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London Coking Coal Market Report

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DCE Level	Indicative Curve			
May: 1493 up 9.0		BID	OFFER	VALUE
Coking Coal Index	FEB	144.40	144.42	146.41
TSI FOB PHCC unch at 128.50; Feb settles 146.41	MAR	131.00	132.00	131.50
Trades	APR	133.00	136.00	134.50
March/April at -3 in 2kT/mth	ΜΑΥ	135.00	138.00	136.50
March vs Q3 at -10 in 3/1 kT/mth	JUN	137.00	140.00	138.50
	Q2-21	134.50	138.50	136.50
	Q3-21	140.00	144.00	142.00
	Q4-21	147.00	151.00	149.00
	Q1-22	152.50	156.50	154.50
	CAL-22	151.50	155.50	153.50
	CAL-23	153.00	157.00	155.00

Market Commentary

It has been a week of contrast for the physical and paper markets. Since last Friday the index has dropped by \$11 but in the same time, futures prices are actually marginally higher for the front months and Q2. There has been a huge amount of volatility thrown in for good measure though. 2 mains points of news which triggered the moves up and down. First, the temporary (so far) closure of the Mooranbah North mine in Queensland, had the market scrambling and ultimately pushing March up by over \$10; and then the quick correction once the market learned of physical trades substantially lower than these paper levels. As we close things, it does feel for now that futures will remain relatively supported, even though the index is now below the March futures price. The appetite to short forward prices at current levels isn't quite there at the moment, with some late optimism this week that demand for April cargos is going to pick up.

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