

FIS LONDON COKING COAL MARKET REPORT

DCE Level

Sep20: 1222.00 (-11.00)

Coking Coal Indice

TSI PHCC FOB index 110.9, up 1.2; MTD 111.96

Trades

Aug vs Sep trades -4.25 in 4kT/m

Aug vs Sep trades -4.25 in 2kT/m

Sep trades 119 in 2kT

Sep vs Oct trades -8.5 in 1kT/m

Oct vs Nov-Dec trades -7.5 in 2kT vs 1kT/m

Dec-Feb21 vs Q1 trades -1 in 5kT/m

Indicative Curve

	BID	OFFER	VALUE
Jul-20	110.75	112.75	111.75
Aug-20	114.00	116.00	115.00
Sep-20	119.00	121.00	120.00
Oct-20	126.50	128.50	127.50
Q3-20	114.58	116.58	115.58
Q4-20	131.00	133.00	132.00
Q1-21	138.00	140.00	139.00
Q2-21	139.25	141.25	140.25
Q3-21	136.25	138.25	137.25
Cal-21	136.50	140.50	138.50
Cal-22	137.75	141.75	139.75

Market Commentary

After a small recovery on physical last week, the index continued to tick up today with an increase of \$1.20. Futures didn't change much although there continues to be a clear disconnect with those looking at the prompt (Aug & Sep), and those looking to hedge from Q4 onwards. Because of this, Sep/Oct has widened out to more than \$8; although this depends on the day as to where September moves. There looks to be one buyer taking advantage of this picking up September at an 8.25 discount. Further out the reverse has happened, with Dec vs March being legged at just a \$3 contango. It's quiet but there are opportunities.