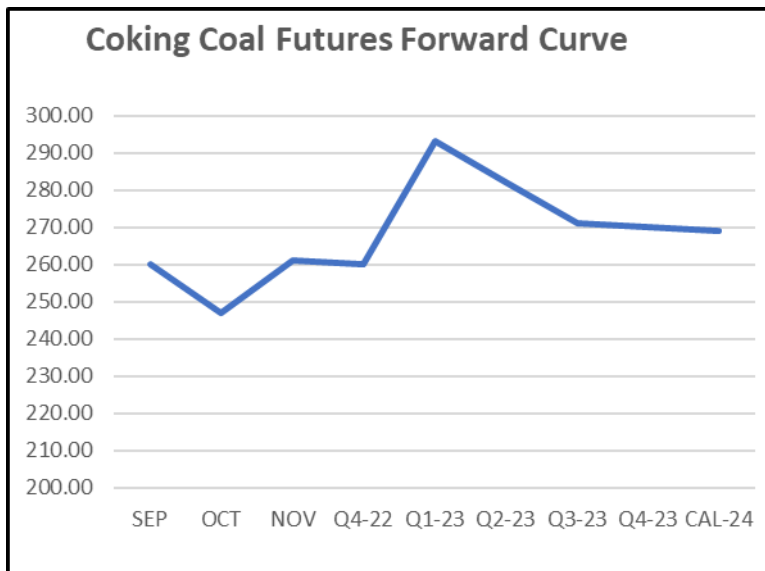


16/09/2022

DCE
Jan: 2023; up 17
Coking Coal Index
TSI FOB PLV unch at 250.50; mtd 268.79
CFR China unch at 295.0; mtd 288.60



TSI PLV FOB AUS Indicative Curve			
	BID	OFFER	VALUE
SEP	257.00	263.00	260.00
OCT	244.00	250.00	247.00
NOV	258.00	264.00	261.00
DEC	269.00	275.00	272.00
Q4-22	257.00	263.00	260.00
Q1-23	297.00	303.00	300.00
CAL-23	274.00	284.00	279.00
CAL-24	264.00	274.00	269.00

Today's Trades
Oct22 at 243 in 2KT
Q422 at 259 in 1KTM
Q123 at 300 in 1KTM

Commentary
<p>Today's moves in the market meant that the Q4 / Q1 spread moved out to a contango of over \$40.. This creates a monthly contango of well over \$10 per month average between October and March. Add to this the Q1/Cal spread values means that the Q1 La Nina risk premium is as aggressive as ever this year. As we move into Q4 this is unlikely to be sustainable due to the nature of how the index is calculated and the 60 day physical window. Speaking of physical we saw a week on week \$20 drop in value on the back of poor steel demand. Yesterday's part fixed price deal at \$252 was rumoured to have been bought by a trader but it's unknown if the end user is a steel producer or if this cargo will partly find a way into the thermal market.</p>