



London Coking Coal Market Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

FIS LONDON COKING COAL MARKET REPORT

DCE Level

May 21: 1650 (down 42.5)

Coking Coal Index

TSI PHCC FOB up 9.90 at 110.00; MTD 101.59

Trades

Feb at 117 in 3k
 Q1 at 116.50 in 1kT/mth
 Jan at 108 in 5kT
 Feb at 117 in 10kT
 Q1 at 117 in 5kT/mth
 Feb at 118 in 4kT
 Feb at 120 in 2kT
 Feb at 123 in 2kT
 Feb at 124 in 6kT

Indicative Curve

Indicative Curve

	BID	OFFER	VALUE
JAN	109.00	111.00	110.00
FEB	122.00	124.00	123.00
MAR	131.00	133.00	132.00
APR	141.00	143.00	142.00
Q2-21	146.00	150.00	148.00
Q3-21	153.50	157.50	155.50
Q4-21	155.50	159.50	157.50
CAL-21	143.67	147.67	145.67
CAL-22	155.50	159.50	157.50

Market Commentary

In classic coking coal style, and just as the market was beginning to give up on Jan, there was a deal done in the physical market at significantly higher levels. A Feb panamax of Peak Downs North was reported trading at 114.12 FOB. We had previously reported on the lack of further offers in the market, and despite there being no clear signs of demand either, one side had to break and a buyer stepped up. This sent the index higher by \$10 – still probably undervalued versus this trade alone but this should continue to climb higher over the next few days if fresh offers do not emerge.

Prior to this, Feb futures had continued to trade flat to yesterday at 117 and Q1 was sold as low as 116.50 (around 127 on March and 106 on Jan), There were then a few trades done between 117 and 118 on Feb before the market was paid at 120, 123 and 124. Paper already getting ahead of itself in anticipation of further gains. The market quietened down post index with buyers not willing to chase the market higher. Worth noting there is a PLV tender tomorrow so all eyes will firm-er be on the outcome of that to determine the next move.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association (“NFA”). Freight Investor Services PTE Ltd (‘FIS PTE’) is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC (‘FIS DMCC’) is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at www.freightinvestorservices.com