



**Weekly Price Update**  
**17-Sep-2022**

**IENERGY NATURAL RESOURCES LIMITED**

210, Royal Square, Near Shilp Tower, Tagore Road, Rajkot – 360002, India  
[care@inrl.in](mailto:care@inrl.in) +91 281 2465640 +91 93282 24488

## INTERNATIONAL COAL PRICE

### STABILITY IN FUTURE : CORRECTION SPOT

Few trades for future cargo have supported API2, Coal price delivered to ARA, during this week. There are several factors that have affected spot price in Europe mainly, stock at ARA has been reported at reasonable level and there is hope for Russia to increase supply gas in near future.



Refineries around the world have been running at maximum capacity, which leads to good amount of Petcoke. Availability of Fuel grade Petcoke has improved and Cement manufacturer are moving toward petcoke due to price competitiveness. Strong supply of petcoke and low demand from European market, API2 September contract closed at \$ 332.50 (Down by \$6 WoW) with steep decline in the price. The contract took downturn by approx. \$ 50 in last 10 days. The contract was closed to \$ 338 last week. September 2022 contract hit a high of \$ 404 on 24<sup>th</sup> Aug 2022.

October contract for API 2 has also seen a huge downward in last 10 days, majorly due to poor demand and high level of stock at ARA. After correction in 1<sup>st</sup> week of Aug 2022, market gained a lot during rest of Aug 2022. But starting of Sep 2022, demand has started getting softening.

Additional to screen trade, we have seen very few inquiries for physical stock too. On screen, based on data publicly available, October contract closed at \$ 303 in last Friday, down by \$ 16 WoW. The contract was closed at \$ 339 last week. October 2022 contract hit a high of \$ 396 on 22<sup>nd</sup> Aug 2022 and a low at \$ 92 on 31<sup>st</sup> Dec 2022.



## WEAK DEMAND : Further correction in South African Coal Prices (API4)

The future price for the coal exported from South Africa's Richards bay was also closed very weak in 3<sup>rd</sup> week of Sep 2022. Sep 2022 contract was closed at 299.35, corrected by \$ 18 on WoW.



There is weak demand from Indian market for SA coal, mainly due to competition from Russian coal. Russian miners/suppliers are able to cater Indian sponge iron market with low VM & High FC coal. Traditionally, Sponge Iron industry were using SA coal but they have started exploring other option due to high price of SA coal and price correction in steel.

Fuel grade Petcoke from Venezuela have also affected a price and sentiment of Coal price from South Africa. As per data we have collected, Venezuela is ready with more than a million tons of Fuel Grade petcoke for Export. They mainly targeting big market like China and India, additional to their regular markets i.e. Netherlands

