



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

Date 10/5/2019

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	83.65	-0,95	N/A	N/A
FOB Newcastle 6,000 NAR	86.19	N/A	N/A	N/A
FOB Kalimantan 5,500 GAR	59.35	-0.90	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	72,00	+0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	53,50	+0.00

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	N/A	N/A	N/A	N/A
PCC7 (CFR South China 4,700 NAR)	N/A	N/A	N/A	N/A
PCC8 (CFR South China 5,500 NAR)	N/A	N/A	N/A	N/A

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2019



(Source: Platts Coal Trader International – Date 3/5/2019)

NEWS

US seizes North Korean cargo ship for violating sanctions

The Trump administration has seized a North Korean cargo ship used to supply coal to the isolated nation in violation of international sanctions, US law enforcement officials said. The seizure of the vessel, detained last month in Indonesia, comes at a delicate moment between the two countries. It was announced hours after the after the North Koreans fired two suspected short-range missiles in an apparent sign of trouble for nuclear disarmament talks. It also follows a Pentagon decision to suspend efforts to arrange negotiations on recovering additional remains of US service members killed in the North during the Korean War.

The Justice Department said the ship, the *Wise Honest*, is one of North Korea's largest bulk carriers and for several years had been used to deliver Russian coal to North Korea. Payments for maintenance and equipment for the vessel were made in American dollars through unwitting US banks, a violation of sanctions that bar North Korean citizens or entities from the US financial system. Officials say North Korea sought to conceal the vessel's purpose by listing in shipping documentation different countries for its nationality and the origin of the coal. "This sanctions-busting ship is now out of service," said Assistant Attorney General John Demers, the Justice Department's top national security official.

According to a civil complaint filed Thursday in federal court in Manhattan, the ship was intercepted and seized by Indonesian authorities on April 2, 2018. At the time, it was about 2800 miles south of Nampo, North Korea, where it had been photographed a month earlier. The complaint says that after taking the load of coal, the ship sailed south with it toward Indonesia.

The vessel has since been taken into custody by the US.

(Source : www.stuff.co.nz/world/asia/112611892/us-seizes-north-korean-cargo-ship-for-violating-sanctions)

Coal remains Queensland's biggest export, confirms QRC

Queensland Resources Council (QRC) Chief Executive Ian Macfarlane said Queensland coal is the commodity of choice for Asia and the State's economy is benefiting from key trade links with growing economies. The State's high quality coal is not only supporting the jobs of more than 215 000 men and women but continues to be the central commodity driving exports.

"Queensland has an advantage over other states with its close proximity to the economies of China, India and Japan. Every quarter we see export data repeating a common theme – the world needs our metallurgical coal to make steel needed for building modern cities and our high quality thermal coal is delivering tomorrow's energy needs through high efficiency, low emission coal-fired power plants," Macfarlane said. Coal exports contributed AUS\$36.3 billion – an increase of AUS\$5 billion or 16% over the previous 12 months.

In total, the resources sector made up AUS\$68.2 billion which helped Queensland post a record AUS\$84.3 billion in exports until the end of March this year. "Together with minerals, LNG, alumina and semi-soft coking metallurgical coal and PCI coal, the resource sector's diversity story can cushion the economy against commodity fluctuations.

"For every AUS\$10 Queensland earns from exports, AUS\$8 is for our resource commodities and this will continue to grow with global growth. "316 000 Queensland jobs supported by the resource sector depend on global trade. "Queensland has great prospects in copper, zinc and dozens of other new economy minerals, but we will only secure investment in these new projects if we can offer stable and sensible policy settings to global investors and customers."

(Source: www.worldcoal.com/coal/09052019/coal-remains-queenslands-biggest-export-confirms-qrc/)

Indonesia will be a big coal market for Vietnam to import for electricity production

On 3/5, in Hanoi, the Indonesian Embassy in Vietnam cooperated with the Ministry of Industry and

Trade of Vietnam to organize the forum "Potential for commercial coal industry between Indonesia - Vietnam". At the forum, representing 25 Indonesian coal suppliers and representatives of coal-using enterprises in Vietnam, they had time to exchange and introduce their companies, provide information on their use needs charcoal.

Currently, to ensure energy security, countries are promoting the use of diverse energy sources, increasing new and renewable energy exploitation, but primary energy sources, including coal Stone still plays a very important role. For Vietnam, in the present and the coming years, to ensure the demand for electricity for socio-economic development, Vietnam still considers coal as the main energy source for electricity production.

According to the current balance of coal supply, it is forecasted that Vietnam's demand for coal is increasing, especially coal for electricity production. It is expected that the demand of coal industries in Vietnam in 2020 will be about 81.2 million tons (of which about 59.5 million tons will be for electricity, accounting for 73%), and about 110.9 million tons in 2025 (for about 86 million tons of electricity, accounting for 77.5%), in 2030 need about 144.6 million tons (about 119.4 million tons of electricity, accounting for 82.6%).

Mr. Lam Thien Hoan - Department of Petroleum and Coal (Ministry of Industry and Trade) said: With such large coal demand, meanwhile, Vietnam's domestic coal supply capacity will not be sufficient. It is expected that Vietnam's coal import volume will reach 40 million tons by 2020 (24 million tons for electricity) and about 66 million tons by 2025 (about 49 million tons for electricity) and about 98 million tons by 2030 (for about 80 million electricity). million tons).

“In fact, in recent years, Vietnam has imported tens of millions of tons of coal to serve domestic consumption demand, in which imported coal from Indonesia accounts for a large proportion (about 45-50% of the total coal import volume. year),” Hoan said.

(Source: <http://icon.com.vn/vn-s83-150767-626/Indonesia-se-la-thi-truong-than-lon-de-Viet-Nam-nhap-khau-phuc-vu-san-xuat-dien.aspx>)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Size	From	To	Freight rates	Change
Capesize (150.000 tons)	Australia	China	8.10	-0.70
	Queensland	Japan	9.05	-0.90
	New South Wales	South Korea	9.90	-0.90
Panamax (70.000 tons)	Richards Bay	India West	12.25	+0.00
	Kalimantan	India West	8.00	+0.00
	Richards Bay	India East	12.40	+0.00
	Kalimantan	India East	6.65	+0.00
	Australia	China	11.15	+0.15
	Australia	India	12.55	+0.30

(Source: *Platts Coal Trader International – Date 03/05/2019*)