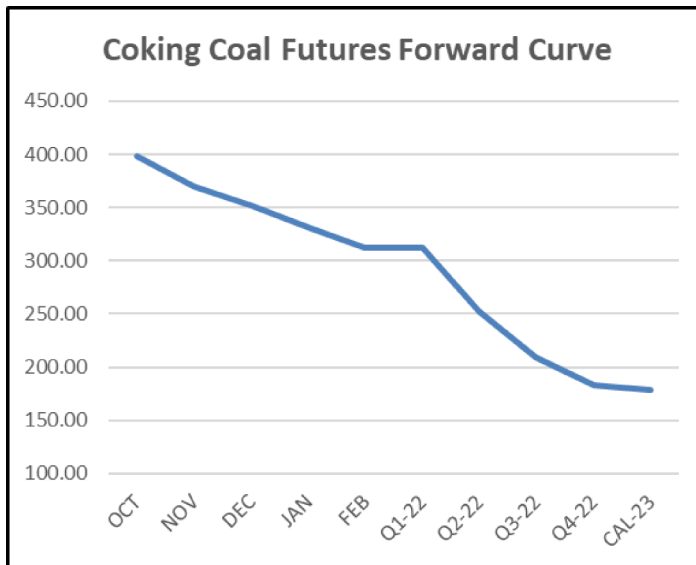


14/10/2021

| DCE |
|--|
| Jan: 3531 up 101.50 |
| Coking Coal Index |
| TSI FOB PLV up 0.50 at 401.50; mtd 396.73 CFR China up 1.0 at 613; mtd 606.38 |



| TSI PLV FOB AUS Indicative Curve | | | |
|----------------------------------|--------|--------|--------|
| | BID | OFFER | VALUE |
| OCT | 395.00 | 401.00 | 398.00 |
| NOV | 367.00 | 373.00 | 370.00 |
| DEC | 349.00 | 355.00 | 352.00 |
| JAN | 329.00 | 335.00 | 332.00 |
| FEB | 309.00 | 315.00 | 312.00 |
| Q4-21 | 368.00 | 378.00 | 373.00 |
| Q1-22 | 307.00 | 317.00 | 312.00 |
| Q2-22 | 247.00 | 257.00 | 252.00 |
| Q3-22 | 204.00 | 214.00 | 209.00 |
| Q4-22 | 178.00 | 188.00 | 183.00 |
| CAL-22 | 234.00 | 244.00 | 239.00 |
| CAL-23 | 174.00 | 184.00 | 179.00 |

| Today's Trades |
|---|
| Dec at 353 in 1kT Oct at 397 in 1kT Dec at 353 in 10kT Nov at 371 in 8kT |

| Commentary |
|---|
| The index support continues but so does resistance on futures. A 50c move up and some buying interest on Oct coupled with selling on Nov, Dec and Q1 meant that the discount on futures versus spot widened today. The FOB physical market is quiet, but sellers are in no rush to move tonnes as demand continues to play catch up. Platts confirmed a US cargo sale into China yesterday at 610 CFR for Blue Creek 7. Although this should make futures on FOB look good value, the future is full of uncertainty and its certainly more attractive for sellers to look at the forward curve than it is buyers. This is despite the near \$100 drop from spot to Q1. It's a simple case of the huge margins sellers can lock in versus the difficulty in justifying paying these forward prices, even if steel margins are still healthy. |