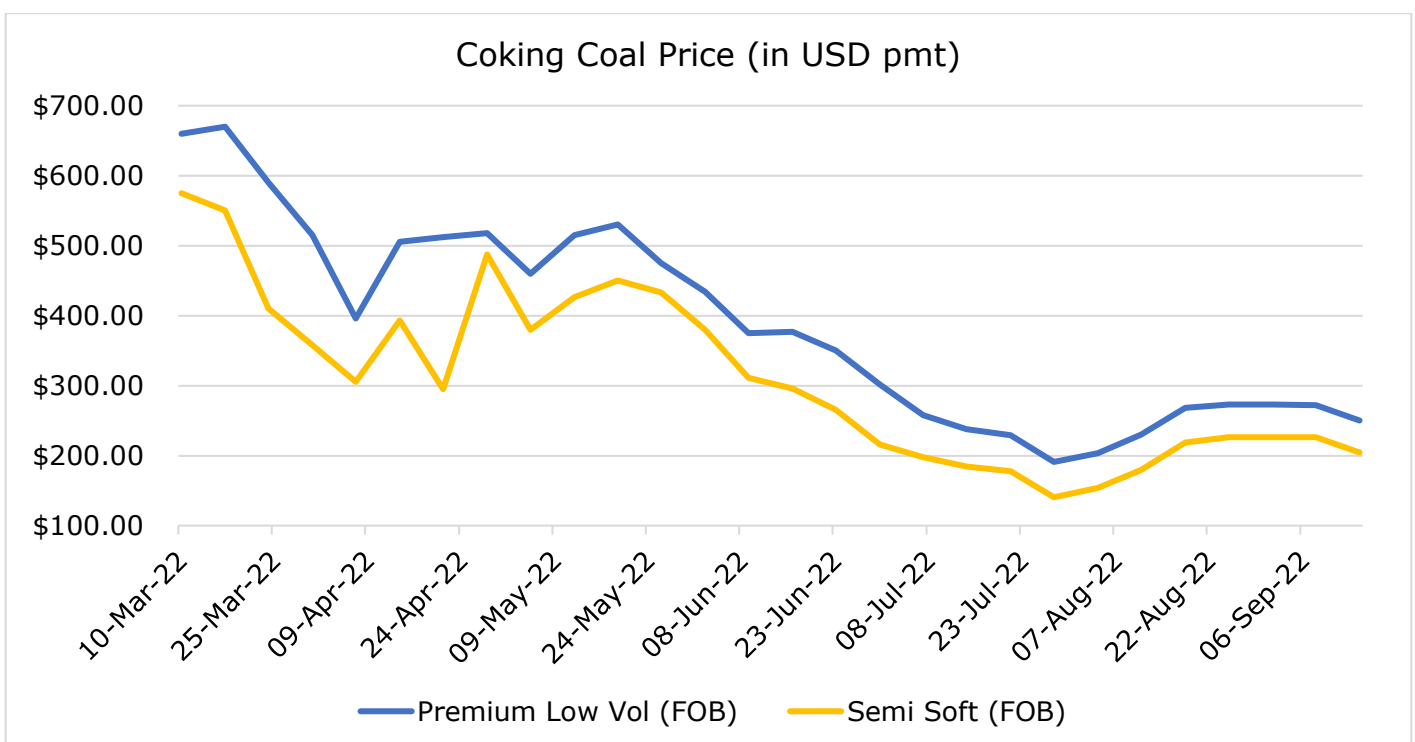
Last week the Sep 2022 contract was closed at \$ 317. September 2022 contract has touched above \$ 374 on 8<sup>th</sup> Mar 2022 and low at \$ 93 on 3<sup>rd</sup> Jan 2022.

### COKING COAL

FOB Australia price for premium low vol again started falling after staying stable for the three weeks. Steel output is not improving and growth rate remains at negative in china and other market. There is an only support from Indian steel mill for Coking Coal price since, steel production is growing only in India.

