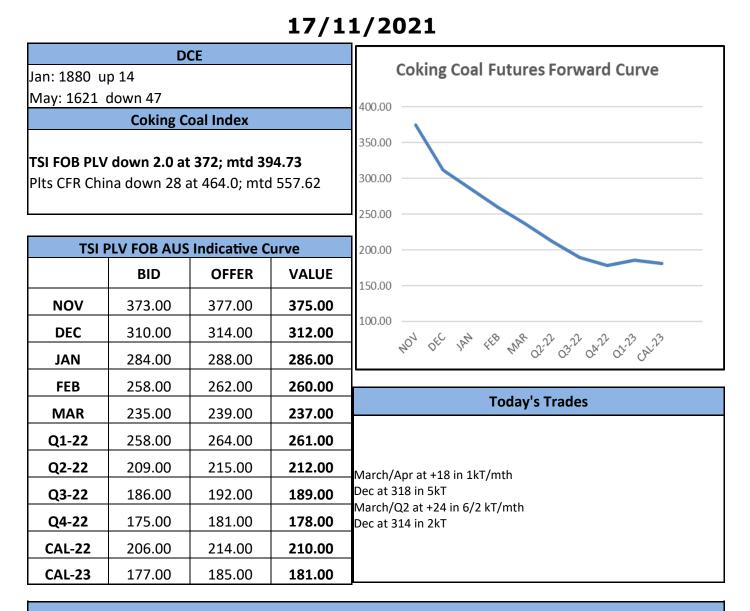
| EMISSIONS | OIL | <mark>FERROUS</mark> | FREIGHT | AGRI | METALS | ENERGY | PHYSICAL FREIGHT |

Coking Coal Report

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



Commentary

With China delivered prices contuing to drop at an alarming rate, the knock on effect is for FOB futures prices to continue to be under heavy pressure. We initially saw a \$10 drop on Dec futures to trade at 318 before trading down again at 314 later on. Time spreads are moving in although the bid interest in Q1 was also subdued, with some support only \$15 - 20 below recent value. Despite all this, it appears as if physical traders and producers are in no rush to sell physical cargos in the FOB market, which suggests there is still some confidence that demand hasn't fully caught up yet. Dec futres are now nearly \$60 below the index, and so we need to see physical markets materialise again very soon.

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