indonesian 2018 thermal coal production up 1% at 456 million mt: ministry

Indonesia produced 461 million mt of thermal coal in 2018, up from 456 million mt in 2017, according to the Ministry of Energy and Mineral Resources on Tuesday. The world's largest export thermal coal producer was also increasing its supply to the domestic industry, identified as a key growth center for coal demand globally with 12.455 GW of coal-fired capacity under construction for 2019-2022, according to S&P Global Platts' plant capacity database. The provisional production target for 2019 is 485 million mt. Indonesian miners are required to guarantee 25% of all production, equating 115 million mt in 2018, to the domestic market, up from 97 million mt in 2017, the ministry said. Indonesian coal production faced difficulty throughout 2018 due to rainfall at many open pit mines as well as a general shortage of mining equipment, which some miners had previously expected to limit any plans to increase overall production.

The ministry said one of the key reasons for increased production was higher thermal coal prices in 2018. The HBA, a reference price for Indonesian coal set by the ministry, averaged \$98.96/mt in 2018, up from \$85.90/mt in 2017. The ministry said full coal production realization in 2018 was recorded at 528 million mt, although the ministry did not respond to Platts for confirmation

CiMiC's Sedgman wins EPC contract for expansion of QCoal's Australian Byerwen mine

CIMIC Group's mineral processing company Sedgman won a A\$155 million (\$111 million) engineering, procurement and construction contract involving the expansion of QCoal Group's 10 million mt/year Australian Byerwen metallurgical and thermal coal mine, CIMIC said Wednesday. Early work has commenced and the project will conclude in early 2020, the company said. The EPC contract will deliver an expansion on the first phase of the project, which Sedgman was awarded in February 2018, and includes the duplication of the existing coal handling and processing plant, it said. The Byerwen mine is located 20 kilometers west of Glenden in Queensland's Bowen Basin. QCoal exports through the Abbot Point terminal. "We are pleased to continue our strong, long-term relationship with QCoal and look forward to assisting with the expansion of the Byerwen mine in a time frame that optimizes QCoal's benefit," Sedgman managing director Grant Fraser said.

Russia's 2018 coal export, production volumes reach multiyear highs: ministry

Exports from Russia in 2018 came to 191 million mt, a rise of 3.4% on the year, according to the latest data from the ministry of energy, making the 2018 volume the highest since S&P Global Platts began collecting data in 2013. For both export and production data the share of thermal coal was not disclosed. The export volume for December came to 15.5 million mt, a drop of 2.6% on month.

Coal production in 2018 came to 431.76 million mt, a rise of 6% on year and also the highest volume since Platts began collecting data in 2013. The December production volume came to 38 million mt, a drop of 1% on month. The average Platts FOB Russia Pacific 6,300 kcal/kg GAR 90-day price for 2018 was 108.70/mt, a rise of \$16.70 on year. The average Platts FOB Russia Baltic 6,000 kcal/kg NAR, 90-day price for 2018 was \$86.10/mt, a rise of \$6.10 on year.

Higher FOB prices for both Atlantic and Pacific markets were likely to be a big incentive to produce and export more tons to the seaborne market with the ability to make higher margins on volumes. Thermal coal traders in Europe have been unanimous in the opinion that Russian producers have been adamant to be the dominant supplier to the market, which in itself was likely to spur on higher exports to Europe. Russian producers have made considerable efforts to grow market share in developing Asian markets, such as Taiwan and Korea. In the first 10 months of 2018, Taiwan imported 8.5 million mt of Russian thermal coal, which was a rise of 7% from the year-ago period, according to latest customs data. In the first 11 months of 2018, South Korea imported 18.6 million mt of Russian thermal coal, which was a rise of 15.6% from the year-ago period, according to latest customs data."

(Source: www.spglobal.com)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

				<i>Unit: USD/ton</i>
Size	From	To	Freight rates	Change
Capesize	Australia	China	8.00	-0.35
(150.000 tons)	Queensland	Japan	9.00	-0.45
	New South Wales	South Korea	9.85	-0.45
Panamax	Richards Bay	India West	12.60	-0.10
(70.000 tons)	Kalimantan	India West	8.40	-0.10
	Richards Bay	India East	12.60	-0.10
	Kalimantan	India East	7.05	-0.05
	Australia	China	11.20	-0.10
	Australia	India	12.60	-0.10

(Source: Platts Coal Trader International – Date 9/1/2019)