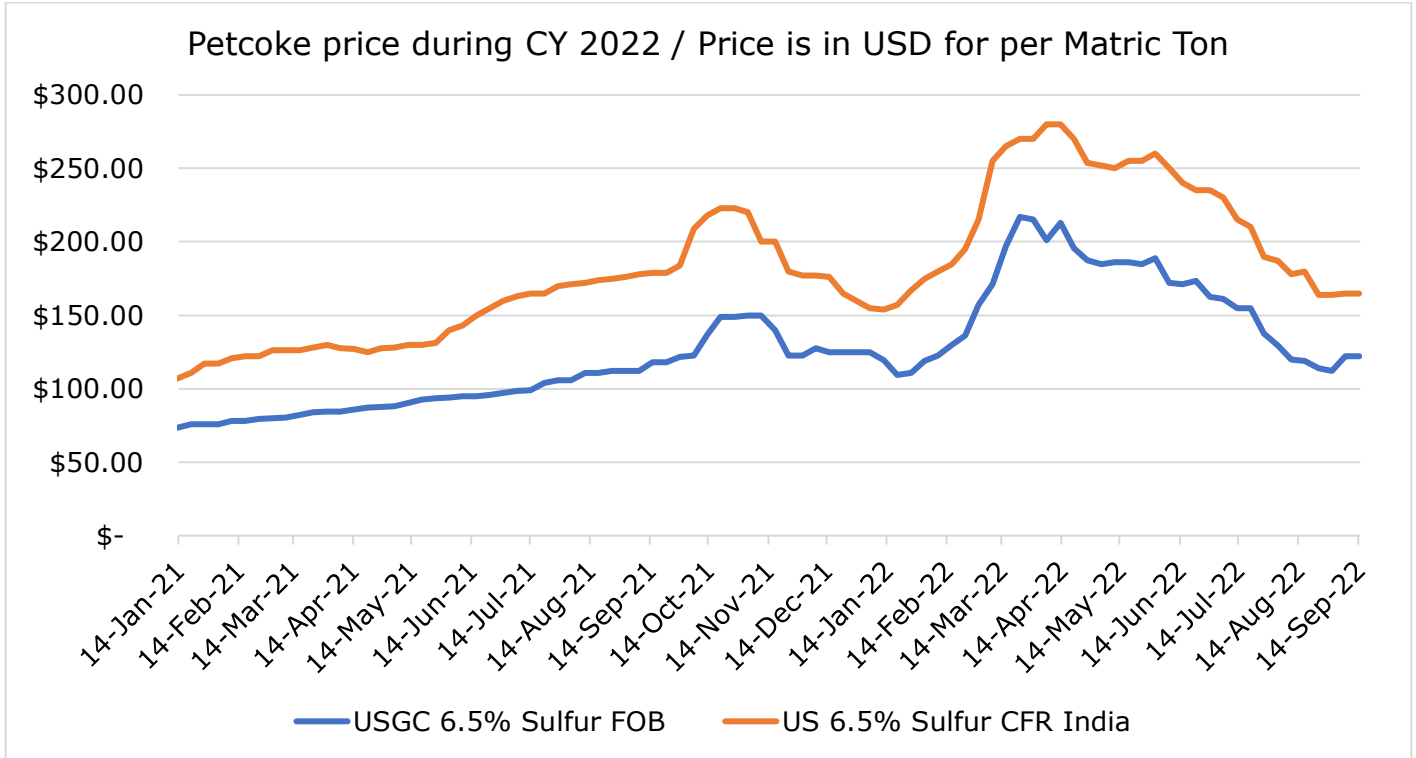
There are lot of spot cargos of coking coal is available and to liquidate those cargos, suppliers have started correction in prices. The price has been dropped by \$20 in this week and was reported at approx. \$250/mt and it is below thermal coal price (6000 NAR Coal from NewC).

Semi soft coking coal has also followed the same trend. Price of SSCC has been quoted at USD 204 pmt down by \$ 20 WoW after remaining unchanged in last three weeks.



## PETCOKE

Indian domestic refineries have lowered price by USD 35-40 pmt for their supplies during 2022 and price with effect from 1<sup>st</sup> September 2022. This has pulled the imported price too. Price has come down drastically in last few weeks but remains stable during last week. Petcoke price has corrected by 22 USD in last 5 weeks and correctly being assessed at USD 165-170 CFR India.





