



WEEKLY PRICE UPDATE

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INTERNATIONAL FUTURE COAL PRICE

API2: PRICES STABLE WITH SUFFICIENT STOCK

The future price contract of coal delivered to Europe API2 is stable for the week with sufficient stock at ARA and of natural gas in the region. The API2 index for January month closed at \$ 191, which was at the same level of \$ 190.35 last week. The Dec contract of API2 settled at \$ 227 this week. The January 2023 contract has been down to 47% compared to the year high of \$ 370 on 22nd Aug 2022 and to a twofold high from the year low of \$ 89 on 3rd Jan 2022.

Natural gas supplies are stable in Europe and the price of natural gas future of Dutch TTF is also declining, touching the pre-war level. The natural gas prices on Dutch TTF as of 30th Dec 2022 trading at Euro 76.32, which was last seen on 21st Feb 2022 at Euro 72. The future prices touches a historical high of Euro 343 on Aug 26th 2022 this year. The year-end holidays of Christmas and a new year-seasonal slowdown is making consumption from the industry low. Warmer than the normal atmosphere in winter also plays a role in the EU reduced demand giving more time to fill the storage of natural gas. The European Union last week agreed upon a temporary mechanism to limit excessive gas prices, which comes into force on 15th Feb 2023.



The API2 Feb 2023 contract prices are in control from the last week. The prices closed at \$ 190.15 from the \$ 189.50 price level of last week. The Feb 2023 contract has been down to 49% compared to the year high of \$ 362 on 22nd Aug 2022 and to a twofold high from the year low of \$ 91 on 3rd Jan 2022.



API4: MUTED DEMAND, PRICES ON DOWNTURN

The API4 January contract which is declining from the beginning of the month comes down to \$ 188.65 from \$ 262.50 at the start of the month. The contract was down by \$ 8 WoW from its last week's closing of \$ 196.50. The Dec 2022 contract settled at \$ 208 this week. The January 2023 contract has been down to 45% compared to the year high of \$ 341 on 6th Sep 2022 and to a twofold high from the year low of \$ 89 on 3rd Jan 2022.

The year-end softness in demand is visible in the market with muted activity. The new year celebration with holidays is halting the market activities in coal. Almost all the major buyers were a sideline for the week. The EU, currently the frequent purchaser of South African coal is also not making any inquiries since the storage at ARA as well as for the natural gas is full. Indians also not showed up and further replaced SA with other discounted options like Mozambique-Russian coal.



The Feb contract of API4 is sliding to \$ 185.35 with a \$ 17 WoW reduction in its prices. Last week's contract closed at \$ 202. The Feb 2023 contract has been down to 45% compared to the year high of \$ 334 on 6th Sep 2022 and to a twofold high from the year low of \$ 89 on 3rd Jan 2022.





INTERNATIONAL COAL PRICE



THERMAL COAL

The thermal coal market staying stable for the week since the holiday season of the New year fall the demand. The prices are also stable with no particular activities from the market.

European coal market stays silent with a sufficient amount of storage at ARA and also of natural gas. The relatively warmer weather is also helping the region to reduce the energy demand.

SA coal market has been more or less stable with a \$ 3 reduction in its low CV coal and a \$ 5 reduction in high CV. The prices of FOB RBCT 4800 NAR and FOB RBCT 6000 NAR average around \$ 102 and \$ 180 respectively for the week. The demand from the EU is muted so does Indian buyers are also turning to find other competitive sources of coal like Mozambique and Russia.

Chinese activity was also not at the expected level. The market was expected to be aggressive before its Lunar New year for restocking purpose, however, the increasing amount of corona cases have hampered buying activities to a great extent.

Indian demand from buyers and industries was also muted due to the end year's celebration and holidays. Due to low demand from China-India Indonesian coal prices have also down to \$ 2-5 for different grades of coal.

