



London Coking Coal Market Report

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DCE Level	Indicative Curve			
		BID	OFFER	VALUE
Jan 2919 up 83				
Coking Coal Index	SEP	303.00	307.00	305.00
TSI FOB PLV up 11.0 at 300; mtd 276.67	OCT	313.00	317.00	315.00
Trades	NOV	306.00	310.00	308.00
	DEC	299.00	303.00	301.00
Nov21 at 294 in 1kT/mth	JAN	285.00	289.00	287.00
Oct21 at 300 in 1kT/mth				
Oct21 vs Nov21 at +5 in 1kT/mth	Q4-21	306.00	310.00	308.00
Dec21 at 297 in 0.5kT/mth				
Nov21 at 303 in 2kT/mth	Q1-22	270.00	274.00	272.00
Nov21 at 303 in 1kT/mth				
Mar22 vs Apr22 at +15 in 2kT/mth	Q2-22	240.00	244.00	242.00
Oct21 vs Nov21 at +6 in 2kT/mth				
Oct21 vs Nov21 at +6 in 2kT/mth	Q3-22	220.00	224.00	222.00
Nov21 at 295 in 1kT/mth				
Oct21 at 305 in 1kT/mth	Q4-22	210.00	214.00	212.00
Oct21 at 300 in 1kT/mth				
Nov21 at 295 in 3kT/mth	CAL-22	234.50	239.50	237.00
	CAL-23	197.50	202.50	200.00

Market Commentary

So it's been a few days of speculation but I think we all knew we would get there. Today both futures and physical broke the \$300 level for the first time. Again, we're seeing paper scramble higher on thin liquidity. Nov PLV traded 300 in 75kT and around the same time Nov paper was paid at 303 in 3kT after earlier trading 295! I've still yet to be proven otherwise so I'm calling today's paper trades as the highest we've had on FOB AUS CC futures (Platts CME or SGX TSI). It's a supply story but the slide in iron ore prices in China have meant margins have stayed healthy enough for bids to rise at the speed they have. International steel prices haven't changed much (still a touch bearish) and so until the supply can correct (from Mongolia, Australia itself) this can easily continue for a few weeks. This may explain why the backwardation between Oct and Dec has been low. Oct/Nov was legged a couple of times at only \$5 today although this was bid on. Further out and we have closer to \$15 per month from Dec through to April.