

**WEEKLY
PRICE UPDATE**
11-FEB-2023

Coal & Coke

INTERNATIONAL FUTURE COAL PRICE



API2: FUTURES FURTHER CUT OFF WITH WEAKENED DEMAND

API2 price level continued to weaken amid tepid demand from the European region. The prices further fall to \$ 131 from the last week's level of \$ 138. Prices decline by \$ 7 week-on-week (WoW). The prices touch even the lowest of the year at \$ 128 this week only, however, the contract closed at a bit higher level. The API2 Feb 2023 contract has been down to 64% compared to the contract's 52-week high of \$ 362 and a 2% high from the contract's 52-week low of \$ 128.

The European region increased coal production and also rises its coal and natural gas imports as well as built infrastructure to increase the storage of natural gas. This all has played a role in the current low price level. With the good storage of natural gas, the prices of futures contracts have cool off. Dutch TTF front-month contract closed at 53.9 Euro maintaining the level of December 2021.

The market has now stabilized after the war and the sanctions on Russia disrupted the supply market.



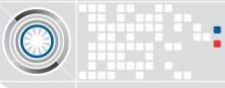
API2 contract of march month further showed a huge reduction of \$ 5 in a week and closed at \$ 131.75. Last week's closing of the contract was \$ 137.35. The API2 Mar 2023 contract has been down to 61% compared to the contract's 52-week high of \$ 351 and a 2% high from the contract's 52-week low of \$ 121.



API4: SA FUTURES CORRECTED AMIDST SILENT MARKET

API4 future prices corrected for the week since South African coal failed to find a market for the material amid silent demand. The Future prices of coal exported from Richards Bay have down to \$ 145 for the week ending on Friday with a \$ 4 WoW decline. The API4 last week closed at \$ 149.15. The API4 Feb 2023 contract has been down to 57% compared to the contract's 52-week high of \$ 334 and a 2% high from the contract's 52-week low of \$ 142.

European future coal prices have seen a drop off the back of sufficient storage, reduced demand and muted demand from other major buyers like India, and Pakistan as well. The thermal coal prices around the world have reducing persistently and so does SA coal prices decline with the low sentiment.

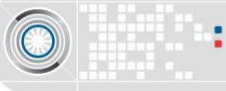


API4 contract of March month contracting for the week at \$ 143 from the \$ 148.85 price level last week. The API4-Mar contract showed a \$ 5 WoW decline. The API4 Mar 2023 contract has been down to 56% compared to the contract's 52-week high of \$ 327 and a 5% high from the contract's 52-week low of \$ 136.





INTERNATIONAL COAL PRICE



THERMAL COAL

The war-disrupted coal market has now stabilizing at the pre-war price level. Major buyers have either sufficient stock or have no demand for imported coal for the time being.

South African prices have edged down to \$ 138 for high CV (6000 NAR) and \$ 90 for low CV (4800 NAR) for the week. European region with the efforts to increase domestic coal production, sufficient stock at the port, and support from the weather is now silent for the procurement. Indian procurement for the season has also not started. SA's other coal buyer like Pakistan is not making inquiries with its import restrictions policies.

Pakistan is gripped by a major economic crisis, with the rupee plummeting, inflation soaring, and petrol prices reaching record highs coupled with a huge shortage of energy supply for the public. The country is facing a significant challenge to its electricity supply, however, the foreign exchange crisis and import restrictions due to that pushing Pakistan to go for the Thar Coal project (opt for domestic coal).

China's stock is at a comfortable level so not making inquiries aggressively. Indian players still waiting for the price drop to start stocking for the summer. For this reason, Indonesian coal prices have also come down. Indo-coal prices reduce by \$ 5 to 10 for the week for various grades of coal.

