

WEEKLY
PRICE UPDATE
25-FEB-2023

Coal & Coke

INTERNATIONAL FUTURE COAL PRICE



API2: PAPER TRADE EFFECT ON FUTURE PRICES

API2 future prices have been elevated in the past few weeks. API2 contract of march month has further increased to \$ 155.50 from \$ \$ 136.50 last week. The March contract was closed with a \$ 19 week-on-week (WoW) rise. The Feb-23 contract settles at \$ 138.30 this week. The API2 Mar 2023 contract has been down to 56% compared to the contract's 52-week high of \$ 351 and a 29% high from the contract's 52-week low of \$ 121.

The future prices in Europe were stable at pre-war levels with sufficient supply and storage of both natural gas and coal. the stock is still full at ARA port, however, the future prices have been elevated by the paper trade.

We have not noticed much buying activity from the EU region since overall demand for hitting has been down this winter and the EU was able to manage the supply smoothly. Natural gas futures are also stable with the front-month contract closed at 51 Euros this week. However, the recent paper trades in a coal market have affected the prices of API2 contracts and prices might get down when the market gets stable.



API2 contract of April month has also seen a rise in the price level. The contract closed at \$ 155.65 from \$ 135 last week, a \$ 21 WoW increase. The API2 Apr 2023 contract has been down to 54% compared to the contract's 52-week high of \$ 342 and a 29% high from the contract's 52-week low of \$ 121.



API4: SA FUTURES UP FOR THE WEEK

South African price index has seen a rise however stable for the two weeks. The API4 March month contract closed at \$ 144 for the week ending on Friday from its lowest level in a year at \$ 136. The contract has gained \$ 8 WoW. the API4-Feb settles at \$ 140.90 this week. The API4 Mar 2023 contract has been down to 56% compared to the contract's 52-week high of \$ 327 and a 6% high from the contract's 52-week low of \$ 136.

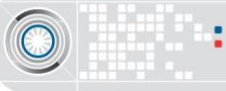
The spot prices have seen an increase this week, yet the future does not seem to have much effect since the market is still not expecting to have a drastic change in future. The Indian demand has risen however yet not as expected. European prices show signs of price rise, but it is just an effect of paper trade and not a physical trade. SA's other markets such as Pakistan and Bangladesh are also not showing signs of improvement.



API4 contract of Apr month further came back to prior to the previous week's price level at \$ 143 with a \$ 7 WoW rise. API4 contract last week closed at \$ 136. The API4 Apr 2023 contract has been down to 55% compared to the contract's 52-week high of \$ 320 and a 5% high from the contract's 52-week low of \$ 136.



INTERNATIONAL COAL PRICE



THERMAL COAL

The thermal coal market has recovered during the last week. There were strong signs of thermal coal demand in near future. The market had corrected a lot in the last few days and is trading at 52 week low and traders believe the price is bottom out and now they increased the offer price by a couple of orders.

Additional to the above, there is the expectation of post-lunar holiday activities in China. The news of a mining accident in China has pushed the market up. The accident has triggered more stringent safety inspections in other mines. There is fear in the market that it would affect domestic production in China and that will increase the demand for imported coal.

Indonesian coal prices have jumped by 5% in the last week mainly due to activities by Chinese traders. Fear of domestic output, the Chinese went into the seaborne trade market and bought many cargoes of low CV Cargo.

Russian coal price has gained a few USD due to supply tightness. Major Russian coal has been sold or offered to MINA and the Mediterranean region. There is an improvement in demand from these regions.

CIF ARA trade remains silent due to the high inventory level at ARA. South Africa's major shift to Europe last year benefited them, however now when Europe is silent prices moved back to the pre-war level since they again have to compete in the Asian market.

Demand from India is coming back but slow pace. The stock level at various ports is decreasing and it has dropped to 4 weeks low. Traders are back in the market and making inquiries for LOW CV Cargos.

US coal prices have gone up by 5-7 USD in a week due to demand from the retail market on the West Coast of India. Inventory levels are coming down and it is lower than the actual demand in the Northan part of India.