## WEEKLY AVG INTERNATIONAL PRICE

Grade	Price pmt								
	17-Sep-22	10-Sep-22	Change	17-Aug-22	Change	17-Sep-21	Change	52 Week High	52 Week Low
<b>FOB Richards Bay</b>									
4800 NAR	\$ 100.00	\$ 100.00	0.00 %	\$ 135.00	(25.93)%	\$ 98.00	2.04 %	\$ 320.00	\$ 73.00
5500 NAR	\$ 200.00	\$ 210.00	(4.76)%	\$ 228.00	(12.28)%	\$ 127.00	57.48 %	\$ 385.00	\$ 100.00
6000 NAR	\$ 275.00	\$ 300.00	(8.33)%	\$ 330.00	(16.67)%	\$ 159.00	72.96 %	\$ 420.00	\$ 124.00
<b>FOB Newcastle</b>									
5500 NAR	\$ 185.00	\$ 195.00	(5.13)%	\$ 200.00	(7.50)%	\$ 108.00	71.30 %	\$ 280.00	\$ 93.00
6000 NAR	\$ 435.00	\$ 440.00	(1.14)%	\$ 420.00	3.57 %	\$ 175.00	148.57%	\$ 440.00	\$ 152.00
<b>FOB Indonesia</b>									
6500 GAR	\$ 265.00	\$ 260.00	1.92 %	\$ 245.00	8.16 %	\$ 150.00	76.67 %	\$ 308.00	\$ 145.00
5800 GAR	\$ 175.00	\$ 172.00	1.74 %	\$ 162.00	8.02 %	\$ 142.00	23.24 %	\$ 220.00	\$ 120.00
5000 GAR	\$ 126.00	\$ 120.00	5.00 %	\$ 103.00	22.33 %	\$ 120.00	5.00 %	\$ 210.00	\$ 93.00
4200 GAR	\$ 89.00	\$ 83.00	7.23 %	\$ 74.00	20.27 %	\$ 85.00	4.71 %	\$ 155.00	\$ 58.00
<b>CFR (SA Coal)</b>									
4800 NAR	\$ 120.00	\$ 121.00	(0.83)%	\$ 156.00	(23.08)%	\$ 128.00	(6.25)%	\$ 343.00	\$ 99.00
5500 NAR	\$ 220.00	\$ 231.00	(4.76)%	\$ 249.00	(11.65)%	\$ 157.00	40.13 %	\$ 408.00	\$ 122.00
6000 NAR	\$ 295.00	\$ 321.00	(8.10)%	\$ 351.00	(15.95)%	\$ 189.00	56.08 %	\$ 443.00	\$ 146.00
<b>CFR (Aus Coal)</b>									
5500 NAR	\$ 205.00	\$ 215.00	(4.65)%	\$ 220.00	(6.82)%	\$ 140.00	46.43 %	\$ 302.50	\$ 116.00
6000 NAR	\$ 455.00	\$ 460.00	(1.09)%	\$ 440.00	3.41 %	\$ 207.00	119.81%	\$ 460.00	\$ 172.00
<b>CFR (Indonesia Coal)</b>									
6500 GAR	\$ 282.00	\$ 277.50	1.62 %	\$ 263.00	7.22 %	\$ 175.00	61.14 %	\$ 333.00	\$ 165.00
5800 GAR	\$ 192.00	\$ 189.50	1.32 %	\$ 180.00	6.67 %	\$ 167.00	14.97 %	\$ 245.00	\$ 138.00
5000 GAR	\$ 143.00	\$ 137.50	4.00 %	\$ 121.00	18.18 %	\$ 145.00	(1.38)%	\$ 235.00	\$ 111.00
4200 GAR	\$ 106.00	\$ 100.50	5.47 %	\$ 92.00	15.22 %	\$ 110.00	(3.64)%	\$ 180.00	\$ 75.00
<b>CFR (Rus Coal)</b>									
5500 NAR	\$ 160.00	\$ 155.00	3.23 %	\$ 170.00	(5.88)%			\$ 250.00	\$ 155.00
6000 NAR	\$ 182.00	\$ 175.00	4.00 %	\$ 191.00	(4.71)%			\$ 300.00	\$ 175.00
<b>CFR (USA Coal)</b>									
6900 NAR	\$ 270.00	\$ 270.00	0.00 %	\$ 300.00	(10.00)%	\$ 175.00	54.29 %	\$ 310.00	\$ 170.00
<b>USGC Petcoke</b>									
	\$ 173.00	\$ 165.00	4.85 %	\$ 185.00	(6.49)%	\$ 179.00	(3.35)%	\$ 290.00	\$ 154.00
<b>Saudi Petcoke</b>									
	\$ 165.00	\$ 160.00	3.13 %	\$ 180.00	(8.33)%	\$ 176.00	(6.25)%	\$ 280.00	\$ 135.00

## DOMESTIC COAL PRICE (West Coast – India)



International price of coal and FOB Indonesia price have impacted on Indian market a lot in last 2 weeks. Indian retail market has increase price during this week, but not in line with international price. Demand is still weak and expected to grow in next 2-3 weeks. Indian small industry will start restocking after monsoon and also need additional stock for festival season in end October.