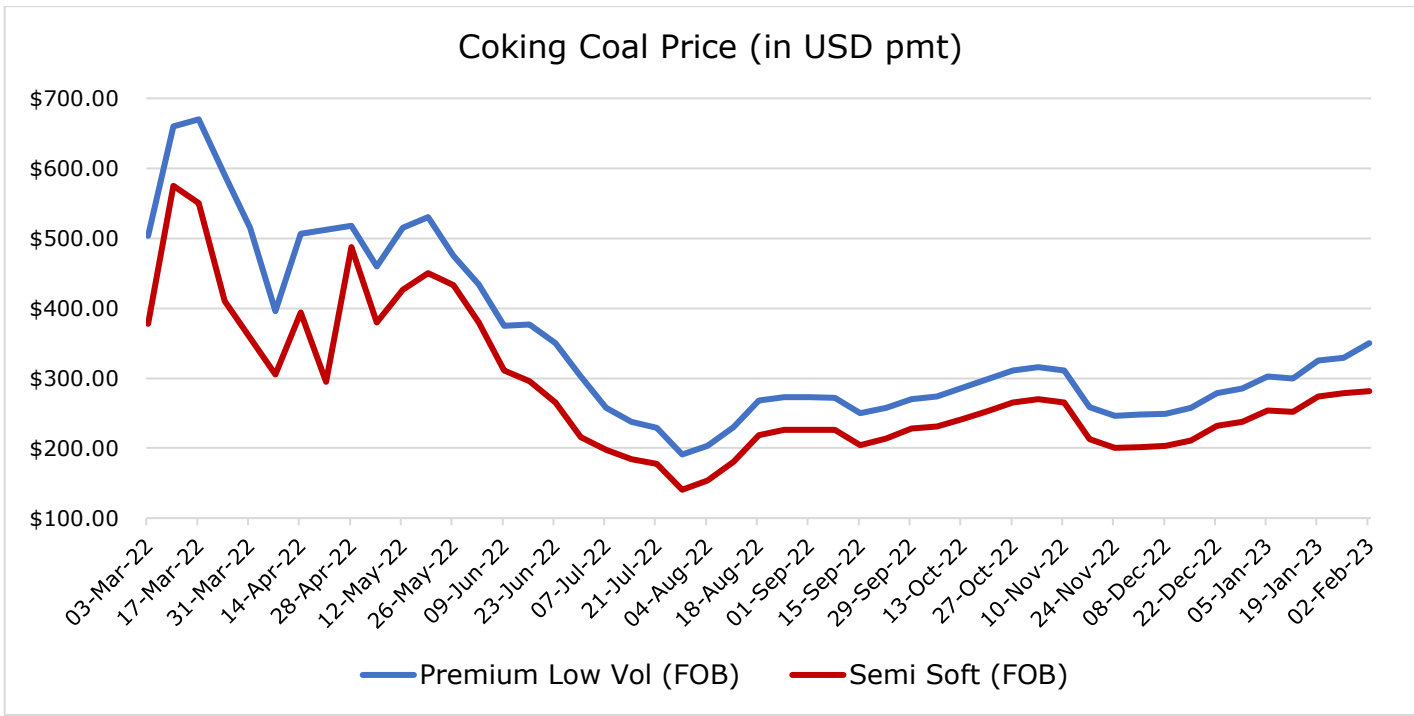
Australian high CV coal prices experienced the biggest drop from \$ 385 last month to \$ 220 this week. After months of manoeuvring, the Aus high CV coal is now being stabilised. The USA has also decreased its offer prices to stay competitive among other players. USA 6900 NAR coal offers at \$ 157.

COKING COAL

Asian metcoal prices touched seven month high in a time of tight supply from the major exporter Australia. PLV FOB averages around \$ 373 for the week from \$ 350 last week, a \$ 23 WoW rise. Semi-soft prices edged up to \$ 288 with a \$ 7 WoW rise. Amid high coking coal prices, metcoke prices have also seen a surge to \$ 460 CFR India for the week.

Australia's weather conditions are posing a threat to the supply side, which in turn pushes the prices upward. Tropical cyclone Gabrielle forced Dalrymple Bay Coal Terminal to suspend loadings of coal. The Indian steel mills are also laid back to procure with this high level of prices. Chinese metcoke price is also not showing signs of relief amid high coking coal prices. Increasing prices of coking coal have also reduced India's crude steel production to 10.67 million metric tons (MMT) in January 2023 from 10.96 MMT last year.