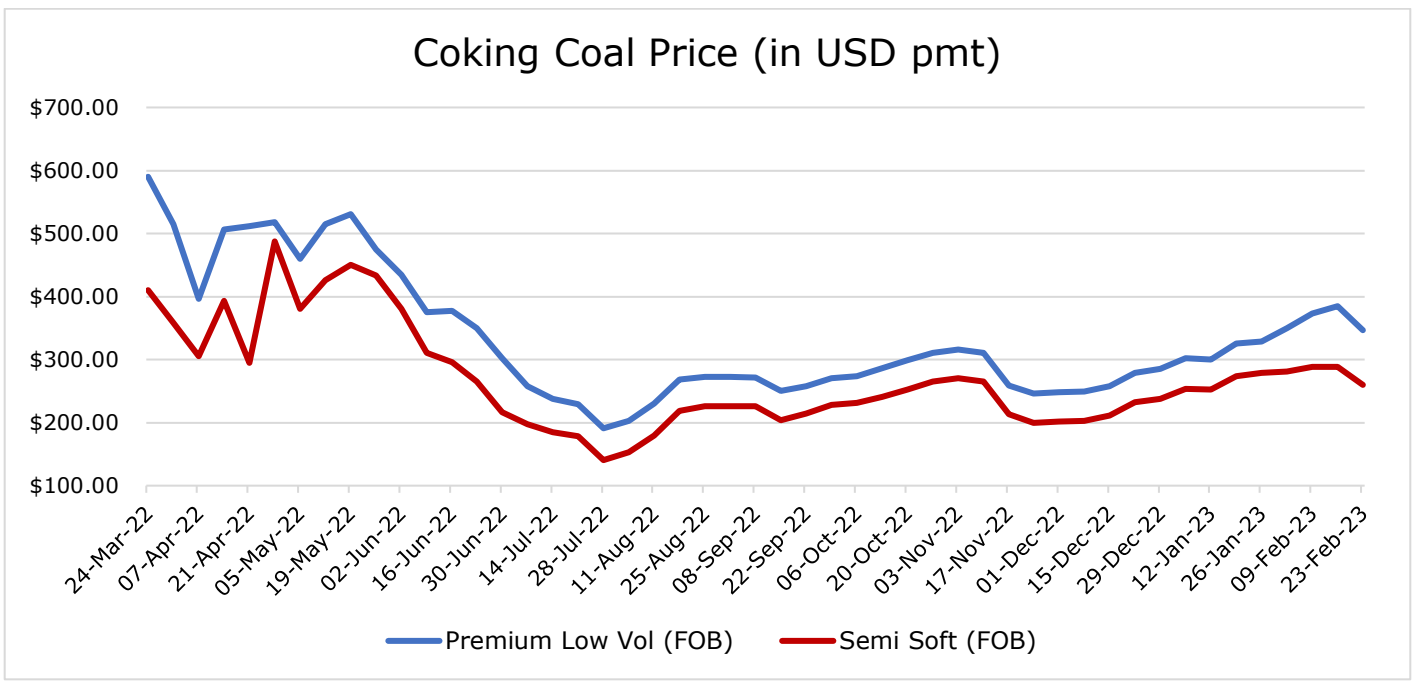
COKING COAL

Coking coal prices in the Asian market get softened with improved supply from the world's largest coking coal suppliers-Australia. Australia PLV FOB prices come down \$ 347 from \$ 373 last week. The semi-soft price fell to \$ 260, a \$ 28 WoW decline. Coking coal prices get relief, however, metcoke prices continue to increase at \$ 467.

Chinese inquiries for Australian materials have seen a rise in the market with a low level of inventories. Buyers are still waiting to have some stability in the market. However, due to increased supply from Aus ports price pressure has reduced.



