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## London Coking Coal Market Report

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## **London Coking Coal Market Report**

DCE Level	Indicative Curve			
Sep: 2046 down 20	Indicative Curve			
Coking Coal Index		BID (	OFFER V	ALUE
Platts TSI FOB PLV up 1.0 at 185; mtd 171.89	JUN	173.00	175.00	174.00
Trades	JUL	188.50	190.50	189.50
Aug at 176 in 2.5kT July at 188.50 in 2kT Sep at 170 in 5kT	AUG	181.50	183.50	182.50
	SEP	172.25	174.25	173.25
Q1 at 159 in 1kT/mth Q3/Q4 at +15 in 1kT/mth	Q3-21	180.75	182.75	181.75
Sep at 171 in 1kT Aug/Sep at +10 in 4kT	Q4-21	163.75	165.75	164.75
July at 190 in 2kT	Q1-22	158.00	160.00	159.00
	Q2-22	156.50	158.50	157.50
	CAL-22	156.00	160.00	158.00
	CAL-23	158.50	162.50	160.50

## **Market Commentary**

Both Futures and phsyical soared again this week. Gains of \$8 on the index but futures were almost double that for Q3 as August physical traded at 183 and the backwardation between July and September reduced dramatically. There's more belief now that the physical tonnes trading have already found homes and there is a distinct lack of physical longs in the market. Producers do have tonnes, but they can afford to bide their time as China continues to buy any US available and is paying around \$240 FOB equivalent for the privilege. Whilst time spreads have narrowed at the front, Q3/Q4 has widened and now (finally), Q4/Cal is in backwardation. The Cal-22 remains subdued with a lack of buy side hedging. We saw as similar situation with Q4 over the last month where it didn't move for several days, but has moved up \$10 now in the past week.

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