



London Coking Coal Market Report

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DCE Level

May: 1467.5 down 9.5

Coking Coal Index

TSI FOB PHCC up 0.80 at 138.70; mtd 149.15

Trades

March at 136 in 5kT
 March at 137 in 10kT
 May/June at flat in 3kT/mth
 March at 140 in 8kT
 Q2 at 142 in 1kT/mth
 March at 142 in 3kT
 March/Q2 at flat in 3/1

Indicative Curve

	BID	OFFER	VALUE
FEB	146.00	149.00	147.50
MAR	140.50	143.50	142.00
APR	140.50	143.50	142.00
MAY	141.00	144.00	142.50
JUN	141.50	144.50	143.00
Q2-21	140.50	144.50	142.50
Q3-21	144.00	148.00	146.00
Q4-21	148.50	152.50	150.50
Q1-22	153.00	157.00	155.00
CAL-22	152.00	156.00	154.00
CAL-23	153.50	157.50	155.50

Market Commentary

Futures rallied again today at the front wiping out all the losses from late last week. It took a while to get going today but once 136 had been paid on March if brought more sellers to the table. Last week March had seen a move from 140 to 130 in only 2 days and today we completed the reversal. We then traded slightly higher still with March being paid at 142 around the time at index. Q2 followed suit, and its remarkable that it has moved almost in tandem with March & April whereas the rest of the curve has been static in comparison. Despite still leaning towards an oversupplied outlook for Q2, the recent mine outage plus a lack of alternative supply (away from Australia) makes Q2 very much a cautious sell at these levels. The contango which opened out again over the last couple of weeks has naturally, narrowed today. Cal 22 ended up 153/155, so not much over a \$10 premium to spot levels now.