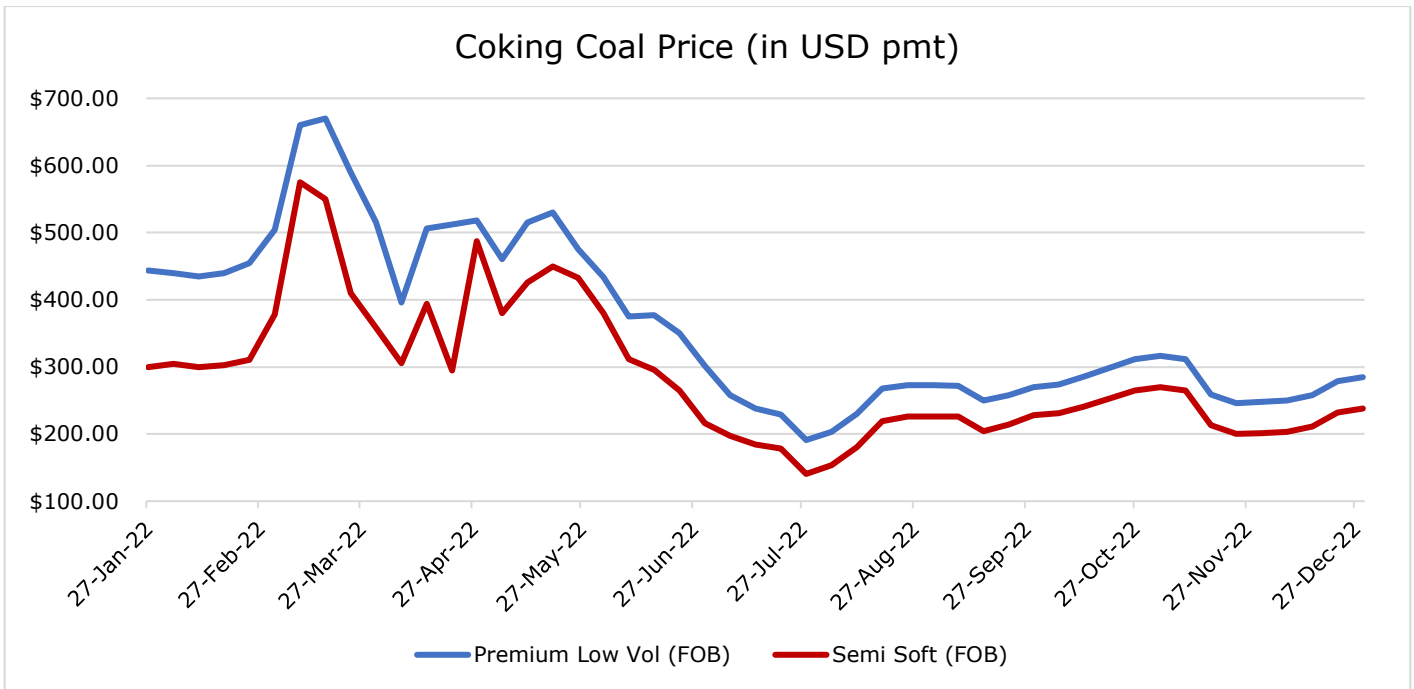
Australian coal prices decrease with AUS 6000 NAR FOB averaging \$ 395 for the week, a \$ 5 WoW reduction. Russian prices were steady for the week at \$ 175 for 6000 NAR CFR India.

COKING COAL

Coking coal prices further edged up to \$ 285 for the Australian PLV FOB and \$ 238 for the Semi-soft coal. Both prices have seen an uptick of \$ 6.

The prices on verge of increasing since there is hope from miners that Australia-China trade will be open very soon. There is an expectation that China will accept AUS coking coal again. The fourth round of price uptick has been accepted in the Chinese domestic coke market. Due to the continued increases in prices Chinese coke becoming expensive in the international market. Supply-side issues due to Australia's wet weather is expected to be hampered in the near future. However, the supply has not been much disrupted. The Indian demand for the stocking was there.