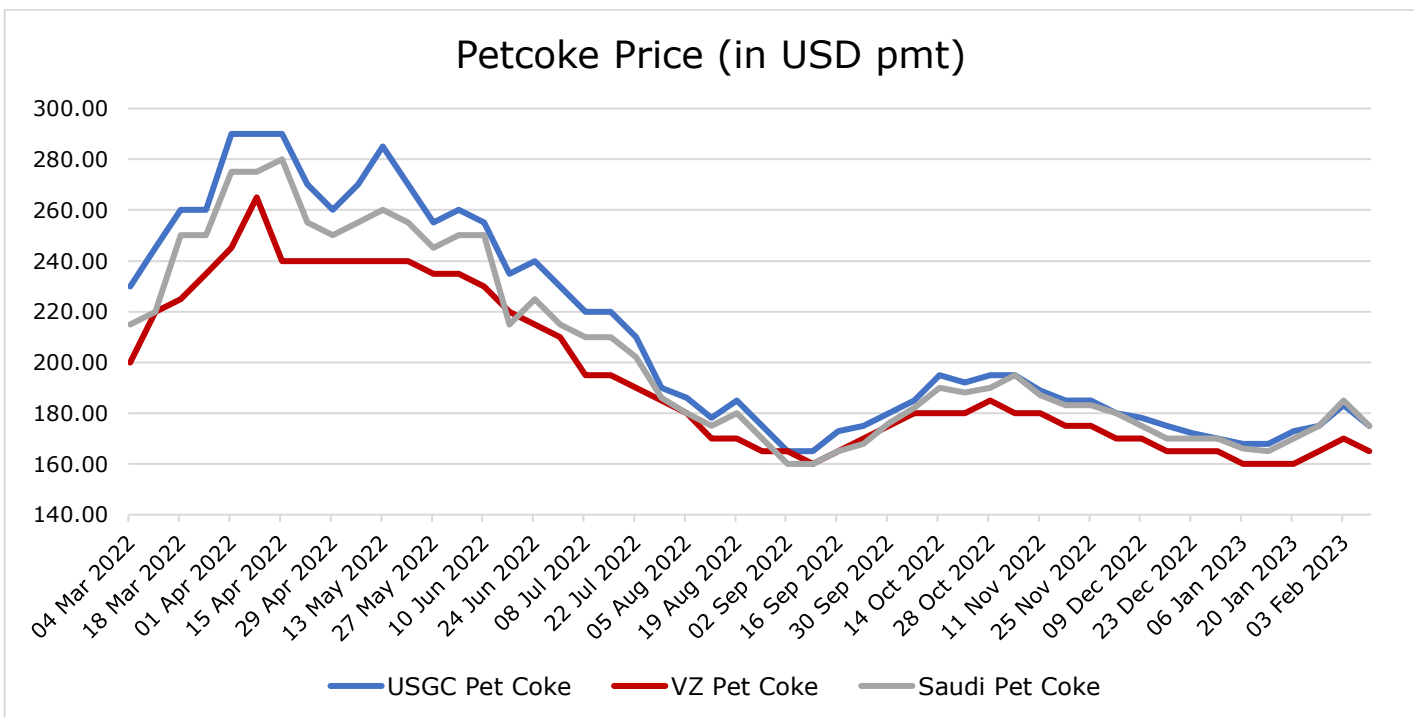
USA metcoal prices are also gaining since Asian prices have seen an uptick as well as the limited supply opening the door for US coal. Low Vol HCC rise by a further \$ 10 WoW at \$ 325 from \$ 315 last week. High Vol A saw a \$ 5 WoW rise and High Vol B rise by \$ 15 WoW at \$ 310 and \$ 300 respectively.

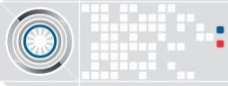


PETCOKE

Petcoke prices of imported material crashed during the week since the market stabilized after the supply disruptions. USGC and Saudi petcoke are down to \$ 175 each with an \$ 8 and \$ 10 WoW decline respectively. Venezuela-origin petcoke prices are down to \$ 165 from \$ 170 last week (a \$ 5 WoW decline).

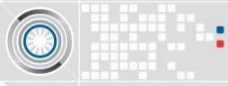
As we already predicted earlier petcoke prices come to last month's level since the market just reacted to the recent news of supply disruption. At the same time when thermal coal prices were also weakening the higher level of prices was just implausible.





