



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

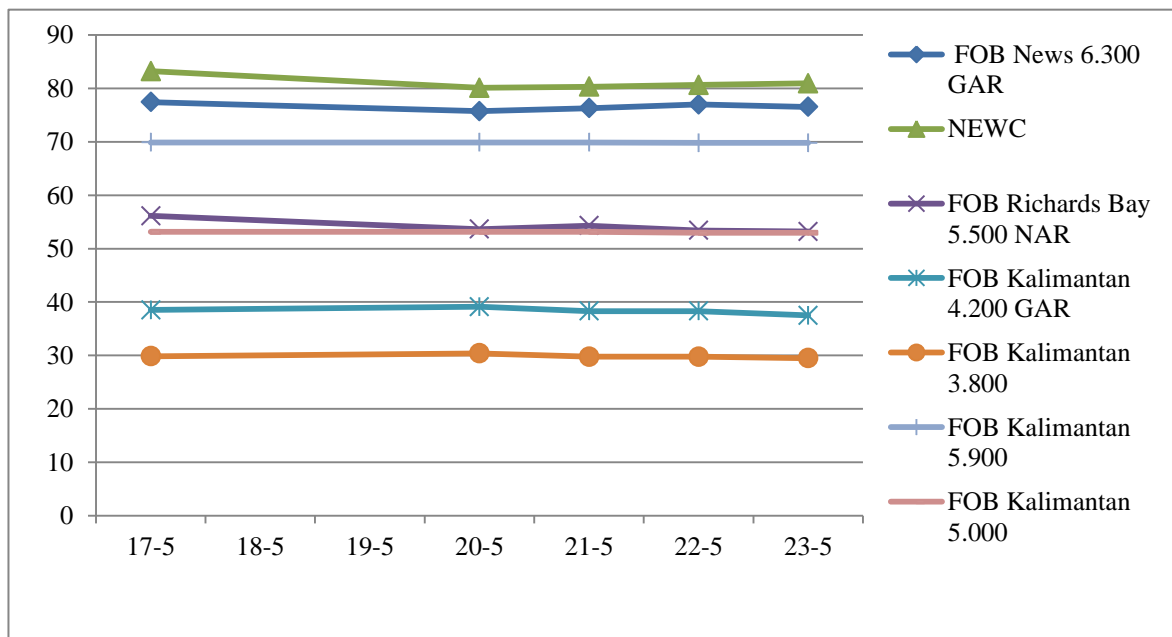
Date 29/5/2019

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

India's coal import rises 13% to 21 million tonnes in April

India's coal import increased by 13.4 per cent to 20.72 million tonnes in April compared to 18.27 million tonnes (MT) in the same last year, according to a report. Of the total imports during April 2019, non-coking coal or thermal coal shipments were at 15.08 MT, according to provisional data by mjunction services. Imports of coking coal, used in iron and steel making, were 3.52 MT in April while metallurgical coke imports during the month were at 0.22 MT. Mjunction, a joint venture between Tata Steel and SAIL, is a Business 2 Business (B2B) e-commerce company that also publishes research reports on coal and steel verticals. Coal and coke imports during 2018-19 increased by 9.66 per cent to 235.35 MT as compared to 214.61 MT imported in FY2017-18, latest mjunction data showed. Commenting on the import trend, mjunction MD and CEO Vinaya Varma said, "The flat trend in non-coking coal import in April was in line with expectations, as the power plants continued to have sufficient stock of coal." "This scenario may continue in the current month," he added. The Centre had earlier urged state-run Coal India to pledge self-sufficiency in production to eliminate import of thermal coal. The government has set a target of 1 billion tonne of coal production by 2019-20 for the mining major, but is considering relaxing the timeline.

KOSPO seeks up to 960,000 mt of thermal coal for July 2019-Dec 2021

Korea Southern Power (KOSPO) issued a tender Monday seeking a total of up to 960,000 mt of thermal coal for delivery from July 2019 to December 2021 to its Samcheok power plant. In the tender KOSPO-Coal-2019-SC-ELT01, the utility sought an annual quantity of four 80,000 mt, Panamax shipments of thermal coal with a minimum calorific value of 4,300 kcal/kg NAR, maximum total moisture of 43% as received, minimum 16%-45% volatile matter air dried, maximum 10% ash air dried, and maximum 0.5% sulfur as received. In the first contractual year, the utility requires one Panamax shipment each to be loaded in July, August, September and the fourth quarter of 2019. Each bidder is requested to offer 320,000 mt per year in lots of 80,000 mt and offers must be on fixed price on free-on-board-and-trimmed (FOBT) basis. Russian coal is not allowed to participate in the tender. The tender closes May 24.

(Source: S&P Global Platts)

Coal-hungry South Africa introduces carbon tax

South African President Cyril Ramaphosa has signed into law a carbon tax to cut emissions in the continent's worst polluter, the treasury said Monday, drawing cautious praise from environmentalists. The tax, a rare step for an emerging economy, will be levied from June 1 on greenhouse gases from fuel combustion and industrial processes and emissions. "President Cyril Ramaphosa has communicated the urgent need for action around the climate crisis," WWF said in a statement, describing it as a landmark moment for South Africa. "While there is still much to be done for the tax to become more effective, we recognise this is a significant first step."

The tax was first planned in 2010, but has been delayed by opposition from business and industry in a country struggling with low growth and unemployment near 28 percent. "Climate change represents one of the biggest challenges facing humankind, and the primary objective of the carbon tax is to reduce greenhouse gas emissions in a sustainable, cost effective and affordable manner," the treasury said in a statement. It said the tax was part of South Africa's efforts to meet the global climate change agreement negotiated in Paris in 2015. Set at 120 rand (8.30 USD) per tonne of carbon dioxide, the tax will be largely offset by allowances to lower it to an effective rate of between six and 46 rand per tonne in the first three years. "It is a major step, but Greenpeace has expressed our concern that we don't think that the carbon tax will be effective enough and the tax level is inadequate." The tax is set to rise at two percent above inflation, currently at 4.5 percent, until 2022 and in line with inflation afterwards.

(Source: <https://www.dailymail.co.uk/wires/afp/article-7074813/Coal-hungry-S-Africa-introduces-carbon-tax.html>)

INTERNATIONAL SPOT DRY BULK FREIGHT ASSESSMENT

Unit: USD/ton

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)