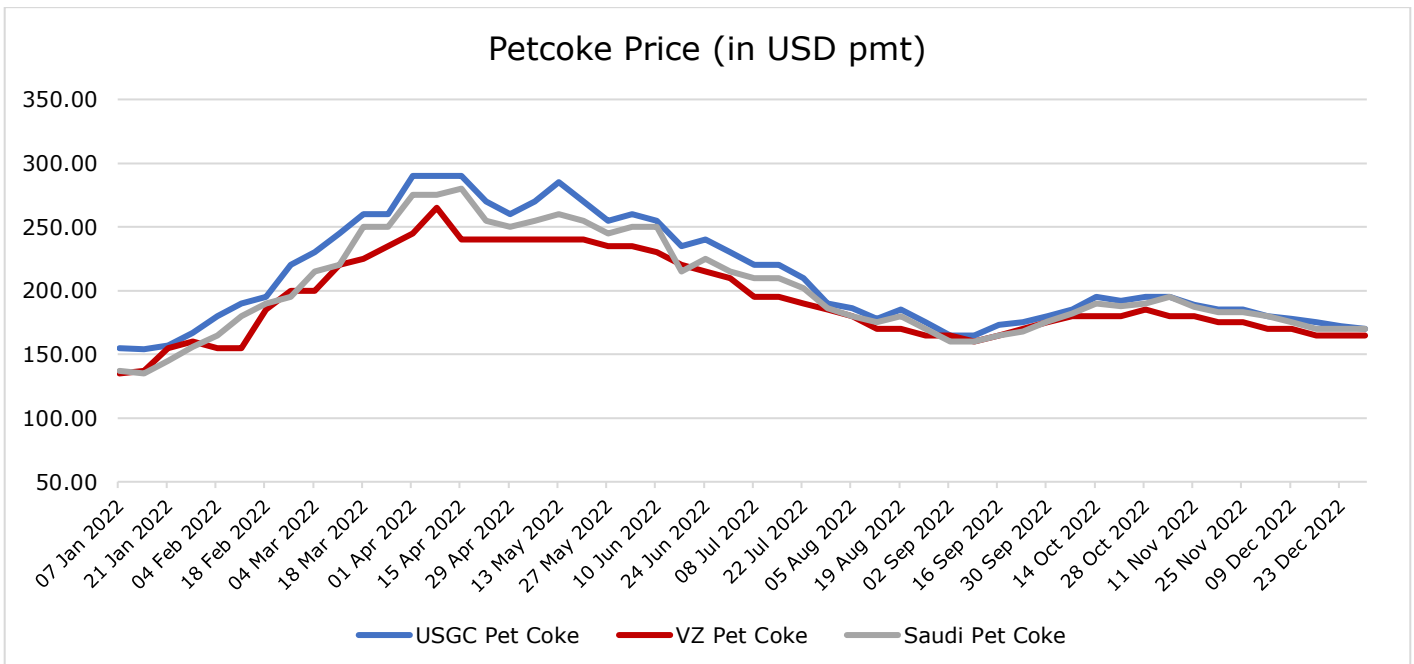
US coking coal prices have also come up with Low Vol HCC touching \$ 272, six weeks high and High Vol A and B rising to \$271 and \$ 270 respectively.



PETCOKE

Petcoke prices in the international market have not seen much movement, staying stable for the week. The USGC prices have been down to \$ 2 WoW and averages \$ 170 for the week. The other two origin petcoke prices which are Saudi and Venezuela stayed stable for the third week at \$ 165 and \$ 170 respectively.

Domestic petcoke prices in India are also declining to attract procurement since December month has seen a reduction in thermal coal prices. However, the discount on thermal coal is not much attractive to shift from petcoke. The cement manufacturers are likely to stick to petcoke for time being.



