



# London Coking Coal Market Report

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## FIS LONDON COKING COAL MARKET REPORT

### DCE Level

Jan21: 1362.5 (+32.5)

Coking Coal Index

TSI FOB PHCC down 0.4 at 105.20; mtd 106.24

### Trades

Nov-20 at 110 in 1kt

Dec-20 at 110 in 2kt

Dec-20 at 111.5 in 2kt

Dec-20 at 110 in 2kt

Dec-20 at 112 in 2kt

Dec-20 at 111 in 3kt

Dec-20 at 110 in 3kt

Jan-21 at 132 in 5kt

Jan-21 at 127 in 1kt

Jan-21 at 127 in 3kt

Jan-21 at 125 in 3kt

Q221 at 139 in 1ktpm

Q321 at 139 in 1ktpm

Cal21 at 137 in 2.5ktpm

### Indicative Curve

#### BID OFFER VALUE

Nov-20 104.00 108.00 106.00

Dec-20 107.00 113.00 110.00

Jan-21 124.00 126.00 125.00

Feb-21 135.00 137.00 136.00

Mar-21 140.00 148.00 144.00

Q1-21 134.00 136.00 135.00

Q2-21 138.00 140.00 139.00

Q3-21 138.00 140.00 139.00

Q4-21 138.00 140.00 139.00

Cal-21 136.00 140.00 138.00

### Market Commentary

There were a number of reasons to be positive at the start of today. Reports of physical, trading into various parts of Asia (outside of China) on an FOB basis at the 105 – 106 level, despite the low price, represented demand in the area and a potential bottoming out of the market. China CFR prices continue to rise, with Canadian coal trading at prices as high as \$146 CFR. Thirdly there was a huge surge in the domestic futures in China today, with reports of additional safety inspections required in the Shanxi province. Alas, it was all to no avail, with Peak Downs offered at 105 in the market and no signs of the physical import restrictions easing up. Dec traded from 112.50 down to 110, and subsequently Jan traded 127 and then later in the day 125. Further out Q2/Q3 traded at flat and Cal 21/22 at -1. The buying interests beyond Q1 still remain however, and given the low spot prices, could present good hedge levels now for producers.

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