

# Power

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## Non-rated

### Will Vinacomin keep its promise?

#### Hydropower saved the industry

- In Apr 2022, electricity production was 22.6bn kWh (-3.5% mom, +1.9% yoy). Based on our collection, the 4M22 aggregate output volume went up 6.2% yoy to 85.65bn kWh thanks to economy recovery.
- Renewable energy witnessed a splendid result when its output hovered to 3.14bn kWh (+83.6% yoy, -6.5% mom) thanks to the operation of new projects, especially wind power.
- Coal-fired power volume dropped to 10.72bn kWh (-3.4% mom, -8.6% yoy) due to tight coal supplies and surging imported coal price.
- Gas thermal power plummeted 10.1% mom, 8% yoy to 2.86bn kWh in light of soaring Singapore fuel oil (FO) prices (+3% mom, +81.7% yoy).
- The mobilization of hydropower also surged 26.7% yoy, 2% mom to reach 5.74bn kWh in the context of rising FO and coal prices.
- According to National Centre for Hydro - Meteorological Forecasting (NCHMF), total rainfall in May 2022 is 10-30% higher than the average annual rainfall; in which the South Central Highlands and the South will generally keep unchanged.

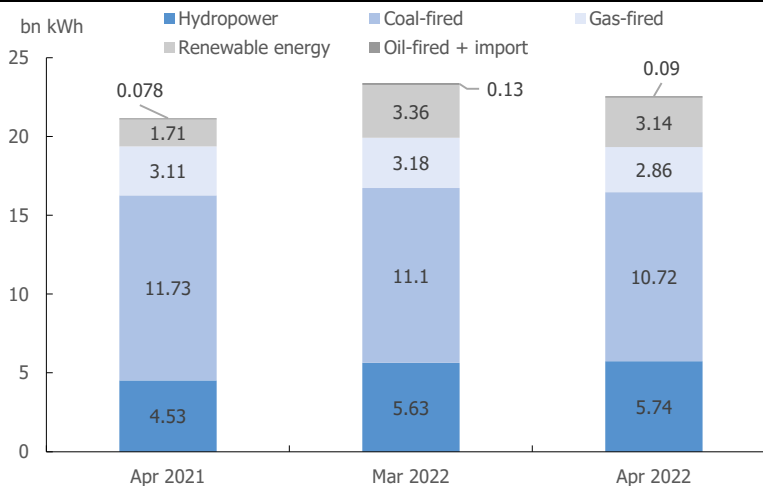
#### Vinacomin pledged for sufficient coal supply

- In 1Q22, total coal volume supplied by Vinacomin (TKV) and Dong Bac Group to EVN's power plants was only 77% of the contracted volume. EVN's coal-fired power plants, namely Nghi Son 1, Vung Ang 1, Vinh Tan 2, Duyen Hai 1 were even operating at 60-70% of capacity.
- Vinacomin pledged to compensate the not-yet-delivered 1Q22 contracted coal volume in the remaining quarters, equivalent to 0.8mn tonnes.
- Vinacomin also ensured to supply enough coal in 2Q22 with 5.1mn tonnes to EVN's power plants.
- In Apr, the volume of imported coal was 2.96mn tonnes (+13.9% mom, -24.9% yoy) while the total value peaked at USD895mn (+242.2% mom, +156.2% yoy). It is mostly attributable to hiking global coal price amid political tensions. As of Mar, average price of imported coal was USD228.5/tonne (+170% yoy).
- The extreme hot season in the northern and central regions is predicted to come later than usual and will not be intense and long-lasting. Thus, the power demand in the North seems flattish in May 2022.