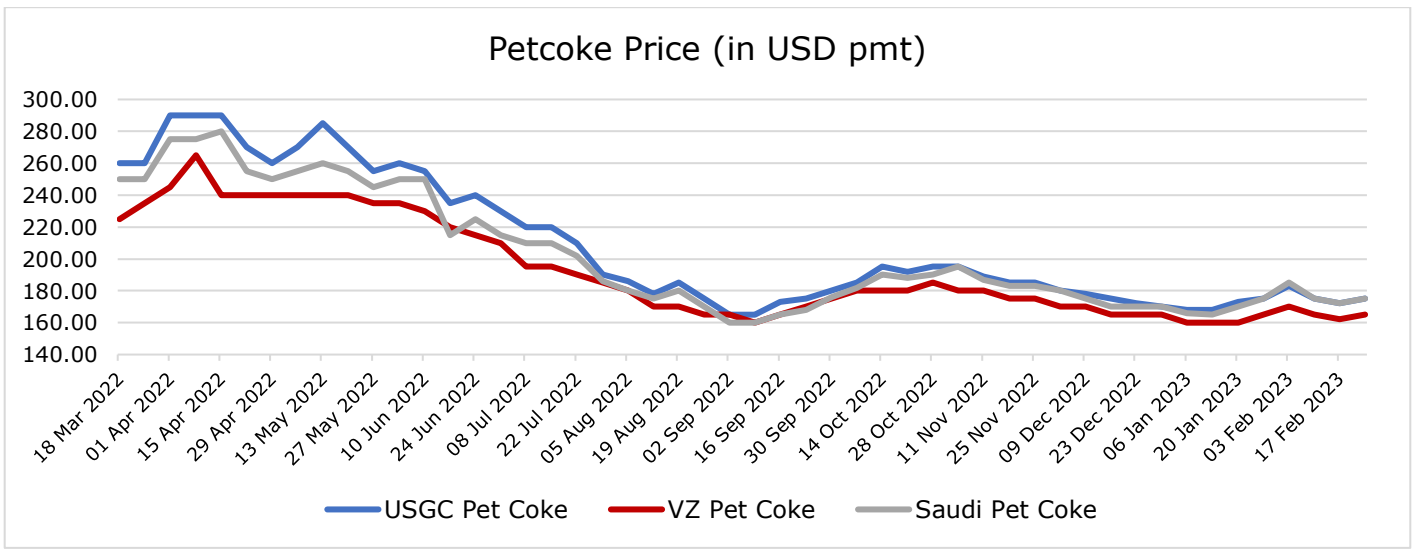
USA coking coal demand has been down and so does the shipments as well as prices. Low Vol HCC was down to \$ 310, a \$ 32 WoW decline. High Vol A and High Vol B are down by \$ 24 to \$ 306 and \$ 25 WoW to \$ 285 respectively.

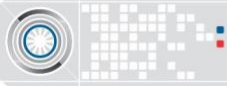


PETCOKE

International petcoke prices have been volatile at the beginning of the month due to possible supply disruptions in the domestic market. However, now stable on a WoW and MoM basis. The USGC and Saudi offer heard this week at \$ 175 with \$ 3 WoW up in price level. Venezuela-origin petcoke prices have come up to \$ 165 this week from \$ 162 last week.

The petcoke market was elevated since the big refinery in India announced to dispatch of low quantities to the Indian consumer. Currently, the petcoke market for imported material is stable at higher prices. The thermal coal market have also seen a rise and that might support the current prices level of petcoke.