WEEKLY AVG INTERNATIONAL PRICE

Grade	Price pmt								
	31-Dec-22	24-Dec-22	WoW Change	30-Nov-22	MoM Change	31-Dec-21	YoY Change	52 Week High	52 Week Low
FOB Richards Bay									
4800 NAR	\$ 102.00	\$ 105.00	(2.86)%	\$ 145.00	(29.66)%	\$ 82.00	24.39 %	\$ 320.00	\$ 82.00
5500 NAR	\$ 132.00	\$ 135.00	(2.22)%	\$ 179.00	(26.26)%	\$ 100.00	32.00 %	\$ 385.00	\$ 100.00
6000 NAR	\$ 180.00	\$ 185.00	(2.70)%	\$ 235.00	(23.40)%	\$ 124.00	45.16 %	\$ 420.00	\$ 124.00
FOB Newcastle									
5500 NAR	\$ 133.00	\$ 135.00	(1.48)%	\$ 132.00	0.76 %	\$ 102.00	30.39 %	\$ 280.00	\$ 102.00
6000 NAR	\$ 395.00	\$ 400.00	(1.25)%	\$ 385.00	2.60 %	\$ 175.00	125.71 %	\$ 440.00	\$ 175.00
FOB Indonesia									
6500 GAR	\$ 230.00	\$ 235.00	(2.13)%	\$ 235.00	(2.13)%	\$ 150.00	53.33 %	\$ 308.00	\$ 150.00
5800 GAR	\$ 152.00	\$ 155.00	(1.94)%	\$ 158.00	(3.80)%	\$ 120.00	26.67 %	\$ 220.00	\$ 120.00
5000 GAR	\$ 118.00	\$ 120.00	(1.67)%	\$ 120.00	(1.67)%	\$ 95.00	24.21 %	\$ 170.00	\$ 93.00
4200 GAR	\$ 91.00	\$ 94.00	(3.19)%	\$ 88.00	3.41 %	\$ 60.00	51.67 %	\$ 120.00	\$ 58.00
CFR (SA Coal)									
4800 NAR	\$ 115.00	\$ 118.00	(2.54)%	\$ 160.00	(28.13)%	\$ 104.00	10.58 %	\$ 343.00	\$ 101.00
5500 NAR	\$ 145.00	\$ 148.00	(2.03)%	\$ 194.00	(25.26)%	\$ 122.00	18.85 %	\$ 408.00	\$ 122.00
6000 NAR	\$ 193.00	\$ 198.00	(2.53)%	\$ 250.00	(22.80)%	\$ 146.00	32.19 %	\$ 443.00	\$ 146.00
CFR (Aus Coal)									
5500 NAR	\$ 146.50	\$ 148.50	(1.35)%	\$ 147.00	(0.34)%	\$ 125.00	17.20 %	\$ 302.50	\$ 125.00
6000 NAR	\$ 408.50	\$ 413.50	(1.21)%	\$ 400.00	2.13 %	\$ 198.00	106.31 %	\$ 460.00	\$ 198.00
CFR (Indonesia Coal)									
6500 GAR	\$ 241.50	\$ 247.00	(2.23)%	\$ 247.50	(2.42)%	\$ 171.00	41.23 %	\$ 333.00	\$ 171.00
5800 GAR	\$ 163.50	\$ 167.00	(2.10)%	\$ 170.50	(4.11)%	\$ 141.00	15.96 %	\$ 245.00	\$ 138.00
5000 GAR	\$ 129.50	\$ 132.00	(1.89)%	\$ 132.50	(2.26)%	\$ 116.00	11.64 %	\$ 195.00	\$ 111.00
4200 GAR	\$ 102.50	\$ 106.00	(3.30)%	\$ 100.50	1.99 %	\$ 81.00	26.54 %	\$ 145.00	\$ 75.00
CFR (Rus Coal)									
5500 NAR	\$ 150.00	\$ 155.00	(3.23)%	\$ 160.00	(6.25)%			\$ 250.00	\$ 150.00
6000 NAR	\$ 175.00	\$ 175.00	0.00 %	\$ 190.00	(7.89)%			\$ 300.00	\$ 175.00
CFR (USA Coal)									
6900 NAR	\$ 200.00	\$ 205.00	(2.44)%	\$ 225.00	(11.11)%	\$ 170.00	17.65 %	\$ 310.00	\$ 170.00
Petcoke (CFR - India)									
US Origin (6.5% TS)	\$ 170.00	\$ 172.00	(1.16)%	\$ 180.00	(5.56)%	\$ 160.00	6.25 %	\$ 290.00	\$ 154.00
VZ Origin (5.0% TS)	\$ 165.00	\$ 165.00	0.00 %	\$ 160.00	3.13 %			\$ 265.00	\$ 135.00
Saudi Origin (8.5% TS)	\$ 170.00	\$ 170.00	0.00 %	\$ 180.00	(5.56)%	\$ 140.00	21.43 %	\$ 280.00	\$ 135.00



DOMESTIC COAL PRICE

DOMESTIC COAL PRICE

(West Coast – India)



The festive season of Christmas and New year slowing down industrial activities and the procurement of coal. The low demand and comparatively good supply of domestic coal make international coal prices to slow down. Indonesian coal prices are almost stable over a month, whereas US-origin coal has seen 7-8% decline in prices for the month.

