



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

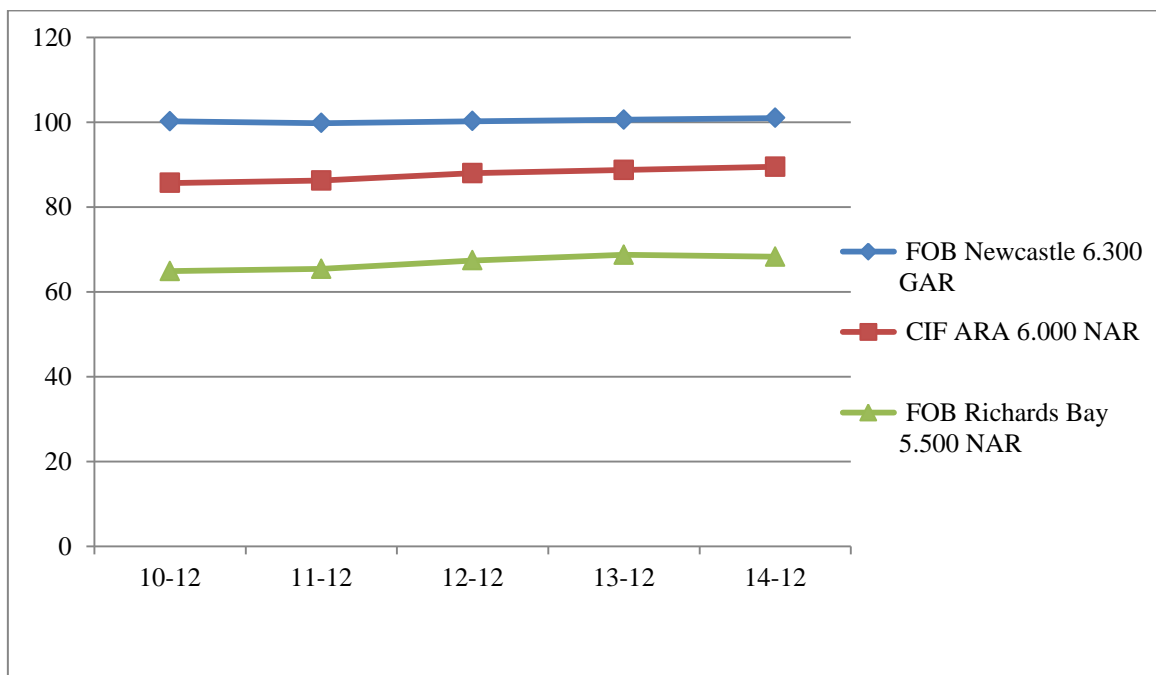
Date 25/12/2018

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	101.00	+0.65	N/A	N/A
CIF ARA 6,000 NAR	89.50	+1.75	N/A	N/A
FOB Richards Bay 5,500 NAR	68.30	+2.55	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	68.10	+0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	46.40	+0.00

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	38.30	+0.00	263.34	+1.11
PCC7 (CFR South China 4,700 NAR)	54.30	+0.00	373.35	+1.57
PCC8 (CFR South China 5,500 NAR)	72.70	+0.00	499.86	+2.10

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2018



(Source: Platts Coal Trader International – Date 14/12/2018)

NEWS

Australian Mount Pleasant thermal coal mine produces first bypass coal

The 10.5 million mt/year Mount Pleasant thermal coal project in Australia's Hunter Valley has produced its first bypass coal and exports are due to begin shortly, mine owner MACH Energy said Friday. "Our first coal will be supplied locally for domestic use and we expect export sales to commence early in the Near Year," MACH Energy managing director Ferdian Purnamasidi said. While construction work, which commenced on the operation in late 2016, is still nearing completion, a majority of the mine infrastructure is now in use. "Further construction works on the coal handling preparation plant are expected to be completed mid-next year," the company said. Coal railings are due to begin next week, it said.

