



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

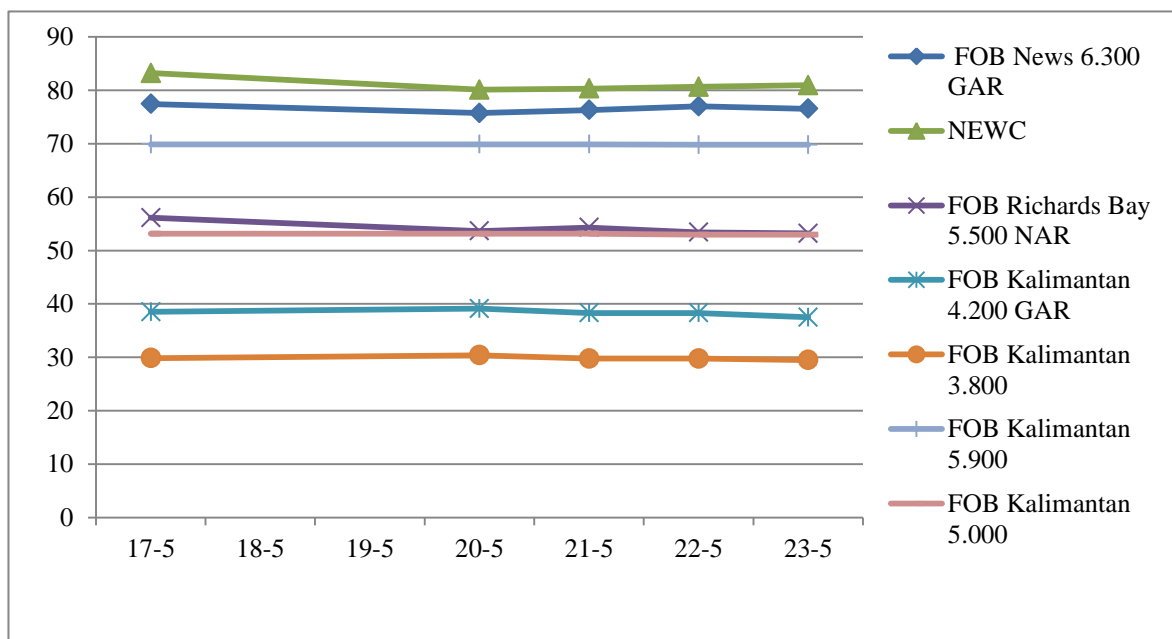
Date 28/5/2019

INTERNATIONAL COAL PRICE ASSESSMENTS

Daily prompt physical thermal coal assessments	Window 7 – 45 day	+/-	Window 90 - day	+/-
FOB Newcastle 6,300 GAR	76.55	-0.45	N/A	N/A
FOB Newcastle 6,000 NAR	80.95	N/A	N/A	N/A
FOB Kalimantan 5,500 GAR	53.20	-0.20	N/A	N/A
FOB Kalimantan 5,900 GAR	N/A	N/A	69.80	+0.00
FOB Kalimantan 5,000 GAR	N/A	N/A	52.95	+0.00

China Coal Assessment	USD/tons	+/-	NDT/tons	+/-
PCC6 (CFR South China 3,800 NAR)	45.65	-0.85	314.55	-5.14
PCC7 (CFR South China 4,700 NAR)	61.10	-0.05	421.01	+0.60
PCC8 (CFR South China 5,500 NAR)	68.20	-0.05	469.94	+0.71

DAILY PROMPT PHYSICAL THERMAL COAL ASSESSMENTS IN 2019



(Source: Platts Coal Trader International – Date 23/5/2019)

NEWS

SGX-listed Golden Energy's Q1 coal output jumps 51% on year to 7.1 million mt

Singapore-listed Golden Energy and Resources, or GEAR, said Wednesday that it produced 7.1 million mt of thermal coal in Indonesia in the latest first quarter, a jump of 51% year on year, and was on track to achieve its target output of 25 million mt for the full year. The company produced 4.7 million mt of coal in the first quarter of 2018. For full-year 2018, the company produced 22.6 million mt. Average selling price fell 26.8% to \$34.68/mt in the latest first quarter ended March 31, down from \$47.35/mt in the same period last year. "The group controlled its production cost in light of the challenging coal price environment," GEAR said in a statement. Cash cost, excluding royalty, stood at \$23.29/mt in the first quarter, down from \$25.56/mt in the same period last year.