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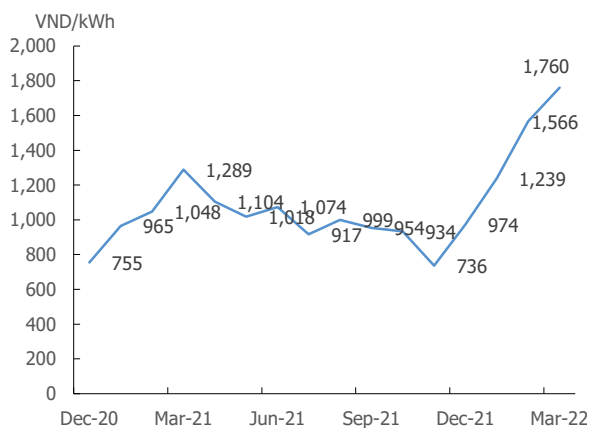
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**Figure 1. Hydropower output surged 26.7% yoy in Apr 2022**



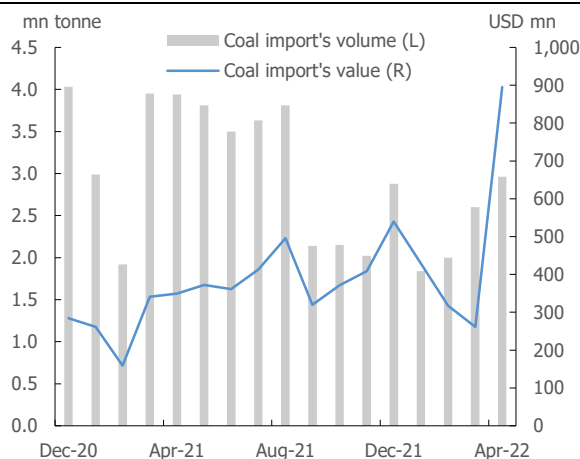
Source: EVN

**Figure 2. Average free market (CGM price) kept uptrend**



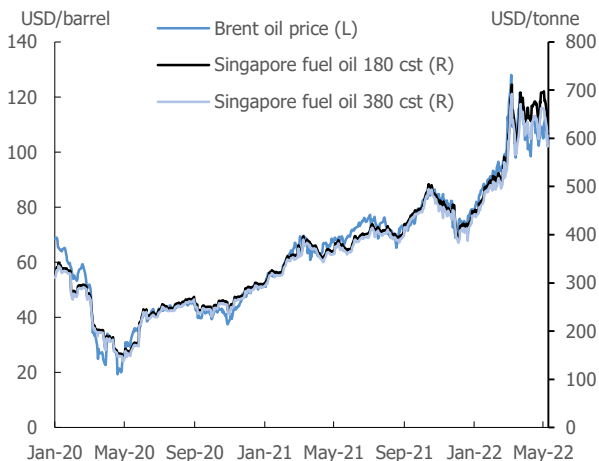
Source: EVNGENCO3  
Note: The average CGM price was updated as of Mar 2022

**Figure 3. Apr 2022's coal import value peaked**



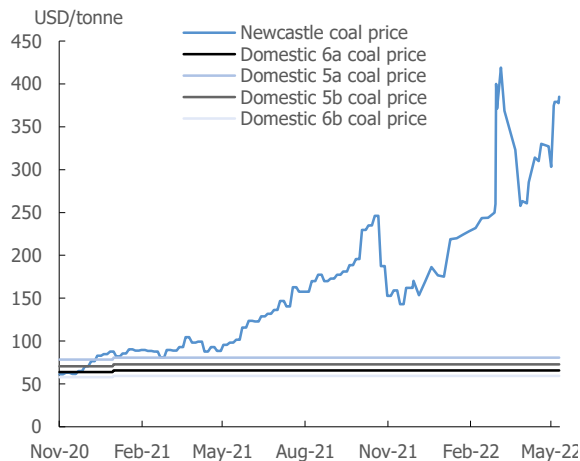
Source: Fiiipro

**Figure 4. Singapore FO price spiked in early 2022 but gradually cooled down in May**



Source: Bloomberg  
Note: The Singapore FO and Brent oil prices were updated as at May 11<sup>th</sup>.

**Figure 5. Global coal price reached its all-time high in early Mar**



Source: Bloomberg, Trading Economics, EVNGENCO3  
Note: The Newcastle coal price was updated as at May 11<sup>th</sup>.



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