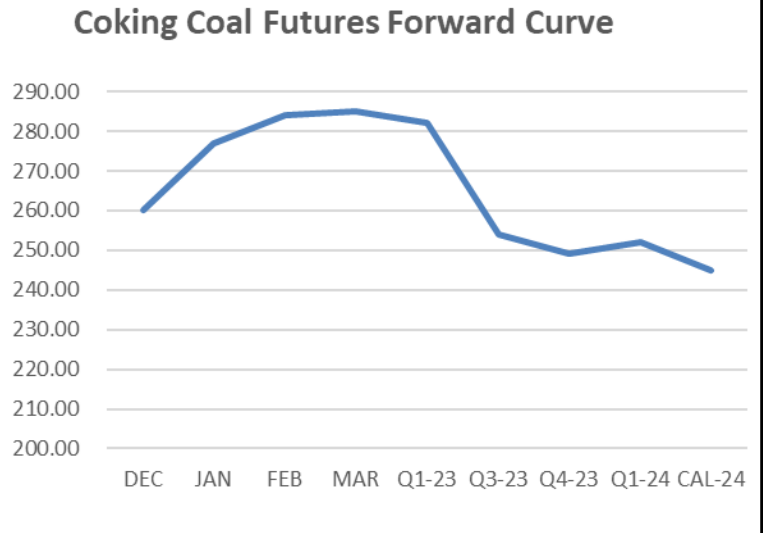


07/12/2022

DCE
Jan: 2212 Up 25
Coking Coal Index
TSI FOB PLV down 8.0 at 249.50; mtd 250.85
CFR China up 0.50 at 299.50; mtd 298.88



TSI PLV FOB AUS Indicative Curve			
	BID	OFFER	VALUE
DEC	257.00	263.00	260.00
JAN	274.00	280.00	277.00
FEB	281.00	287.00	284.00
MAR	282.00	288.00	285.00
Q1-23	279.00	285.00	282.00
Q2-23	264.00	270.00	267.00
Q3-23	251.00	257.00	254.00
CAL-23	258.00	268.00	263.00
CAL-24	240.00	250.00	245.00

Today's Trades
Q1/Cal at +21 in 4kt vs 1kt/mth
Dec at 259 in 1kt
Dec/Jan at -15 in 1kt (260 & 275)

Commentary

Just as we start to maybe believe that physical is going to go on a run, reports emerge of a deal done well below yesterday's print. Market intel suggests a 251 deal for a prompt cargo of PMV sold by a trader, and this had bids disappearing on the futures side and meant we had a rather wide bid/offer spread as sellers were reluctant to get too aggressive. A few spreads went through including Q1/Cal which printed at +21 (backwardation). On the day it looks a solid print although historically this is actually quite a shallow spread given where the underlying is. Away from the FOB market, the CFR index actually jumped up as there was a US cargo sold into China at 317 CFR. Suggests the market is still searching for direction.