"The coal mining industry has been faced with challenges over the past year, most notably due to the higher fuel costs and lower average selling prices," Chief Executive Fuganto Widjaja said in the statement. Thermal coal prices, especially that of Indonesian, however, have been holding strong so far this year amid steady Chinese utility demand and supported by restrictions in China on the import of Australian material. The price of FOB Kalimantan 4,200 GAR has surged 28% so far this year to be assessed Wednesday at \$39.10/mt, S&P Global Platts data showed.

Stricter Dmo may impact Indonesia coal supply

The company said it expects Indonesian coal prices to remain firm as supply may tighten in the coming months amid stricter implementation of Indonesia's Domestic Market Obligation. For 2019, the Indonesian government has set a coal production target of 480 million mt, down from 485 million mt in 2018, with the DMO allocation at 26% of the total production, GEAR noted. Several mines across Indonesia had reportedly failed to meet the required 25% DMO target last year, and the government has set lower production targets for those mines this year, it said, leading to possible supply tightness.

GEAR has coal mining operations in South Kalimantan, Sumatra and Central Kalimantan through its subsidiaries PT Borneo Indobara (BIB), PT Kuansing Inti Makmur, PT Trisula Kencana Sakti and PT Wahana Rimba Lestari. The year-on-year jump in the first-quarter coal production was mainly driven by increased output at its BIB mine, the company noted. GEAR, through its subsidiaries, produces thermal coal with heating value of 2,865-6,528 kcal/kg as received and it sold about 32% of its 2018 output to the domestic market in Indonesia. "GEAR continues to experience thermal coal demand from its key export markets, such as China, India and South Korea, where coal remains an important source of primary energy despite the ongoing efforts to promote the use of gas and renewable energy," the company said. As at March 31, the company said it had cash and cash equivalents of \$119.3 million, compared with \$304.8 million in the same period last year.

Vietnam's Vinacomin to import 2.5 mil mt of coal in H2

Vietnam's biggest coal company, Vinacomin, said Thursday it plans to import up to 2.5 million mt of coal, mainly thermal coal, in the second half of this year to feed rising domestic demand. The company said it will import about 5 million mt of coal this year to mix up with domestic coal and sell to thermal power plants. It imported 1.8 million mt of coal in the first four months and plans to import up to 1.3 million mt in the second quarter. The coal volumes in the second quarter will come mainly from Australia, Russia and South Africa, according to Vinacomin. Vinacomin did not provide any year-on-year breakdown. State utility Vietnam Electricity, or EVN, the sole buyer of electricity in Vietnam, on May 15 requested coal-fired power plants to prepare sufficient coal to meet rising electricity demand in the country. Vietnam imported 13.34 million mt of coal between January and April, rising 123.2% from a year earlier, mostly from Indonesia, Australia and Russia. The import volumes in the period were worth \$1.27 billion, up 72% from 2018, according to customs data. Vietnam exported 31,574 mt of coal in the first four months, falling 95.7% year on year, largely to Japan. The export value in the first four months was \$4.4 million, down 95.4% year on year.

(Source: Platts Coal Trader International)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENT

				<i>Unit: USD/ton</i>
Size	From	To	Freight rates	Change
Capesize	Australia	China	8.55	+0.25
(150.000 tons)	Queensland	Japan	9.55	+0.25
	New South Wales	South Korea	10.40	+0.25
Panamax	Richards Bay	India West	13.20	+0.00
(70.000 tons)	Kalimantan	India West	8.95	+0.00
	Richards Bay	India East	13.35	+0.00
	Kalimantan	India East	7.50	+0.00
	Australia	China	11.40	+0.10
	Australia	India	12.35	+0.25

(Source: Platts Coal Trader International – Date 23/05/2019)