Grade	Price pmt / 00-50 MM / Ex-Plot Port				
	17-Sep-22	10-Sep-22	Change	18-Aug-22	Change
<b>US Origin Coal from Tuna / Kandla (WCI)</b>					
NAPP	₹ 21,600.00	₹ 21,000.00	2.86 %	₹ 21,100.00	2.37 %
ILB	₹ 19,100.00	₹ 19,000.00	0.53 %	₹ 19,000.00	0.53 %
<b>Indonesian Origin Coal from Tuna / Kandla (WCI)</b>					
5000 GAR	₹ 11,400.00	₹ 11,400.00	0.00 %	₹ 11,200.00	1.79 %
4200 GAR	₹ 9,100.00	₹ 9,100.00	0.00 %	₹ 9,000.00	1.11 %
3800 GAR	₹ 8,300.00	₹ 8,300.00	0.00 %	₹ 7,500.00	10.67 %
3400 GAR	₹ 7,000.00	₹ 6,900.00	1.45 %	₹ 6,300.00	11.11 %
<b>Indonesian Origin Coal from Navlakhi (WCI)</b>					
5000 GAR	₹ 11,500.00	₹ 11,500.00	0.00 %	₹ 11,100.00	3.60 %
4200 GAR	₹ 9,400.00	₹ 9,200.00	2.17 %	₹ 9,000.00	4.44 %
3800 GAR	₹ 8,300.00	₹ 8,300.00	0.00 %	₹ 7,700.00	7.79 %
3400 GAR	₹ 7,100.00	₹ 7,000.00	1.43 %	₹ 6,300.00	12.70 %
<b>South African coal from Kandla (WCI)</b>					
5500 NAR	₹ 17,500.00	₹ 17,500.00	0.00 %	₹ 18,500.00	(5.41)%
<b>Russian coal from Kandla (WCI)</b>					
6000 NAR	₹ 15,700.00	₹ 15,700.00	0.00 %	₹ 16,000.00	(1.88)%
<b>Price pmt / Screened Plant / Ex-Plot Screening Plant</b>					
Grade / Sized	17-Sep-22	10-Sep-22	Change	18-Aug-22	Change
<b>3400 GAR</b>					
00 - 06 MM	₹ 6,600.00	₹ 6,500.00	1.54 %	₹ 6,800.00	(2.94)%
06 - 20 MM	₹ 8,700.00	₹ 8,500.00	2.35 %	₹ 8,400.00	3.57 %
20 - 50 MM	₹ 9,000.00	₹ 9,000.00	0.00 %	₹ 8,800.00	2.27 %
<b>4200 GAR</b>					
00 - 06 MM	₹ 8,500.00	₹ 8,500.00	0.00 %	₹ 9,500.00	(10.53)%
06 - 20 MM	₹ 10,200.00	₹ 10,000.00	2.00 %	₹ 10,000.00	2.00 %
20 - 50 MM	₹ 10,400.00	₹ 10,300.00	0.97 %	₹ 10,200.00	1.96 %
<b>5000 GAR</b>					
00 - 06 MM	₹ 9,000.00	₹ 8,800.00	2.27 %	₹ 8,700.00	3.45 %
06 - 20 MM	₹ 14,700.00	₹ 14,500.00	1.38 %	₹ 14,400.00	2.08 %
20 - 50 MM	₹ 15,000.00	₹ 14,800.00	1.35 %	₹ 14,700.00	2.04 %

