



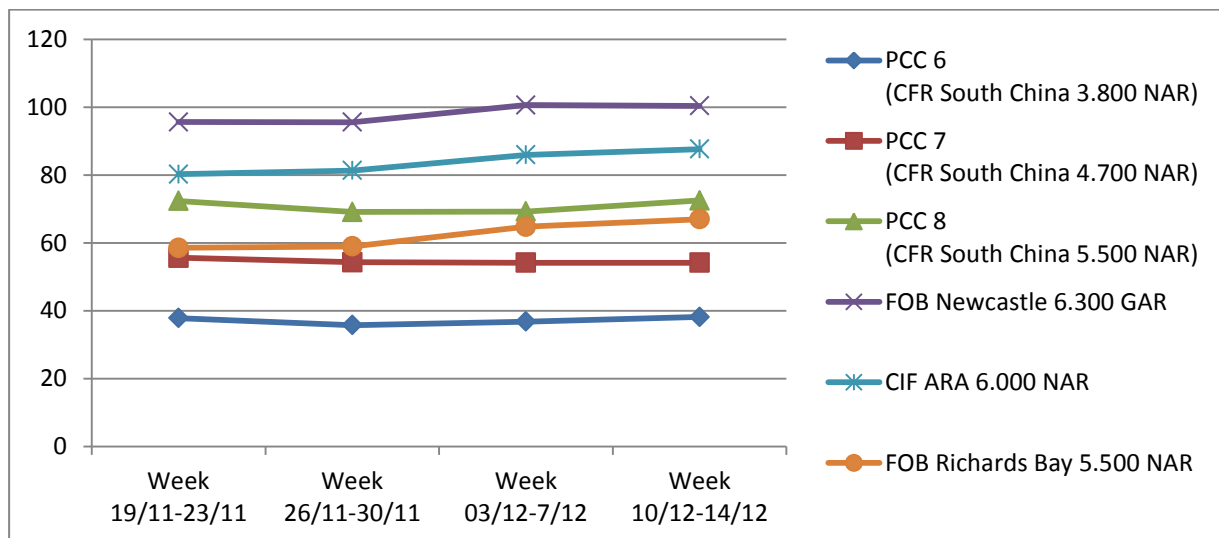
**PETROVIETNAM POWER CORPORATION**  
**PETROVIETNAM POWER COAL IMPORT AND SUPPLY COMPANY**  
**WEEKLY NEWS – SECOND WEEK**  
**OF DECEMBER**  
 (From 10/12 – 14/12)

**I. COAL MARKET ANALYSIS**

**1. INTERNATIONAL COAL PRICE ASSESSMENTS**

*Unit: USD/ton*

Price index	Week 19/11-23/11	Week 26/11-30/11	Week 3/12-7/12	Week 10/12-14/12
<b>PCC 6</b> (CFR South China 3,800 NAR)	<b>37.83</b>	<b>35.75</b>	<b>35.75</b>	<b>38.14</b>
<b>PCC 7</b> (CFR South China 4,700 NAR)	<b>55.61</b>	<b>54.25</b>	<b>54.25</b>	<b>54.14</b>
<b>PCC 8</b> (CFR South China 5,500 NAR)	<b>72.236</b>	<b>69.1</b>	<b>69.1</b>	<b>72.48</b>
<b>FOB Newcastle 6,300 GAR</b>	<b>95.57</b>	<b>95.32</b>	<b>95.32</b>	<b>100.37</b>
<b>CIF ARA 6,000 NAR</b>	<b>80.2</b>	<b>81.28</b>	<b>81.28</b>	<b>87.64</b>
<b>FOB Richards Bay 5,500 NAR</b>	<b>58.5</b>	<b>58.96</b>	<b>58.96</b>	<b>66.95</b>
<b>NEWC</b> (FOB Newcastle 6000 NAR)	<b>98.76</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>



**Chart 1: Average coal price 2<sup>nd</sup> week of December (2018)**

*(Source: Platts Coal Trader International)*

## 2. INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Unit: USD/ton

	Week 2 <sup>nd</sup> - December	10/12	11/12	12/12	13/12	14/12
<b>Capesize (150,000 tons)</b>						
1	Australia – China	10.95	10.35	10.15	10.15	10.60
2	Queensland – Japan	12.65	11.85	11.65	11.65	12.20
3	New South Wales – South Korea	13.50	12.70	12.50	12.50	13.05
<b>Panamax (70,000 tons)</b>						
1	Richards Bay - India West	12.40	12.40	12.50	12.60	12.70
2	Kalimantan - India West	8.40	8.60	8.75	8.80	8.80
3	Richards Bay - India East	12.60	12.60	12.70	12.80	12.90
4	Kalimantan - India East	7.05	7.25	7.35	7.40	7.40
5	Australia - China	12.05	12.05	12.05	12.10	12.15
6	Australia - India	12.80	12.80	12.80	12.90	13.15

(Source: Platts Coal Trader International)