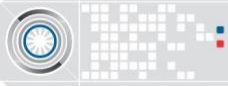




WEEKLY AVG INTERNATIONAL PRICE

Grade	Price pmt								
	25-Feb-23	18-Feb-23	WoW Change	25-Jan-23	MoM Change	25-Feb-22	YoY Change	52 Week High	52 Week Low
FOB Richards Bay									
4800 NAR	\$ 92.00	\$ 89.00	3.37 %	\$ 95.00	(3.16)%	\$ 173.00	(46.82)%	\$ 320.00	\$ 85.00
5500 NAR	\$ 115.00	\$ 113.00	1.77 %	\$ 120.00	(4.17)%	\$ 212.00	(45.75)%	\$ 385.00	\$ 113.00
6000 NAR	\$ 137.00	\$ 136.00	0.74 %	\$ 145.00	(5.52)%	\$ 230.00	(40.43)%	\$ 420.00	\$ 136.00
FOB Newcastle									
5500 NAR	\$ 115.00	\$ 114.00	0.88 %	\$ 120.00	(4.17)%	\$ 160.00	(28.13)%	\$ 280.00	\$ 114.00
6000 NAR	\$ 185.00	\$ 195.00	(5.13)%	\$ 275.00	(32.73)%	\$ 250.00	(26.00)%	\$ 440.00	\$ 195.00
FOB Indonesia									
6500 GAR	\$ 190.00	\$ 185.00	2.70 %	\$ 220.00	(13.64)%	\$ 185.00	2.70 %	\$ 308.00	\$ 175.00
5800 GAR	\$ 125.00	\$ 120.00	4.17 %	\$ 140.00	(10.71)%	\$ 150.00	(16.67)%	\$ 220.00	\$ 120.00
5000 GAR	\$ 95.00	\$ 90.00	5.56 %	\$ 106.00	(10.38)%	\$ 120.00	(20.83)%	\$ 170.00	\$ 90.00
4200 GAR	\$ 72.00	\$ 68.00	5.88 %	\$ 81.00	(11.11)%	\$ 80.00	(10.00)%	\$ 120.00	\$ 68.00
3400 GAR	\$ 49.00	\$ 47.00	4.26 %	\$ 50.50	(2.97)%	\$ 55.00	(10.91)%	\$ 75.00	\$ 47.00
CFR (SA Coal)									
4800 NAR	\$ 105.50	\$ 101.75	3.69 %	\$ 107.50	(1.86)%	\$ 195.00	(45.90)%	\$ 343.00	\$ 101.00
5500 NAR	\$ 128.50	\$ 125.75	2.19 %	\$ 132.50	(3.02)%	\$ 234.00	(45.09)%	\$ 408.00	\$ 125.75
6000 NAR	\$ 150.50	\$ 148.75	1.18 %	\$ 157.50	(4.44)%	\$ 252.00	(40.28)%	\$ 443.00	\$ 148.75
CFR (Aus Coal)									
5500 NAR	\$ 129.00	\$ 126.50	1.98 %	\$ 133.00	(3.01)%	\$ 182.00	(29.12)%	\$ 302.50	\$ 126.50
6000 NAR	\$ 199.00	\$ 202.50	(1.73)%	\$ 288.00	(30.90)%	\$ 287.00	(30.66)%	\$ 460.00	\$ 202.50
CFR (Indonesia Coal)									
6500 GAR	\$ 201.50	\$ 195.00	3.33 %	\$ 229.50	(12.20)%	\$ 210.00	(4.05)%	\$ 333.00	\$ 194.00
5800 GAR	\$ 136.50	\$ 130.00	5.00 %	\$ 149.50	(8.70)%	\$ 175.00	(22.00)%	\$ 245.00	\$ 130.00
5000 GAR	\$ 106.50	\$ 100.00	6.50 %	\$ 115.50	(7.79)%	\$ 145.00	(26.55)%	\$ 195.00	\$ 100.00
4200 GAR	\$ 83.50	\$ 78.00	7.05 %	\$ 90.50	(7.73)%	\$ 105.00	(20.48)%	\$ 145.00	\$ 78.00
3400 GAR	\$ 60.50	\$ 57.00	6.14 %	\$ 60.00	0.83 %	\$ 80.00	(24.38)%	\$ 102.00	\$ 57.00
CFR (Rus Coal)									
5500 NAR	\$ 130.00	\$ 126.00	3.17 %	\$ 145.00	(10.34)%	\$ 200.00	(35.00)%	\$ 250.00	\$ 126.00
6000 NAR	\$ 142.00	\$ 142.00	0.00 %	\$ 155.00	(8.39)%	\$ 240.00	(40.83)%	\$ 300.00	\$ 142.00
CFR (USA Coal)									
6900 NAR	\$ 190.00	\$ 160.00	18.75 %	\$ 165.00	15.15 %	\$ 215.00	(11.63)%	\$ 310.00	\$ 157.00
Petcoke (CFR - India)									
US Origin (6.5% TS)	\$ 175.00	\$ 172.00	1.74 %	\$ 175.00	0.00 %	\$ 220.00	(20.45)%	\$ 290.00	\$ 165.00
VZ Origin (5.0% TS)	\$ 165.00	\$ 162.00	1.85 %	\$ 165.00	0.00 %	\$ 200.00	(17.50)%	\$ 265.00	\$ 155.00
Saudi Origin (8.5% TS)	\$ 175.00	\$ 172.00	1.74 %	\$ 175.00	0.00 %	\$ 195.00	(10.26)%	\$ 280.00	\$ 160.00

