FERTS AGRI OIL WET FFAS DRY FFAS IRON ORE METALS AIR FREIGHT COAL

London Coking Coal Market Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

## London Coking Coal Market Report

## **Indicative Curve**

DCE Level				
		BID	OFFER	VALUE
May: 1588 up 44.0	MAR	115.75	117.75	116.75
Coking Coal Index	APR	115.00	117.00	116.00
TSI PHCC FOB index 111.2, down 0.6; mtd 117.80	MAY	118.00	120.00	119.00
Trades	JUN	122.50	124.50	123.50
Q3 at 132 in 2kT/mth Cal 22 at 149 in 3kT/mth Q4 at 143 in 6kT/mth May at 118 in 4kT	Q2-21	118.50	120.50	119.50
	Q3-21	131.00	133.00	132.00
	Q4-21	142.00	144.00	143.00
	Q1-22	147.00	149.00	148.00
	Q2-22	148.00	150.00	149.00
	CAL-22	147.00	151.00	149.00
	CAL-23	151.00	155.00	153.00
	CAL-23	151.00	155.00	153.00

## Market Commentary

Week on week the index is down \$2.60 but the volume of physical trades transacted has encouraged more buyers of futures to the table as Q2 and eventually Q3 have found support. May trading more than April; was sold down mid week to 115 but came back bid trading up to 118 today and bid on. April settles higher week on week by \$3. For once times spreads have narrowed between Q2 and Q4; Q3 and Q4 both saw some sell hedging but Q3 was better supported and the Q3/Q4 spread rallied from the -\$12 low earlier in the week. Indeed, whilst the situation in China feels far from bullish, Aus coking coal looks comparatively (very) cheap when it was announced PCI has been trading over \$100. Overall a better week on swaps volumes with approx. 250kT clearing. As always please reach out if you have any questions about either the physical or futures market.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at <u>www.freightinvestorservices.com</u>