WEEKLY AVG INTERNATIONAL PRICE

Grade	Price pmt								
	11-Feb-23	04-Feb-23	WoW Change	11-Jan-23	MoM Change	11-Feb-22	YoY Change	52 Week High	52 Week Low
FOB Richards Bay									
4800 NAR	\$ 90.00	\$ 91.00	(1.10)%	\$ 90.00	0.00 %	\$ 155.00	(41.94)%	\$ 320.00	\$ 85.00
5500 NAR	\$ 114.00	\$ 115.00	(0.87)%	\$ 117.00	(2.56)%	\$ 192.00	(40.63)%	\$ 385.00	\$ 115.00
6000 NAR	\$ 138.50	\$ 140.00	(1.07)%	\$ 168.00	(17.56)%	\$ 210.00	(34.05)%	\$ 420.00	\$ 138.50
FOB Newcastle									
5500 NAR	\$ 116.00	\$ 117.00	(0.85)%	\$ 130.00	(10.77)%	\$ 153.00	(24.18)%	\$ 280.00	\$ 116.00
6000 NAR	\$ 220.00	\$ 245.00	(10.20)%	\$ 385.00	(42.86)%	\$ 260.00	(15.38)%	\$ 440.00	\$ 220.00
FOB Indonesia									
6500 GAR	\$ 200.00	\$ 210.00	(4.76)%	\$ 220.00	(9.09)%	\$ 175.00	14.29 %	\$ 308.00	\$ 175.00
5800 GAR	\$ 128.00	\$ 135.00	(5.19)%	\$ 145.00	(11.72)%	\$ 140.00	(8.57)%	\$ 220.00	\$ 128.00
5000 GAR	\$ 95.00	\$ 100.00	(5.00)%	\$ 110.00	(13.64)%	\$ 120.00	(20.83)%	\$ 170.00	\$ 95.00
4200 GAR	\$ 72.00	\$ 78.00	(7.69)%	\$ 85.00	(15.29)%	\$ 80.00	(10.00)%	\$ 120.00	\$ 72.00
3400 GAR	\$ 48.00	\$ 49.50	(3.03)%	\$ 50.50	(4.95)%	\$ 52.25	(8.13)%	\$ 75.00	\$ 48.00
CFR (SA Coal)									
4800 NAR	\$ 103.00	\$ 104.50	(1.44)%	\$ 102.50	0.49 %	\$ 173.00	(40.46)%	\$ 343.00	\$ 101.00
5500 NAR	\$ 127.00	\$ 128.50	(1.17)%	\$ 129.50	(1.93)%	\$ 210.00	(39.52)%	\$ 408.00	\$ 127.00
6000 NAR	\$ 151.50	\$ 153.50	(1.30)%	\$ 180.50	(16.07)%	\$ 228.00	(33.55)%	\$ 443.00	\$ 151.50
CFR (Aus Coal)									
5500 NAR	\$ 129.00	\$ 130.75	(1.34)%	\$ 141.50	(8.83)%	\$ 170.00	(24.12)%	\$ 302.50	\$ 129.00
6000 NAR	\$ 233.00	\$ 258.75	(9.95)%	\$ 396.50	(41.24)%	\$ 277.00	(15.88)%	\$ 460.00	\$ 233.00
CFR (Indonesia Coal)									
6500 GAR	\$ 210.00	\$ 220.50	(4.76)%	\$ 230.00	(8.70)%	\$ 194.00	8.25 %	\$ 333.00	\$ 194.00
5800 GAR	\$ 138.00	\$ 145.50	(5.15)%	\$ 155.00	(10.97)%	\$ 159.00	(13.21)%	\$ 245.00	\$ 138.00
5000 GAR	\$ 105.00	\$ 110.50	(4.98)%	\$ 120.00	(12.50)%	\$ 139.00	(24.46)%	\$ 195.00	\$ 105.00
4200 GAR	\$ 82.00	\$ 88.50	(7.34)%	\$ 95.00	(13.68)%	\$ 99.00	(17.17)%	\$ 145.00	\$ 82.00
3400 GAR	\$ 58.00	\$ 60.00	(3.33)%	\$ 60.50	(4.13)%	\$ 71.25	(18.60)%	\$ 102.00	\$ 58.00
CFR (Rus Coal)									
5500 NAR	\$ 130.00	\$ 135.00	(3.70)%	\$ 150.00	(13.33)%	\$ 185.00	(29.73)%	\$ 250.00	\$ 130.00
6000 NAR	\$ 150.00	\$ 150.00	0.00 %	\$ 165.00	(9.09)%	\$ 215.00	(30.23)%	\$ 300.00	\$ 150.00
CFR (USA Coal)									
6900 NAR	\$ 157.00	\$ 162.00	(3.09)%	\$ 180.00	(12.78)%	\$ 205.00	(23.41)%	\$ 310.00	\$ 157.00
Petcoke (CFR - India)									
US Origin (6.5% TS)	\$ 175.00	\$ 183.00	(4.37)%	\$ 168.00	4.17 %	\$ 190.00	(7.89)%	\$ 290.00	\$ 165.00
VZ Origin (5.0% TS)	\$ 165.00	\$ 170.00	(2.94)%	\$ 160.00	3.13 %	\$ 155.00	6.45 %	\$ 265.00	\$ 155.00
Saudi Origin (8.5% TS)	\$ 175.00	\$ 185.00	(5.41)%	\$ 165.00	6.06 %	\$ 180.00	(2.78)%	\$ 280.00	\$ 160.00