DOMESTIC COAL PRICE



DOMESTIC COAL PRICE

(West Coast – India)

The domestic market of India for imported coal has seen some activity this week after coal at ports declined to some extent. The players still not showed up as expected in Feb month for the summer stocking, however, the market has now shown signs of procurement activities in March. Indonesian coal prices in India increased by 2 to 7% WoW- still down on an MoM basis. US-origin coal prices have picked up this week at around 28% WoW rise.

Grade	Price pmt / 00-50 MM / Ex-Plot Port				
	25-Feb-23	18-Feb-23	Change	26-Jan-23	Change
US Origin Coal from Tuna / Kandla (WCI)					
NAPP	₹ 19,000.00	₹ 14,900.00	27.52 %	₹ 15,800.00	20.25 %
ILB	N/A	₹ 13,500.00		₹ 15,000.00	
Indonesian Origin Coal from Tuna / Kandla (WCI)					
5000 GAR	₹ 9,700.00	₹ 9,500.00	2.11 %	₹ 9,700.00	0.00 %
4200 GAR	₹ 7,700.00	₹ 7,575.00	1.65 %	₹ 8,000.00	(3.75)%
3800 GAR	₹ 7,400.00	₹ 7,175.00	3.14 %	₹ 7,500.00	(1.33)%
3400 GAR	₹ 6,000.00	₹ 5,650.00	6.19 %	₹ 6,100.00	(1.64)%
Indonesian Origin Coal from Navlakhi (WCI)					
5000 GAR	₹ 9,900.00	₹ 9,575.00	3.39 %	₹ 9,700.00	2.06 %
4200 GAR	₹ 7,900.00	₹ 7,600.00	3.95 %	₹ 8,000.00	(1.25)%
3800 GAR	₹ 7,500.00	₹ 7,200.00	4.17 %	₹ 7,600.00	(1.32)%
3400 GAR	₹ 6,100.00	₹ 5,675.00	7.49 %	₹ 6,200.00	(1.61)%
South African coal from Kandla (WCI)					
5500 NAR	₹ 11,500.00	₹ 11,000.00	4.55 %	₹ 12,000.00	(4.17)%
Russian coal from Kandla (WCI)					
6000 NAR	₹ 15,000.00	₹ 13,500.00	11.11 %	₹ 14,000.00	7.14 %
Price pmt / Screened Plant / Ex-Plot Screening Plant					
Grade / Sized	25-Feb-23	18-Feb-23	Change	26-Jan-23	Change
3400 GAR					
00 - 06 MM	₹ 6,000.00	₹ 5,600.00	7.14 %	₹ 5,900.00	1.69 %
06 - 20 MM	₹ 7,200.00	₹ 6,900.00	4.35 %	₹ 7,100.00	1.41 %
20 - 50 MM	₹ 7,500.00	₹ 7,100.00	5.63 %	₹ 7,700.00	(2.60)%
4200 GAR					
00 - 06 MM	₹ 7,200.00	₹ 6,800.00	5.88 %	₹ 7,500.00	(4.00)%
06 - 20 MM	₹ 9,100.00	₹ 8,700.00	4.60 %	₹ 9,100.00	0.00 %
20 - 50 MM	₹ 9,300.00	₹ 8,800.00	5.68 %	₹ 9,200.00	1.09 %
5000 GAR					
00 - 06 MM	₹ 8,600.00	₹ 8,100.00	6.17 %	₹ 8,400.00	2.38 %
06 - 20 MM	₹ 12,600.00	₹ 12,200.00	3.28 %	₹ 12,300.00	2.44 %
20 - 50 MM	₹ 12,800.00	₹ 12,400.00	3.23 %	₹ 12,500.00	2.40 %
* Above prices are Basic Per Metric Ton. GST, Cess, TCS & Other applicable taxes are extra.					