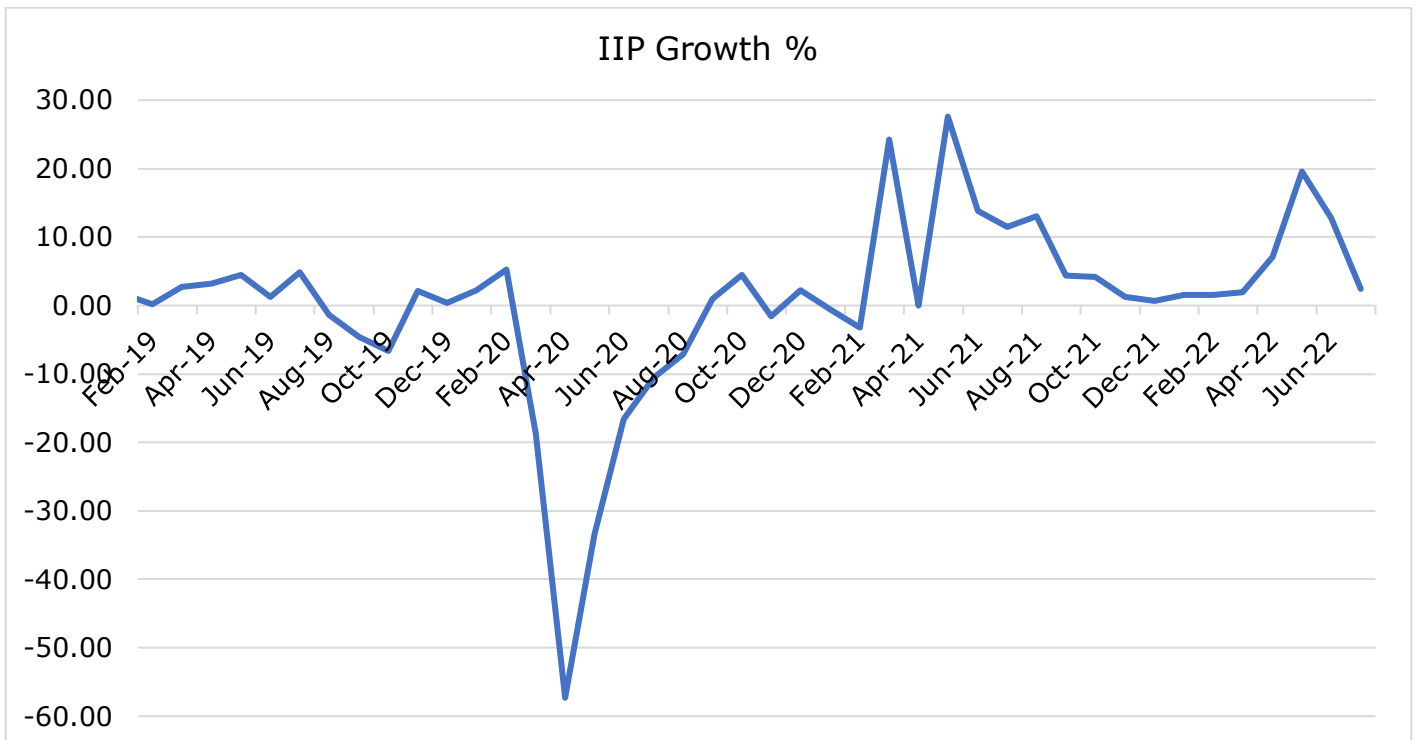
# ECONOMY UPDATE

## India Industrial Production



Industrial production in India advanced by 2.4 percent year-on-year in July of 2022, following an upwardly revised 12.7 percent rise in the previous month and missing market expectations of a 4.3 percent growth. It was the weakest increase in industrial activity since March, as mining output declined (-3.3 percent vs 7.8 percent in June). Meanwhile, production slowed for manufacturing (3.2 percent vs 12.9 percent) and electricity (2.3 percent vs 16.4 percent). On a monthly basis, industrial output fell by 2.7 percent, after an upwardly revised 0.5 percent rise in the previous month.

source: Ministry of Statistics and Programme Implementation (MOSPI)



In India, industrial production measures the output of businesses integrated in industrial sector of the economy. Manufacturing is the most important sector and accounts for 78 percent of total production. The biggest segments within Manufacturing are: basic metals (13 percent of total production); coke and refined petroleum products (12 percent); chemicals and chemical products (8 percent); food products (5 percent); pharmaceuticals, medicinal chemical and botanical products (5 percent); motor vehicles, trailers and semi-trailers (5 percent); machinery and equipment (5 percent); other non-metallic mineral products (4 percent); and textiles, electrical equipment and fabricated metal products (3 percent each). Mining accounts for 14 percent of total output; and electricity accounts for 8 percent.



## ECONOMY UPDATE

### WPI : WHOLESALE PRICE INFLATION



Prices for primary food articles harden, even as other segments report milder inflation

