

Coal Trader International

Volume 23 / Issue 28 / February 9, 2023

News Headlines

Prices continue to move lower in Asian thermal coal spot market

- Sellers lower their offer levels
- Traders cautious about looming recession fears
- Abundant supply of high-CV cargoes

Key EU committee approves ETS, CBAM carbon reforms

- European carbon prices rise sharply after vote
- Reform raises 2030 carbon reduction target to 62% on 2005 levels
- Draft bill will be voted by European Parliament in Q2

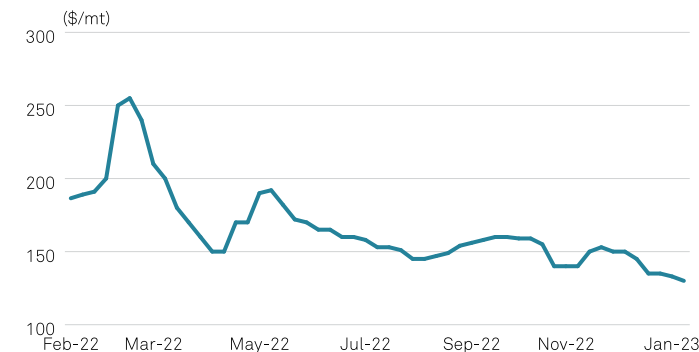
Australia's Ichthys to boost 2023 LNG shipments by 18% on year to record 132 cargoes: INPEX

- Ichthys aims to complete 9.3 mil mt/year supply framework in 2023
- INPEX plans 25% hike in 2023 capex for oil and gas developments
- INPEX plans to produce record 638,900 boe/d in 2023 on Ichthys boost

Japan's spot daily electricity prices soar as snow forecast to hit Tokyo

- 24-hour day-ahead spot electricity price surges 25% for Feb 10
- TEPCO's Feb 10 demand, facility utilization peaking 94% of

CFR South China (5,500 kcal/kg NAR)



Source: S&P Global Commodity Insights

Daily prompt physical thermal coal assessments, Feb 9

	CV (kcal/kg)	Window	Platts symbol	\$/mt	Chg
Asia-Pacific					
Northeast Asia					
Platts NEAT	5,750 NAR	15-60 day	JKTCA00	153.16	+0.48
South Asia					
Platts SEAT	4,200 GAR	15-60 day	CSEAA00	79.55	-2.95
CFR Pakistan	5,750 NAR	30-60 day	TPKCA00	122.00	+2.00
CFR Bangladesh	5,000 GAR	30-60 day	TCBAN00	106.85	-0.80
Sulfur Differential			TCSDA00	0.30	
China					
PCC 6 (CFR South China)	3,800 NAR	30-60 day	PCCPQ00	80.65	-3.20
PCC 7 (CFR South China)	4,700 NAR	30-60 day	PCCPP00	106.70	-0.75
PCC 8 (CFR South China)	5,500 NAR	15-60 day	PCCSC00	149.00	-0.50
				Yuan/mt	
PCC 6 (CFR South China)	3,800 NAR	30-60 day	PCCPR00	544.67	-21.91
PCC 6 (VAT included)	3,800 NAR	30-60 day	PCCPS00	615.48	-24.76
PCC 7 (CFR South China)	4,700 NAR	30-60 day	PCCPO00	720.60	-5.45
PCC 7 (VAT included)	4,700 NAR	30-60 day	PCCFB00	814.28	-6.16
PCC 8 (CFR South China)	5,500 NAR	15-60 day	PCCSD00	1006.28	-3.90
PCC 8 (Duty & VAT included)	5,500 NAR	15-60 day	PCCFA00	1137.10	-4.40
Indonesia					
FOB Kalimantan (Geared Supramax)	4,200 GAR	7-45 day	CSBK100	72.95	-2.95
FOB Kalimantan (Geared Supramax)	3,800 GAR	7-45 day	CSCKJ00	62.00	-1.00
FOB Kalimantan (Geared Supramax)	5,900 GAR	90-day	CSAKH00	136.00	-0.50
FOB Kalimantan (Geared Supramax)	5,000 GAR	90-day	CSAKI00	99.00	-0.50
Kalimantan Floating Crane			AKFCA00	2.00	
Australia					
FOB Newcastle 20% Ash	5,500 NAR	7-45 day	AAVUW00	129.30	0.00
FOB Newcastle 23% Ash	5,500 NAR	7-45 day	AAVV000	126.00	0.00
FOB Newcastle Ash Differential			AAVVA00	1.10	
India					
CFR India West (Gearless Panamax)	5,500 NAR	30-60 day	CIWCI00	140.50	0.00
CFR India West (Gearless Panamax)	5,000 GAR	30-60 day	TCAKP00	109.40	-1.00
CFR India West (Gearless Panamax)	4,200 GAR	30-60 day	TCAKT00	83.35	-3.45
CFR India East (Gearless Panamax)	5,500 NAR	30-60 day	CIECI00	141.30	0.00
CFR India East (Gearless Panamax)	5,000 GAR	30-60 day	TCAKJ00	108.55	-1.00
CFR India East (Gearless Panamax)	4,200 GAR	30-60 day	TCAKU00	82.50	-3.45
Atlantic Basin					
Europe					
CIF ARA	6,000 NAR	15-60 day	CSARM01	119.95	-7.00
European Blended Price (EBP)	6,000 NAR	15-60 day	TEBPA00	125.30	-3.40
EBP/CIF ARA Differential	6,000 NAR	15-60 day	TEBPB00	5.35	+3.60
South Africa					
FOB Richards Bay	5,500 NAR	7-45 day	AAEX000	99.45	-7.75
North America					
FOB Baltimore 3%S	6,900 NAR	15-60 day	CUATB04	118.00	-3.00
FOB Hampton Roads 1%S	6,000 NAR	15-60 day	CUAEA04	171.55	0.00
FOB New Orleans 3%S	6,000 NAR	15-60 day	CUAFA04	113.00	-3.00
FOB Long Beach 0.5%S	6,000 NAR	15-60 day	CTLBA00	172.10	0.00
FOB Oakland 0.5%S	6,000 NAR	15-60 day	CTOKA00	157.45	0.00
FOB Vancouver 0.5%S	5,000 NAR	15-60 day	CTVCA00	61.05	0.00