ECONOMIC UPDATE



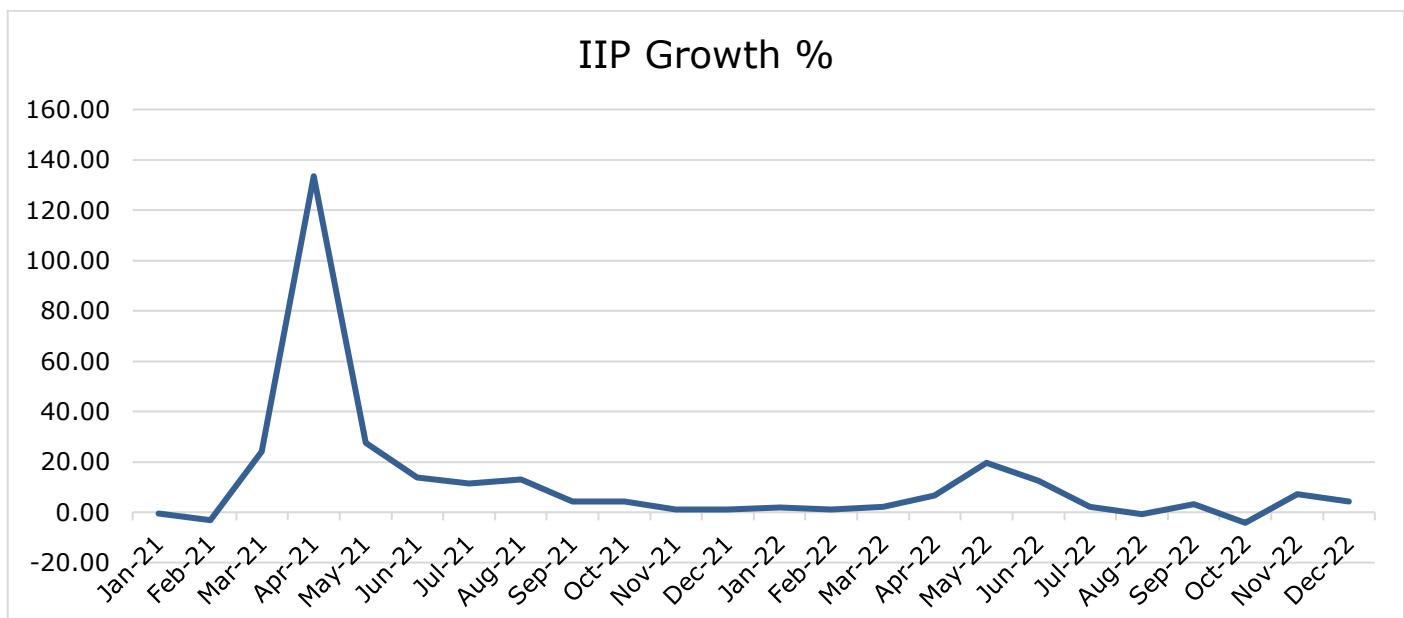
INDEX OF INDUSTRIAL PRODUCTION (IIP)

The National Statistics Office (NSO) reported that the Index of Industrial Production (IIP) increased by 4.3% on an annual basis in December 2022, slowing from the 7.3% rise in November 2022.

Although capital and infrastructure investment continues to sustain development, the manufacturing-driven slowdown in IIP growth between November and December raises the possibility that the dissipation of holiday/pent-up demand may have contributed to the decline in industrial activity.

IIP monitors manufacturing, mining, and energy-generating activities, however, the first sector accounts for more than three-quarters of the index. A sector-by-sector breakdown of the index reveals that manufacturing, which expanded at 2.7% in December 2022 as opposed to 6.4% in November 2022, is mostly to blame for the most recent loss of momentum. In December 2022, the index's mining and power subcomponents experienced growth of 9.8% and 10.4%, respectively. In November 2022, the corresponding figures were 9.8% and 12.7%.

The consumer goods sub-category, which expanded at 7.6% in November 2022, only had a growth of 0.4% in December 2022. The decline in momentum was mostly caused by the 10.5% decline in consumer durables in December 2022. Both capital and infrastructure/construction goods sub-categories lost impetus between November and December with respective growth dropping down from 21.6% to 7.6% and 13.2% to 8.2%.





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

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