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London Coking Coal Market Report

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FIS LONDON COKING COAL MARKET REPORT

Indicative Curve

DCE Level					
Jan21: 1542(+9)	BID		OFFER	VALUE	
May 21 1470.5 (+14)	DEC	98	//	102	100.00
Coking Coal Index	JAN	101	//	105	103.00
TSI FOB PHCC up 1.90 at 103.40; mtd 103.32	FEB	119	//	123	121.00
Trades	MAR	131	//	135	133.00
Jan vs Q1 at -16 in 3/1 kT/mth Dec/Jan at -4.50 in 5kT/mth	Q1-21	117	//	121	119.00
Dec/Jan at -3 in 2kT/mth Jan at 103 in 11kT	Q2-21	139	//	143	141.00
Q1 at 121 in 2.5kT/mth Q1 at 120 in 1.5kT/mth	Q3-21	143	//	147	145.00
Q2 at 141 in 0.5kT/mth	Q4-21	147	//	151	149.00
	CAL-21	137	//	141	138.50
	CAL-22	146	//	150	147.50
	CAL-23	148	//	152	150.00

Market Commentary

It feels like the market is very much reactive to whoever leads the initiation right now. January felt better bid late in the day yesterday but after a slow start there came some selling interest.. the reaction which was for the market to drop \$5 on Jan futures with most players involved looking to sell. Support was found initially at 104 and then 103. The physical was quiet and the index remained supported. Potentially there are physical offers back in the market we're yet to be made aware of, It would be a surprise to see Jan futures trading under the spot index for any sustained period otherwise. Time spreads continually look to widen with -16 offered in Feb-March vs Q4 and -6 offer on Q2/Q4. These act as alternate options to buy instead of the underlying futures for anyone needing to hedge a recovery in the market.

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