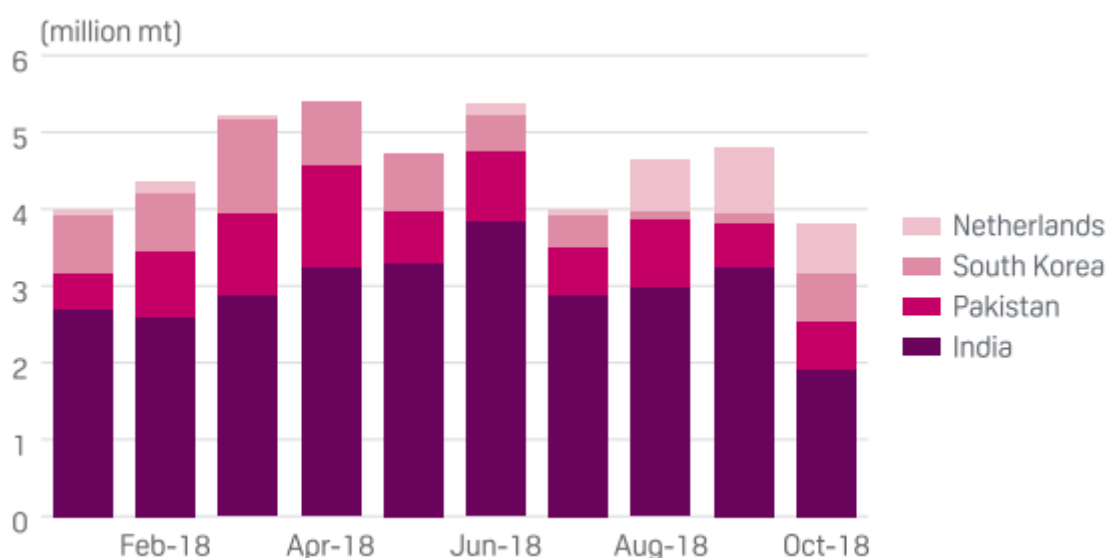
## II. NEWS

### South African thermal coal exports to India at 15-month low in October

South African thermal coal exports in October to India fell to a 15-month low of 1.9 million mt in October, according to customs data released late Monday. The total export volume for October was down 12% year on year to 6.1 million mt, which was 13% lower month on month, the data showed. The year-to-date volume stood at 63.2 million mt, down 2.6% year on year.

Exports to the Netherlands in October fell to 666,350 mt, a drop of 21% month on month, having been at a 21-month high in September. The October volume was up 37% year on year. Exports to South Korea in October rose to 626,123 mt from 146,980 mt in September but were 13% lower year on year. Pakistan took 602,232 mt in October, up 8% month on month, but down 18% from the year-ago period. A slowdown in exports to India for late October could be attributed to Diwali celebrations.

### South African year to date thermal coal exports



### Indonesia sets Dec HBA thermal coal price at \$92.51/mt, down 5.51% on month

Indonesia's Ministry of Energy and Mineral Resources has set its December thermal coal reference price, also known as Harga Batubara Acuan or HBA, at \$92.51/mt, down 5.51% on

month and down 1.63% on year, a mining ministry spokesman said Monday. The ministry had set the price for November at \$97.90/mt, and for December 2017 at \$94.04/mt. The HBA is a monthly average price based 25% each on Platts Kalimantan 5,900 kcal/kg GAR assessments, Argus-Indonesia Coal Index 1 (6,500 kcal/kg GAR), Newcastle Export Index (6,322 kcal/kgGAR) and globalCOAL Newcastle (6,000 kcal/kg NAR).

The ministry spokesman cited China's coal import quota limit policy, excess Indonesia's coal production and India's sagging demand as the reasons for the fall in the HBA price for December. In November, the daily Platts FOB Kalimantan 5,900 kcal/kg GAR coal assessment averaged \$69.35/mt, down from \$72.39/mt in October, while the daily 7-45 day Platts Newcastle FOB price for coal with a calorific value of 6,300 kcal/kg GAR averaged \$99.42/mt, down from \$108.10/mt in October. The HBA price for thermal coal is the basis for determining the prices of 77 Indonesian coal products and calculating the royalty producers have to pay for each metric ton of coal sold. It is based on 6,322 kcal/kg GAR coal with 8% total moisture content, 15% ash as received and 0.8% sulfur as received.

### **November ICE thermal coal derivatives total 210.1 million mt, up 35.4% on month**

The volume of thermal coal derivatives traded and cleared on the ICE platform totaled 210.1 million mt in November, up 35.4% from October and up 13.5% from the year-ago month, according to data from ICE Futures Europe and electronic trading platform globalCOAL Wednesday. The November total marked a two-year high in volumes, driven largely by an increasing concentration of volumes traded for Northwest European CIF ARA 6,000 kcal/kg NAR coal. CIF ARA comprised 90.1% of total futures exchanged on globalCOAL, its highest share since July 2016, according to the data. CIF ARA year-ahead prices plunged to an average price of \$87.34/mt during the month, down from \$97.02/mt in October. The report noted "brisk" trading in options as 67.2 million mt cleared during the month, or 32% of the total volume, up 106.5% from the prior month and up 42.5% from the year-ago month.

ICE Rotterdam derivatives totaled 189.2 million mt for the month, an increase of 41% from October and increase of 18% from the yearago month. It was the largest volume traded since November 2016 when 236.8 million mt were cleared. Rotterdam options came to 64.8 million mt for November, which was up 114% on the month and up 47% on the year. GlobalCOAL's FOB Newcastle derivatives for November stood at 17.4 million mt, down 10% from October and down 8% from the yearago month. Options for the contract totaled 2.3 million mt, up 2% from the prior month but down 13% from the year-ago month. ICE Richards Bay derivatives totaled 3.5 million mt, up 92% from October but down 38% from the year-ago month. No options were traded for this contract.

*(Source: Platts)*