Grade	Price pmt / 00-50 MM / Ex-Plot Port				
	31-Dec-22	24-Dec-22	Change	01-Dec-22	Change
US Origin Coal from Tuna / Kandla (WCI)					
NAPP	₹ 16,700.00	₹ 16,800.00	(0.60)%	₹ 18,000.00	(7.22)%
ILB	₹ 16,000.00	₹ 16,000.00	0.00 %	₹ 17,400.00	(8.05)%
Indonesian Origin Coal from Tuna / Kandla (WCI)					
5000 GAR	₹ 10,000.00	₹ 10,100.00	(0.99)%	₹ 10,200.00	(1.96)%
4200 GAR	₹ 8,400.00	₹ 8,400.00	0.00 %	₹ 8,500.00	(1.18)%
3800 GAR	₹ 7,900.00	₹ 7,900.00	0.00 %	₹ 7,800.00	1.28 %
3400 GAR	₹ 6,500.00	₹ 6,500.00	0.00 %	₹ 6,600.00	(1.52)%
Indonesian Origin Coal from Navlakhi (WCI)					
5000 GAR	₹ 10,100.00	₹ 10,200.00	(0.98)%	₹ 10,150.00	(0.49)%
4200 GAR	₹ 8,350.00	₹ 8,500.00	(1.76)%	₹ 8,500.00	(1.76)%
3800 GAR	₹ 7,800.00	₹ 7,800.00	0.00 %	₹ 7,900.00	(1.27)%
3400 GAR	₹ 6,600.00	₹ 6,600.00	0.00 %	₹ 6,900.00	(4.35)%
South African coal from Kandla (WCI)					
5500 NAR	₹ 15,900.00	₹ 15,900.00	0.00 %	₹ 16,500.00	(3.64)%
Russian coal from Kandla (WCI)					
6000 NAR	₹ 14,400.00	₹ 14,400.00	0.00 %	₹ 15,300.00	(5.88)%
Price pmt / Screened Plant / Ex-Plot Screening Plant					
Grade / Sized	31-Dec-22	24-Dec-22	Change	01-Dec-22	Change
3400 GAR					
00 - 06 MM	₹ 6,100.00	₹ 6,100.00	0.00 %	₹ 6,600.00	(7.58)%
06 - 20 MM	₹ 7,700.00	₹ 7,900.00	(2.53)%	₹ 8,000.00	(3.75)%
20 - 50 MM	₹ 8,000.00	₹ 8,100.00	(1.23)%	₹ 8,300.00	(3.61)%
4200 GAR					
00 - 06 MM	₹ 8,500.00	₹ 8,500.00	0.00 %	₹ 8,500.00	0.00 %
06 - 20 MM	₹ 9,600.00	₹ 9,700.00	(1.03)%	₹ 9,900.00	(3.03)%
20 - 50 MM	₹ 9,800.00	₹ 10,000.00	(2.00)%	₹ 10,100.00	(2.97)%
5000 GAR					
00 - 06 MM	₹ 8,600.00	₹ 8,300.00	3.61 %	₹ 8,600.00	0.00 %
06 - 20 MM	₹ 12,800.00	₹ 12,900.00	(0.78)%	₹ 13,400.00	(4.48)%
20 - 50 MM	₹ 13,000.00	₹ 13,100.00	(0.76)%	₹ 13,600.00	(4.41)%