HBA UPDATE

Harga Batubara Acuan formally known as the HBA-thermal coal reference price of Indonesia settled at a nine-month low of \$ 277.05 for February 2023. The coal prices in Feb set at 47% high year-on-year (YoY) and a 9% low month-on-month (MoM). The index has been settled at \$ 277.05 for Feb 23, against \$ 188.38 in Feb 2022 and \$ 305.21 in Jan 2023.

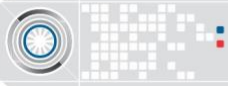
Overall muted demand from the world, especially from Indonesia's biggest trading partners China and India as well as the price competition from the other supplies pushes prices of Indonesian coal to be at a competitive level.

The HBA continued to weaken from Mar 20 to Sep 20. After falling at a historical low in Sep to \$49.42/MT, the HBA again strengthened. In the current year, it continuously increases and it touches a historical high in October 2022. As per data available with us, Sep 20 (\$49.42/mt) price is the lowest since Jan 09.

HBA is being set by Indonesia's Ministry of Energy and Mineral Resources as a reference price of thermal coal for Indonesian coal. The HBA is a monthly average price based on 25% each on Platts Kalimantan 5900 GAR assessments, Argus-ICI1 (6500 GAR), Newcastle Export Index (6322 GAR), and globalCoal Newcastle (6000 NAR). It is based on 6,322 GAR coal with 8% total moisture content, 15% ash as received and, 0.8% sulfur as received. HBA is also applicable for royalty payments on Coal to the Indonesian government.

Indonesian Coal Price Data (HBA)											
Month	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
January	87.55	81.90	63.84	53.20	86.23	95.54	92.41	65.93	75.84	158.50	305.21
February	88.35	80.44	62.92	50.92	83.32	100.69	91.80	66.89	87.79	188.38	277.05
March	90.09	77.01	67.76	51.62	81.90	101.86	90.57	67.08	84.49	203.69	
April	88.56	74.81	64.48	52.32	82.51	94.75	88.85	65.77	86.68	288.40	
May	85.33	73.60	61.08	51.20	83.81	89.53	81.86	61.11	89.75	275.64	
June	84.87	73.64	59.59	51.87	75.46	96.91	81.48	52.98	100.33	323.91	
July	81.69	72.45	59.16	53.00	78.95	104.65	71.92	52.20	115.35	319.00	
August	76.70	70.29	59.14	58.37	83.97	107.83	72.67	50.34	130.99	321.59	
September	76.89	69.69	58.21	63.93	92.03	104.81	65.79	49.42	150.03	319.22	
October	76.61	67.26	57.39	69.07	93.99	100.89	64.80	51.00	161.63	330.97	
November	78.13	65.70	54.43	84.89	94.84	97.90	66.27	55.71	215.01	308.20	
December	80.31	69.23	53.51	101.69	94.04	92.51	66.30	59.65	159.79	281.48	
Average	82.92	73.00	60.13	61.84	85.92	98.99	77.89	58.17	121.47	276.14	291.13

DOMESTIC COAL PRICE



DOMESTIC COAL PRICE

(West Coast – India)

Imported coal price in stock and sale has lost momentum during the last week due to price correction in the International market. Indonesian coal price went down by INR 150 to INR 200 pmt for various grades of coal last week. Currently offers at 5,775 pmt (Taxes Extra) for 3400 GAR coal, 7,625 for 4200 GAR and 9,500 for 5000 GAR. US Coal price has also corrected with low demand from the market. US NAPP coal is currently being offered at INR 14,600 down from 16,500 pmt a month back. US coal prices decline by 12 to 15% month-on-month (MoM) for the various grades.

