



London Coking Coal Market Report

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DCE Level

May: 1593.5 up 44.5 (from last week)

Coking Coal Index

TSI FOB PHCC down 1.5 at 139.80; mtd 151.56

Trades

March at 137 in 5kT
 April at 139 in 3kT
 April at 137 in 2kT
 Q2 at 140 in 2kT/mth
 Q2 at 139 in 1kT/mth
 March at 135 in 5kT
 March at 134 in 1kT
 Q2 at 137 in 2kT/mth
 Cal 22 at 154.50 in 1kT/mth
 Q3 at 145 in 1kT/mth

Indicative Curve

	BID	OFFER	VALUE
FEB	145.00	148.00	146.50
MAR	133.00	136.00	134.50
APR	135.00	138.00	136.50
MAY	136.00	139.00	137.50
JUN	137.00	140.00	138.50
Q2-21	135.50	139.50	137.50
Q3-21	141.50	145.50	143.50
Q4-21	148.00	152.00	150.00
Q1-22	153.00	157.00	155.00
CAL-22	152.50	156.50	154.50
CAL-23	154.00	158.00	156.00

Market Commentary

After a stable couple of days the market awaited China's return. Yesterday the market had felt better bid on the close but we all knew the key to direction was how the physical space would open. Optimism was quickly eroded as the physical market was offered just above 140 and sentiment quickly turned bearish on the futures. March traded 137 (down \$2) before 135 went down and only finding support at 134. Similarly Q2 also lost \$3 trading 140, 139 and 137. However, with continued high steel prices and a bullish outlook in the ferrous space... selling was very much limited to the front end. Steel margins are healthy, but the timeframe needed to complete the steel production lifecycle is too long to support the spot physical market at the moment. Cal 22 traded late in the day at 154.50, resulting in no change to the back end of the curve.