ECONOMIC UPDATE

CORE SECTOR GROWTH

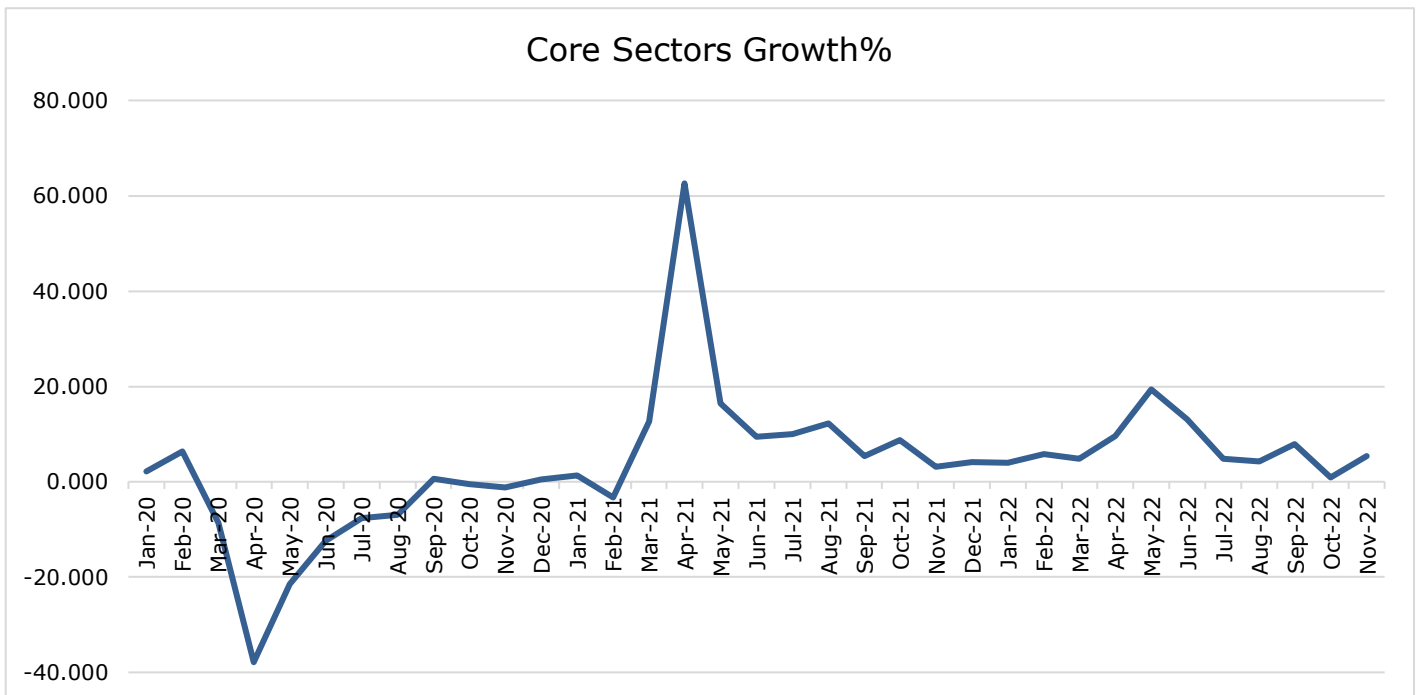
The eight core sector growth in the month of November 2022 rose to 5.4% compared to last year. The core sector grew by 8% during April-November 2022 compared to the previous financial year period. The eight infrastructure industries in the index are – coal, crude oil, natural gas, refinery products, fertilizer, steel, cement, and electricity.

