FIS

# Coking Coal Report

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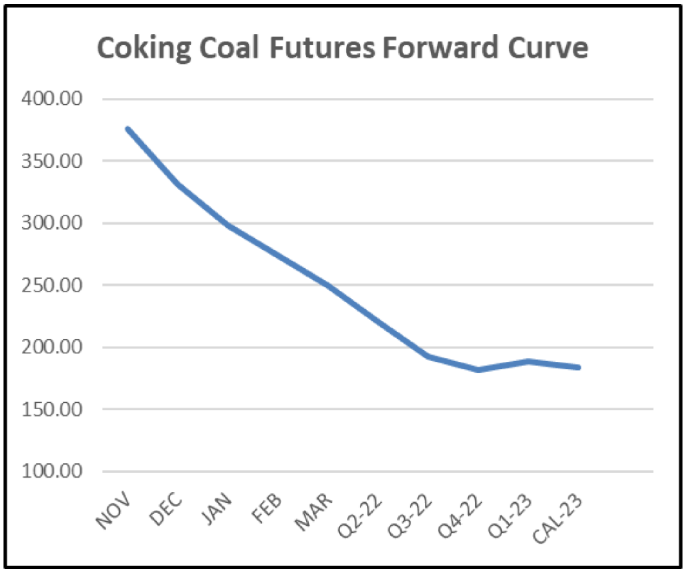
| DCE |
|---|
| Jan: 1945 down 114.5 |
| May: 1726  down 66 |

| Coking Coal Index |
|---|
| **TSI FOB PLV down 26.50 at 372.0; mtd 399.05** |
| Plts CFR China down 10 at 512; mtd 572.09 |




| TSI PLV FOB AUS Indicative Curve | | | |
|---|---|---|---|
| | BID | OFFER | VALUE |
| **NOV** | 374.00 | 378.00 | **376.00** |
| **DEC** | 329.00 | 333.00 | **331.00** |
| **JAN** | 296.00 | 300.00 | **298.00** |
| **FEB** | 272.00 | 276.00 | **274.00** |
| **MAR** | 248.00 | 252.00 | **250.00** |
| **Q1-22** | 271.00 | 277.00 | **274.00** |
| **Q2-22** | 218.00 | 224.00 | **221.00** |
| **Q3-22** | 190.00 | 196.00 | **193.00** |
| **Q4-22** | 179.00 | 185.00 | **182.00** |
| **CAL-22** | 213.50 | 221.50 | **217.50** |
| **CAL-23** | 179.50 | 187.50 | **183.50** |

### Today's Trades

Dec at 334.50 in 5kT
March at 252 in 3kT
March at 250 in 2kT
Q3-22 at 193 in 3kT/mth
March at 250 in 6kT

### Commentary

The physical market finally moved out of its recent tight range today.  A December cargo of Riverside mid vol was reported trading at $375.  This was still an approx. $40 basis premium to the Dec futures, although certainly more in line with a half settled Nov market.  Dec futures had earlier traded at 334.50 but went offered over and the offer moved lower without a bid during the course of the day.  Trading moved to deferred periods with March trading a few times between 252 and 250.  The backwardation in the curve is quickly eroding.  Much further out and there is even a contango now between Q4-22 and Q1-23.  An elemement of seasonality perhaps but when the underlying price is above $180 (Q4) its not typyical to see a carry.  We continue to see sentiment from China driving the market, but there is still a strong belief that the rest of the world is still playing catchup with its steel production.