Grade	Price pmt / 00-50 MM / Ex-Plot Port				
	11-Feb-23	04-Feb-23	Change	12-Jan-23	Change
US Origin Coal from Tuna / Kandla (WCI)					
NAPP	₹ 14,600.00	₹ 15,000.00	(2.67)%	₹ 16,500.00	(11.52)%
ILB	₹ 13,500.00	₹ 14,000.00	(3.57)%	₹ 15,800.00	(14.56)%
Indonesian Origin Coal from Tuna / Kandla (WCI)					
5000 GAR	₹ 9,500.00	₹ 9,700.00	(2.06)%	₹ 9,900.00	(4.04)%
4200 GAR	₹ 7,625.00	₹ 7,800.00	(2.24)%	₹ 8,200.00	(7.01)%
3800 GAR	₹ 7,250.00	₹ 7,400.00	(2.03)%	₹ 7,600.00	(4.61)%
3400 GAR	₹ 5,775.00	₹ 5,975.00	(3.35)%	₹ 6,350.00	(9.06)%
Indonesian Origin Coal from Navlakhi (WCI)					
5000 GAR	₹ 9,575.00	₹ 9,700.00	(1.29)%	₹ 10,000.00	(4.25)%
4200 GAR	₹ 7,675.00	₹ 7,900.00	(2.85)%	₹ 8,250.00	(6.97)%
3800 GAR	₹ 7,300.00	₹ 7,500.00	(2.67)%	₹ 7,700.00	(5.19)%
3400 GAR	₹ 5,800.00	₹ 6,000.00	(3.33)%	₹ 6,450.00	(10.08)%
South African coal from Kandla (WCI)					
5500 NAR	₹ 11,000.00	₹ 11,000.00	0.00 %	₹ 13,500.00	(18.52)%
Russian coal from Kandla (WCI)					
6000 NAR	₹ 13,600.00	₹ 13,600.00	0.00 %	₹ 14,200.00	(4.23)%
Price pmt / Screened Plant / Ex-Plot Screening Plant					
Grade / Sized	11-Feb-23	04-Feb-23	Change	12-Jan-23	Change
3400 GAR					
00 - 06 MM	₹ 5,750.00	₹ 5,800.00	(0.86)%	₹ 6,000.00	(4.17)%
06 - 20 MM	₹ 7,000.00	₹ 7,100.00	(1.41)%	₹ 7,500.00	(6.67)%
20 - 50 MM	₹ 7,200.00	₹ 7,400.00	(2.70)%	₹ 7,800.00	(7.69)%
4200 GAR					
00 - 06 MM	₹ 6,900.00	₹ 7,200.00	(4.17)%	₹ 8,400.00	(17.86)%
06 - 20 MM	₹ 8,800.00	₹ 8,900.00	(1.12)%	₹ 9,500.00	(7.37)%
20 - 50 MM	₹ 9,000.00	₹ 9,000.00	0.00 %	₹ 9,600.00	(6.25)%
5000 GAR					
00 - 06 MM	₹ 8,400.00	₹ 9,000.00	(6.67)%	₹ 8,400.00	0.00 %
06 - 20 MM	₹ 12,200.00	₹ 12,300.00	(0.81)%	₹ 12,400.00	(1.61)%
20 - 50 MM	₹ 12,500.00	₹ 12,500.00	0.00 %	₹ 12,700.00	(1.57)%
* Above prices are Basic Per Metric Ton. GST, Cess, TCS & Other applicable taxes are extra.					

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US Coal | Indonesian Coal | South African Coal | Anthracite | Coking Coal | Screened Coal | Met Coke

CIN - U51909GJ2018PLC103166

IENERGY NATURAL RESOURCES LIMITED

📍 210 Royal Square, Near Shilp Tower
Tagore Road, Rajkot, Gujarat - 360002, India

☎ +91 281 2465640

📞 +91 90999 33816

✉ care@inrl.in

🌐 www.inrl.in