



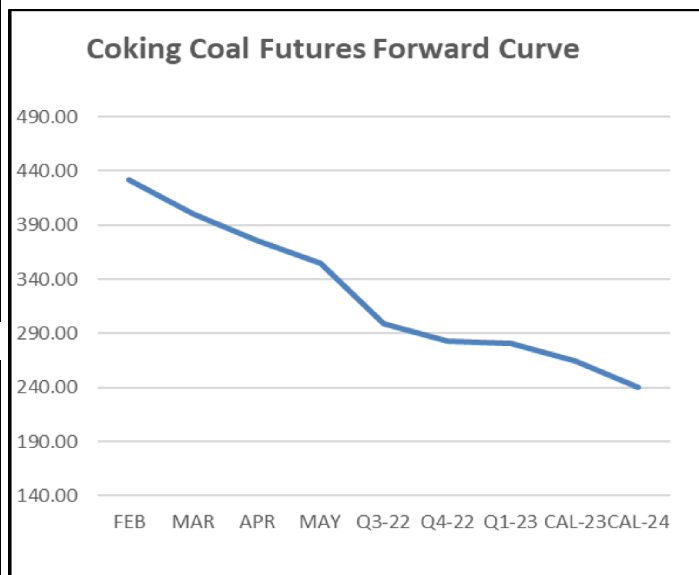
Coking Coal Report

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DCE
May: 2268 (market closed)
Coking Coal Index
TSI FOB PLV up 0.25 at 445; mtd 444.83
CFR China down 2.50 at 403; mtd 404.67

TSI PLV FOB AUS Indicative Curve			
	BID	OFFER	VALUE
FEB	429.00	435.00	432.00
MAR	397.00	403.00	400.00
APR	373.00	379.00	376.00
MAY	352.00	358.00	355.00
Q1-22	409.00	419.00	414.00
Q2-22	350.00	360.00	355.00
Q3-22	294.00	304.00	299.00
Q4-22	278.00	288.00	283.00
Q1-23	276.00	286.00	281.00
CAL-23	260.00	270.00	265.00
CAL-24	235.00	245.00	240.00



Today's Trades
March at 400 in 1kT

Commentary

Whilst there remains plenty of demand for physical cargos in the market over the next 2 months, buyers are reluctant to pay fixed price at the current index level. End users prefer to buy index linked, expecting (or hoping) that the market in time will ease off. The only potential sellers out there are naturally holding out for fixed price. With March trading late in the day at 400 (down \$3-4 since Friday) there is already a substantial price drop priced into the short term movement of physical, so in theory an index linked purchase would allow the buyer to hedge the futures and obtain a much lower price than the current index. But, as we've seen, should the index hold up for a few days then Feb will catch a bid and more likely March will rally from its current level.

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