Coal India banks on 8 railway corridors to boost productivity

Coal India (CIL) will be able to reach near its aspirational goal of producing 1 billion tonne by 2022-23 if all the eight proposed railway corridors are in place by then. Coal India (CIL) will be able to reach near its aspirational goal of producing 1 billion tonne by 2022-23 if all the eight proposed railway corridors are in place by then. Unless there can be a support system to evacuate an incremental coal production of 350 million tonne per annum, increasing mine productivity would make no sense. While an ICRA report suggests that over the long and medium term, the major thrust of CIL's coal production is expected to come from the coalfields of North Karanpura, under Central Coalfields in Jharkhand, Manraigadh in Korba and Gevra in Chhattishgarh under South Eastern Coalfields and Talcher & IB Valley in Odisha under Mahanadi Coalfields, railway connectivity remains critical to increase production in these coalfields.

CIL's subsidiary Northern Coalfields has almost zeroed down on a plan to produce 115 mt by 2022-23 through expanding its Jayant and Dudhichua mines and opening a green field Semaria mines, in the next two-three years. This would fetch an additional 2 mt of production per annum. NCL is injecting `1,150 crore that will boost the company to join the 100 million tonne production club this fiscal. Only two subsidiaries, at present, South Eastern Coalfields and Mahanadi Coalfields, are producing in excess of 100 million tonne per annum among all the CIL subsidiaries. NCL chairman and managing director PK Sinha said the company will be producing 100.5 mt this fiscal against 93 mt in produced in 2017-18. "Our Capex of the year is `1,150 crore, which will mainly go in procuring equipment and fund expansion. The equipment, I am sure, will help is enhancing our mining activities for which we have zeroed down on a plan to produce 115 mt in 2022-2023, the year in which CIL has kept its aspirational target of producing 1 billion tonne." He said that NCL after meeting the demand for the pithead thermal plants aggregating 13,000 MW of generation from thermal power stations of NTPC, Lanco, and Uttar Pradesh Rajya Vidyut Nigam has also proposed sending about 20-25 mt of dry fuel to the starved thermal power plants in North India. The country's largest super thermal power plant at Vindhyachal of NTPC of 5000MW is fed by NCL. It supplied 26 days of coal stock against normative requirement of 15 days. Sinha said although coal evacuation remains an issue for the upcountry supplies, it would get organised in the next two-three years once the doubling of railway links between Katni and Singrauli (260 km) and another between Ramna and Singrauli (160km) are completed. The railways had approved these projects at an estimated cost of `4,700 crore, an NCL officials said.

Global thermal coal demand stable through 2023

Demand for thermal coal globally is set to remain stable over the next five years at around 5.4 billion mt, as growth from India and Southeast Asia will offset declines in Europe and North America, according to the International Energy Agency's coal analysis and forecast released Tuesday. Despite this, coal's share of the global energy mix is set to decline to 25% from 27%, due to growth in renewables and natural gas, the report said. The largest growth country unsurprisingly is India, while Indonesia, Vietnam, Philippines, Malaysia and Pakistan were also expected to have significant increases in demand. Future demand is more uncertain as Chinese imports have been "swinging wildly from year to year," while domestic production in India is growing rapidly, and imports serve only to balance any shortfall in domestic supply. On the supply-side, Australia,

Russia and South African were expected to increase exports in the next five years, with Indonesia, Colombia and the US expected to decrease exports.

(Source: www.spglobal.com)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Unit: USD/ton

Size	From	To	Freight rates	Change
Capesize (150.000 tons)	Australia	China	10.60	+0.45
	Queensland	Japan	12.20	+0.55
	New South Wales	South Korea	13.05	+0.55
Panamax (70.000 tons)	Richards Bay	India West	12.70	-0.05
	Kalimantan	India West	8.80	+0.15
	Richards Bay	India East	12.90	+0.10
	Kalimantan	India East	7.40	+0.00
	Australia	China	12.15	+0.05
	Australia	India	13.15	+0.25

(Source: *Platts Coal Trader International* – Date 14/12/2018)