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## **London Coking Coal Market Report**

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DCE Level	Indicative Curve			
May: 1467.5 down 9.5		BID	OFFER	VALUE
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	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.

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