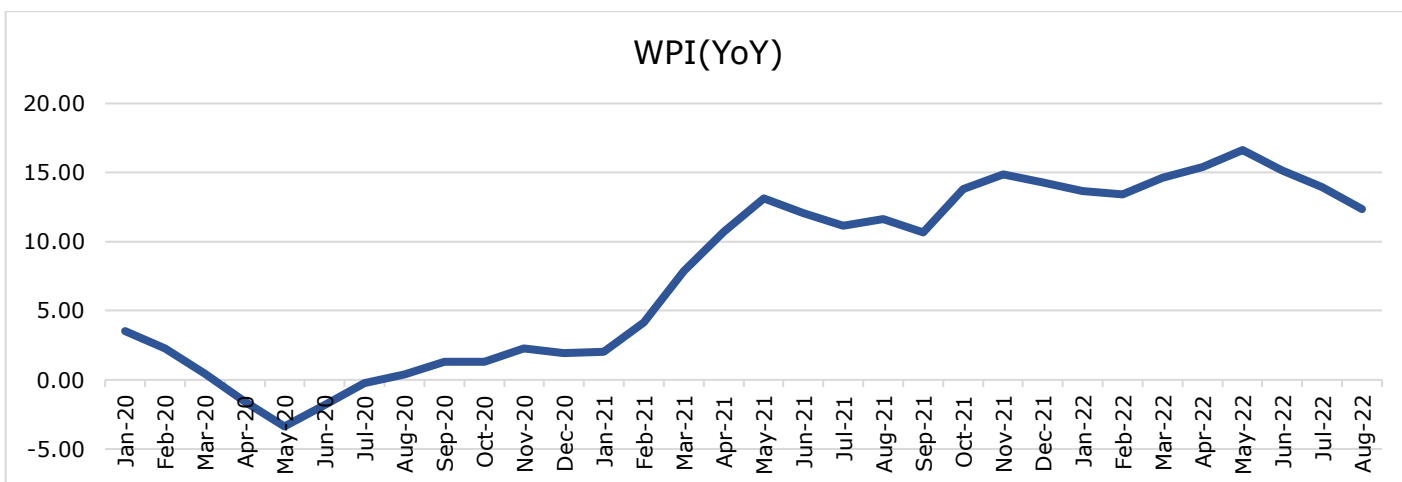
India's wholesale price inflation dropped to the lowest rate since September 2021 at 12.41% in August, from 13.93% in July, with the food segment being the only one to report higher inflation during the month at 9.93%, rebounding from a three-month low of 9.41% in July.

August's wholesale inflation is the lowest in eleven months but marks the seventeenth month in a row that it has been over 10%. Manufactured products inflation dropped to 7.5%, while fuel and power inflation corrected from 43.75% in July to 33.67%. Primary article's inflation fell slightly from 15.04% in July to 14.93% in August.

Within food items, primary food inflation rose to 12.4% in August from 10.8% in July, led by a broad-based month-on-month uptick across cereals, pulses, vegetables, fruits, condiments and spices and other food articles, rating agency ICRA said in a note.

The price rise in vegetables increased to 22.3% in August from 18.3% in July and higher wheat and rice prices pushed cereals inflation to 11.8% from 9.8%. Fruits recorded inflation of 31.7% and eggs, meat and fish inflation moved up to 7.9% from 5.5% a month earlier, while spice inflation accelerated to 23.5% from 21.9%.

On the other hand, manufactured food products inflation eased to 5.6% from 7.2% in July, led by a sharp sequential dip in the edible oil prices in August.



“Wholesale inflation eased for a third straight month in August with an increase in food inflation offset by easing of other commodity prices including crude oil,” said Rajani Sinha, chief economist of CARE Ratings.

