



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

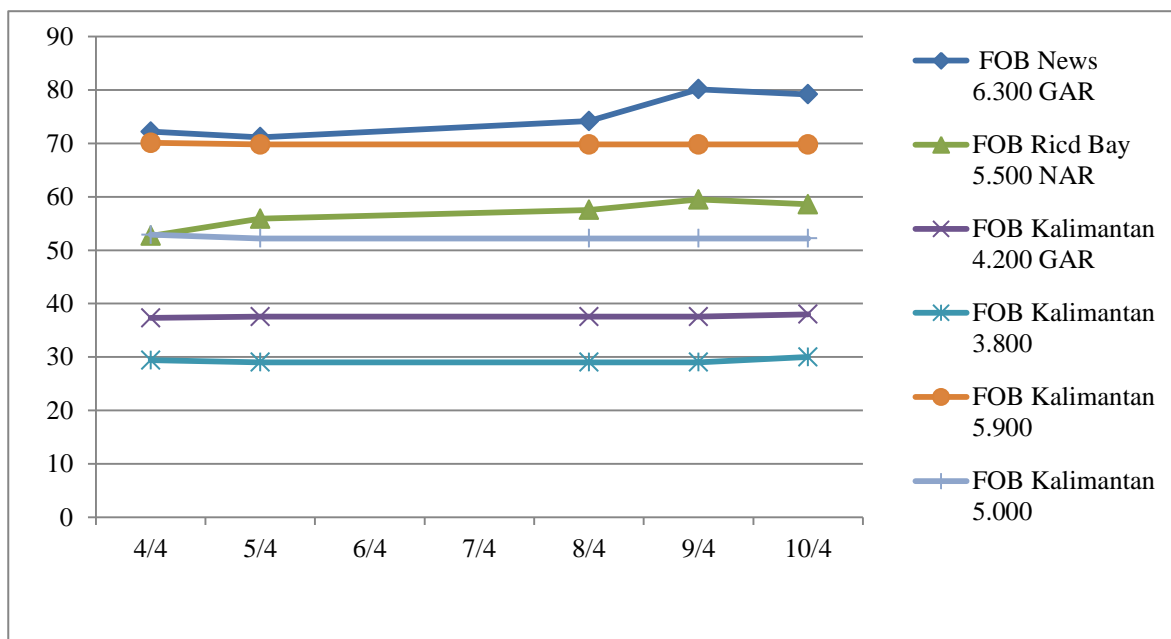
Date 26/4/2019

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	91.10	+1,60	N/A	N/A
FOB Richards Bay 5.500 NAR	59.00	+1,50	N/A	N/A
FOB Kalimantan 5.900 GAR	N/A	N/A	71,75	+0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	56,25	+0.00
FOB Kalimantan 4,200 GAR	37.90	+0,25	N/A	N/A
FOB Kalimantan 3.800 GAR	29.40	+0,15	N/A	N/A

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	47.25	-0,25	315.84	-2.29
PCC7 (CFR South China 4,700 NAR)	63.75	+0,10	426.13	-0.84
PCC8 (CFR South China 5,500 NAR)	67.50	+1.50	451.19	-10.94

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2019



(Source: Platts Coal Trader International – Date 10/4/2019)

NEWS

Boost in Chinese coal raises hopes of end to Australian import curbs

China's decision to boost its domestic thermal coal mining industry has raised hopes the country's unofficial restrictions on Australian imports may soon end. Australian thermal coal has faced lengthy customs delays at Chinese ports and debate has raged on whether the restrictions were driven by political or economic motivations. When restrictions were first reported, some experts suggested China was punishing Australia for its ban on telecommunications company Huawei. However, coal miners said restrictions were frequently put in place to allow Chinese domestic operators "time to shine" and build them up by pressuring Australian producers.

Macquarie Bank's latest research said China's indefinite import quotas had boosted domestic thermal coal supplies after the sector slowed down last year, giving miners hope the restrictions could soon lift. "China's local spot thermal coal prices have lifted over the last two months – unlike those of the seaborne market – supported locally by a slowing in the recovery of its mine supply rate and government-imposed restrictions," Macquarie sales and trading analysts said. China-based Wood Mackenzie analyst Nuomin Han said the Chinese government had approved more domestic coal mines, lifting production levels. A mining industry source close to the issue, who preferred to remain anonymous, said China's aim was to put its coal sector on the front foot to help boost its broader economy. "They could be trying to cope with a slowdown in the Chinese economy," he said. "When they're facing slowdowns they fire up their traditional industries to act as a cushion for other sectors. "Conversations we're having suggest these restrictions might start to relax by the end of May." But he said if China's economy remains weak into the future then more import restrictions are likely to return as the country props up its coal industry.

"Our guess is that they would hold coal imports around levels seen in 2017 and 2018 to meet their unofficial quotas," he said. He said the ratio of Australian coal in these quotas still depended on whether the political relationship with China is mended. "If the political issues are fixed Australian coal imports will likely be around the same levels, if Australia doesn't fix the political issues then someone else will profit from our pain," he said.

China's economy has faced 'downward pressure' even as it recorded an aggressive first quarter growth rate of about 6.4 per cent. It is expected to drop to an almost 30-year low of 6.2 per cent this year. "While fully affirming the achievements, we should clearly see that there are still many difficulties and problems in economic operations," China's official news agency Xinhua reported. "The external economic environment is generally tightening and the domestic economy is under downward pressure." Miners hopes of an end to import restrictions have also been raised by an increase in Chinese independent, non-state-owned companies buying Australian coal imports for May. Credit Suisse analysts said this surge in buying may indicate the companies have been given the heads-up by authorities that the informal restrictions may be lifted in May.

(Source: www.modernpowersystems.com)

JBIC backs Van Phong coal plant

A consortium of banks led by the Japan Bank for International Cooperation (JBIC) has approved a loan for the Van Phong coal-fired power plant project in Vietnam.

JBIC and its partners have agreed to provide \$1.99 billion of finance for Van Phong 1, a planned 2 x 660 MW supercritical coal-fired power plant in Van Phong district, Khanh Hoa province.

The loan will be co-financed with Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Mizuho Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, Oversea-Chinese Banking Corporation Limited and DBS Bank Ltd., and the Bank of China. The co-financed portion will be covered by insurance from Nippon Export and Investment Insurance (NEXI), JBIC said.

Electricity from the Van Phong 1 plant will be sold to EVN for 25 years. The project is being developed by Japan's Sumitomo Corporation.

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENTS

Size	From	To	Freight rates	Change
Capesize	Australia	China	6.05	+0.10
(150.000 tons)	Queensland	Japan	6.65	+0.15
	New South Wales	South Korea	7.50	+0.15
Panamax	Richards Bay	India West	11.90	+0.00
(70.000 tons)	Kalimantan	India West	6.15	-0.10
	Richards Bay	India East	11.90	+0.00
	Kalimantan	India East	6.15	-0.10
	Australia	China	10.55	+0.00
	Australia	India	11.90	+0.00

(Source: *Platts Coal Trader International* – Date 10/04/2019)