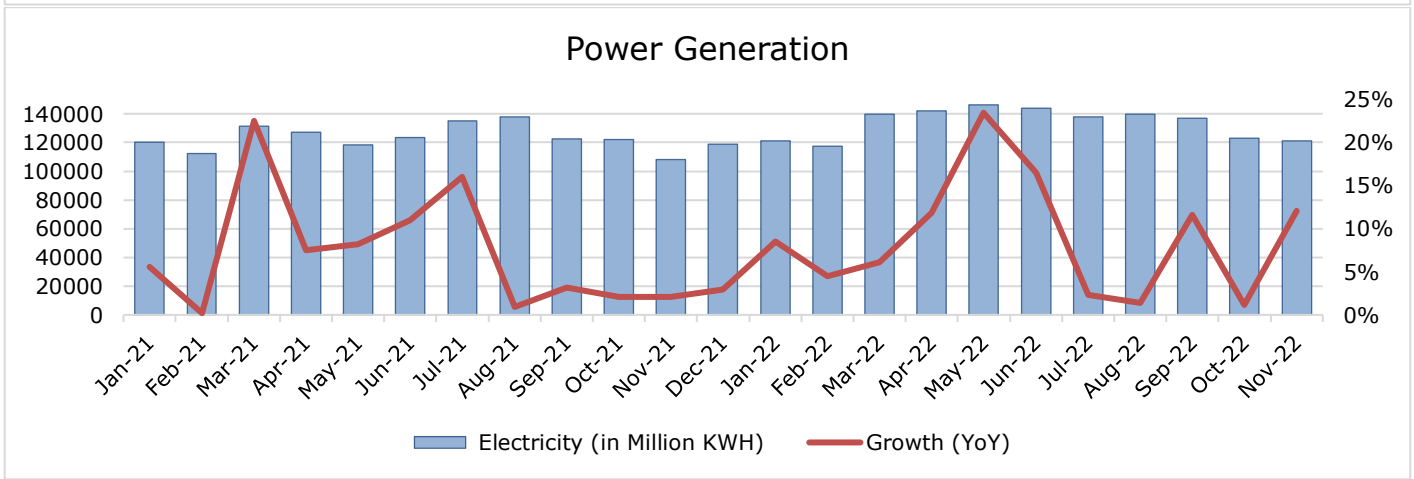
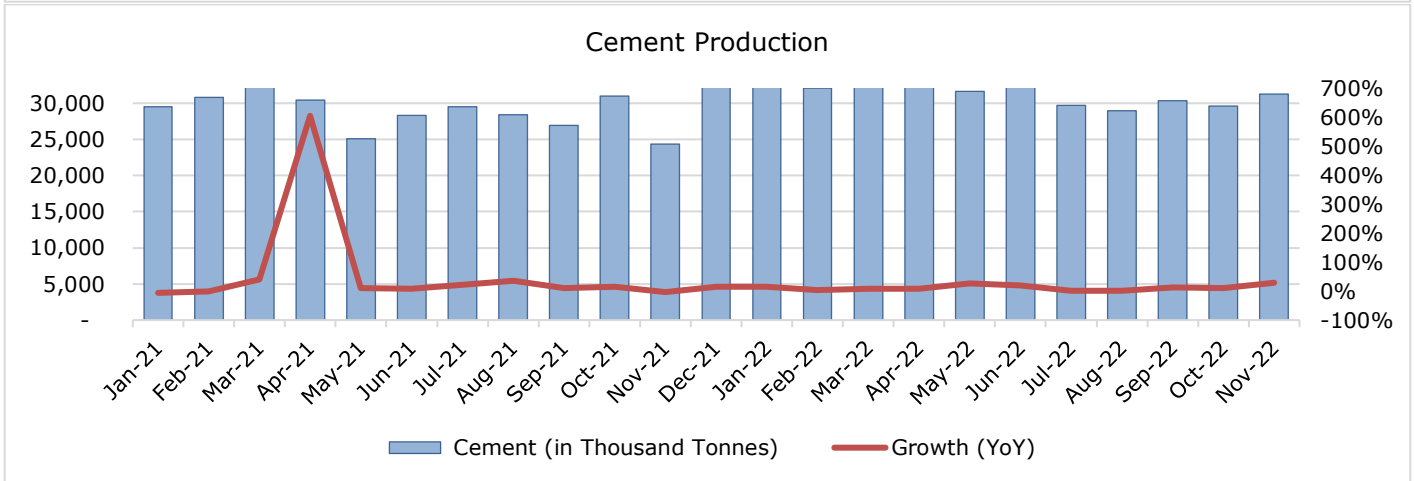
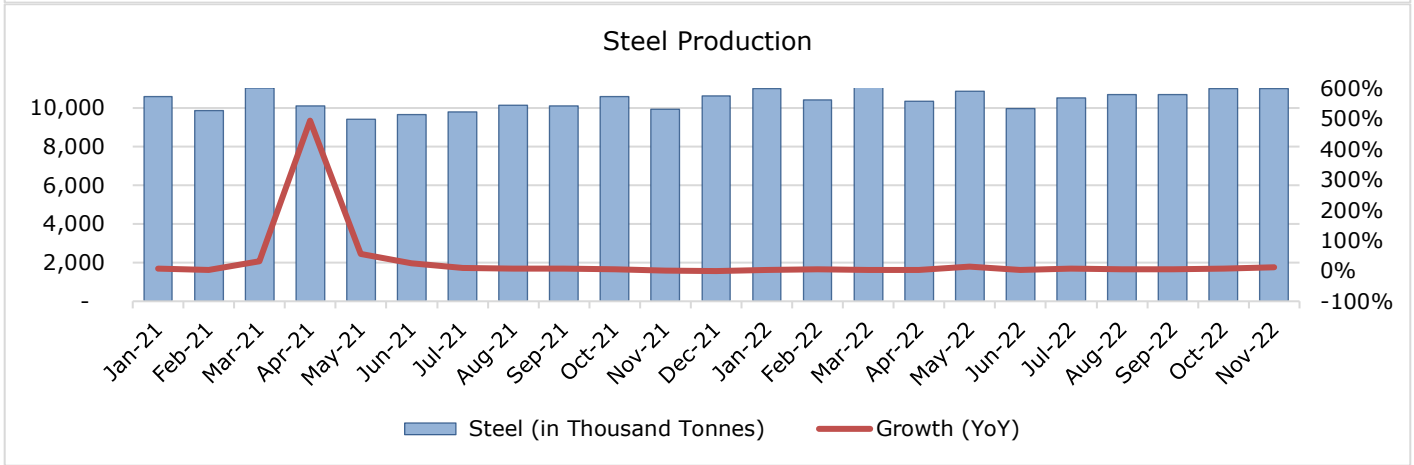
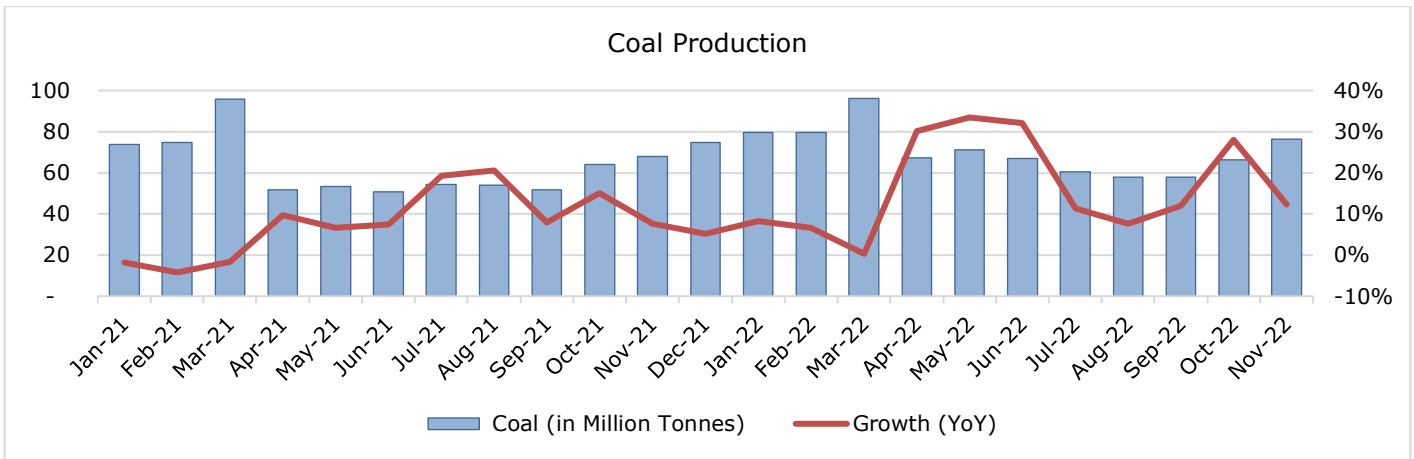
The overall growth has been seen this month, however, the individual growth of the sectors is uneven. Output in five of the eight core sectors grew in November month, whereas three sectors registered a decline. The sectors registering positive output were cement, coal, electricity, steel, and fertilizer.

The cement sector registered the highest percentage increase in output among all the sectors at 28.6%, recovering from a sharp 4.3% contraction in the previous month. Coal production shows a 12.3% growth in output while steel output gained 10.8% in the last month. The electricity generation level accelerated to 12.1% in Nov.

Refinery products performed the worst with their output declining by 9.2%, hitting a 21-month low, while fertilisers grew 6.4% in November from a year earlier.

Crude oil output was reduced by 1.1% from a year earlier. Natural gas output fell 0.7%.







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