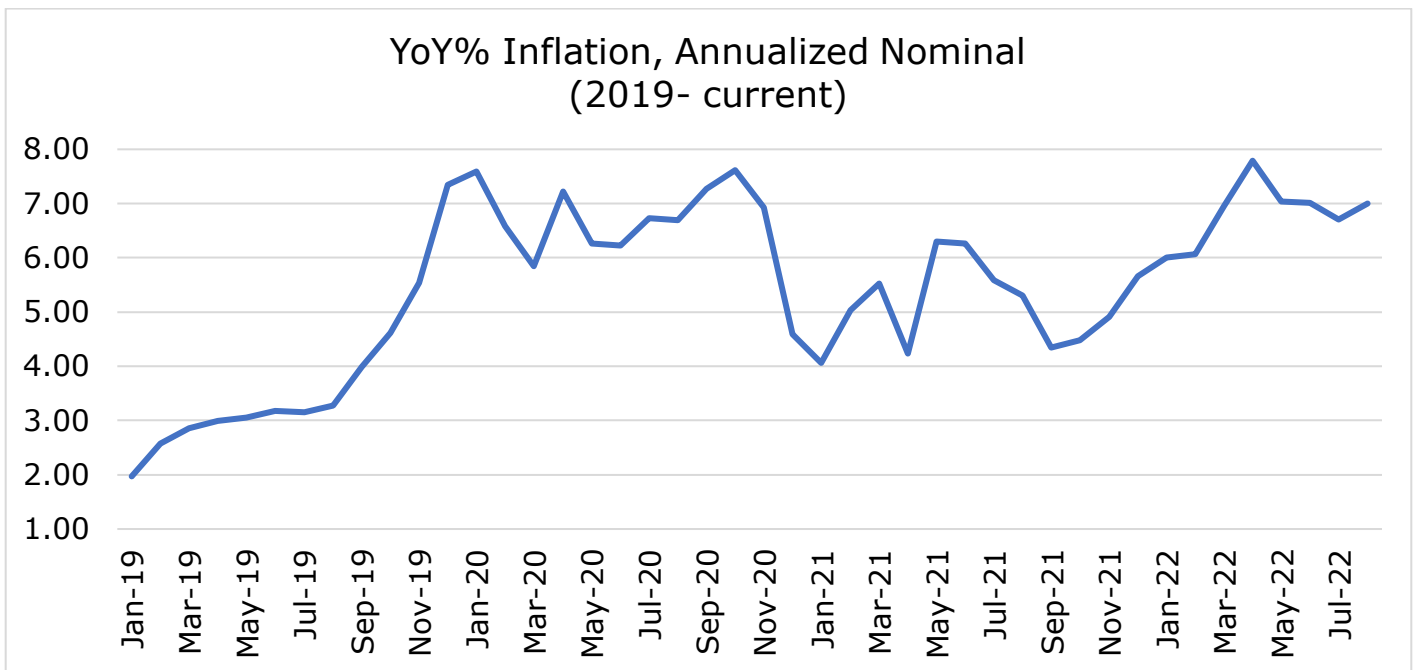
The wholesale inflation rate for June 2022 has been revised to 16.23% from 15.18% estimated earlier by the Office of the Economic Advisor, Ministry of Commerce and Industry. Earlier, the inflation rate for May was similarly revised upward to 16.63%, a record high.

## ECONOMY UPDATE

### CPI : CONSUMER PRICE INFLATION



Snapping out of its three-month downward trend, the country's retail inflation, which is measured by the Consumer Price Index (CPI), spiked to 7.00 per cent in August, up from 6.71 per cent in July data released by the Ministry of Statistics & Programme Implementation (MoSPI).



With a 7.00 per cent rise last month, the CPI continued to remain above the Reserve Bank of India's (RBI) upper margin of 6 per cent for the eighth consecutive month. The government has mandated the central bank to maintain retail inflation at 4 per cent with a margin of 2 per cent on either side for a five-year period ending March 2026.

The CPI is primarily factored in by the RBI while preparing their bi-monthly monetary policy. The Monetary Policy Committee (MPC) of the Indian central bank had last month hiked the repo rate by 50 basis points (bps) to 5.40 per cent. The MPC has raised the key interest rate by 140 bps so far in this financial year in a bid to check the raging inflation. However, despite their move, retail inflation continues to remain above the upper tolerance level. The MPC is scheduled to meet later this month to take further steps to tackle inflation

Prices of vegetables rose 13.23 per cent on year in August. Apart from this, the spices saw a rise of 14.90 per cent while that cereals and products gained 9.57 per cent and milk and products rose 6.39 per cent. Egg prices slipped (-)4.57 per cent but fruits grew 7.39 per cent.

Apart from food and beverages, the fuel and light segment rose 10.78 per cent, clothing and footwear gained 9.91 per cent and the housing segment inched up 4.06 per cent.



*iEnergy Natural Resources Limited and their employees, contractors and partners has taken due care and caution in compilation of content for this Reports. Information is just for private Circulation and reference only not intended for trading purpose or to address your particular requirement. The content includes facts, views, and opinions are of individuals. We are not giving investment advice, tax advice, legal advice, or other professional advice. We do not guarantee or warrant the accuracy, completeness or timeliness of, or otherwise endorse these views, and opinions. Users/Viewers have to make their own decisions based on their own independent enquiries, appraisals, judgement, wisdom and risks. iEnergy Natural Resources limited and their employees, contractors and partners shall not be liable or responsible for any loss or costs or any action whatsoever arising out of use or relying on the data presented here*