



London Coking Coal Market Report

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DCE Level

May 21: 1547 DCE closed

Coking Coal Index

TSI PHCC FOB index \$151.00, MTD \$156.31 (no index today)

Trades

Q3 at 143 in 3kT/mth

May at 140 in 3kT

Q3 at 141 in 2kT/mth

Q4 at 148 in 2kT/mth

Q3 at 143 in 2kT/mth

Indicative Curve

	BID	OFFER	VALUE
FEB	143.50	145.50	144.50
MAR	138.00	140.00	139.00
APR	139.00	141.00	140.00
MAY	139.50	141.50	140.50
JUN	140.00	142.00	141.00
Q2-21	139.50	141.50	140.50
Q3-21	142.00	144.00	143.00
Q4-21	149.00	151.00	150.00
Q1-22	154.00	156.00	155.00
CAL-22	152.50	157.50	155.00
CAL-23	154.50	159.50	157.00

Market Commentary

A stable week until the last 2 days, which also saw less participation with the Lunar New Year holiday. We had seen most futures contracts hovering around the 150 level, with Q2 & Q3 repeatedly trading at this level over the days towards the end of last week and early this week. However, a sudden lack of buying interest for spot low vol (as opposed to the PMV) saw a trade done on Wednesday at \$139 from a keen last-minute seller. This has subsequently caused a sell off in futures albeit in thin liquidity. We also heard of a PMV trade done late yesterday for April delivery at 143 we added to the selling momentum. May trading at 140 today having been 142/143.50 on the close yesterday. Q3 traded at 143 and then as low as 141 on legs before finding some support late in the day and trading at 143 again. It feels now that paper has already priced in a big move down on the TSI index for next week. Q2/Q3 is now in a clear contango again. Further out selling has yet to properly filter into Q4 or Cal 22.