Note: In the absence of transactional data, these assessments represent theoretical value for export.

Prices continue to move lower in Asian thermal coal spot market

- Sellers lower their offer levels
- Traders cautious about looming recession fears
- Abundant supply of high-CV cargoes

Sellers lowered their offer levels in the spot Asian thermal coal market Feb. 9 as buyers steadfastly stuck to low bid prices, sources said.

"Traders are in hurry to sell off volumes and it may be because they are expecting further price drop," an India-based trader said, adding that "one cannot fully do away with recession fear as well which can be another reason for the price drop." A Singapore-based trader said that "Bangladesh, Nepal and Sri Lanka are finding it difficult to issue letters of credit."

Apprehensions of further corrections in Indonesian coal prices was said to be driving traders to lower their offer levels in the hope of selling their cargoes.

Market participants said that selling high-CV Indonesian material in the current price environment remain difficult with cargoes of similar grades are being offered at more attractive rates to markets like India and China from South Africa, Colombia, and Russia.

The price of Indonesian coal of 4,200 kcal/kg GAR grade has dropped from \$90/mt FOB in the beginning of 2023 to \$75.90/mt Feb. 9 amid lack of demand in the spot market.

However, some believe that with lower offers, the gap between bids and offers are narrowing which might trigger more activities in the market. "Buyers are willing to bid at fixed prices now, not index-linked, which means prices may have bottomed out," an

Weekly prompt physical thermal coal prices, Feb 3

	Code	Kcal/kg Basis	Sulfur	\$/mt	Change
CIF Med 75kt	CTCMT04	6,000 NAR	0.8%	140.00	-29.00
CIF Med 45kt	CTCMA04	6,000 NAR	0.8%	130.00	+14.50
FOB Colombia	CSABZ00	6,000 NAR	0.8%	125.00	-5.00
FOB Russia Baltic	CSAKC00	6,000 NAR	0.5%	90.00	0.00
FOB Russia Pacific	CSAKG00	6,300 GAR	0.3%	130.00	-3.00

Platts physical thermal coal netbacks, Feb 9

	Code	CV Basis	Sulfur	\$/mt	Chg
Coal (\$/mt)					
CIF ARA	CSARM01	6,000 NAR	1.0%	119.95	-7.00
Platts NEAT	JKTCA00	5,750 NAR	1.0%	153.16	+0.48
CFR India West	CIWCI00	5,500 NAR	0.8%	140.50	0.00
Panamax Freight (\$/mt)					
USEC-Rotterdam	CDBUR00			10.75	-0.25
Mobile-Rotterdam	CDMAR00			13.75	-0.50
Roberts Bank-Japan	CDRBK00			15.15	+1.00
Richards Bay-India West	CSAKL00			13.75	0.00
Penalties & Premia (\$/mt)					
Per 0.1% Sulfur (USGC)	COPAP00			0.00	0.00
Total S discount (USGC)	COPBP00			0.00	0.00
Netbacks (\$/st)					
FOB US East Coast*	COUSC00	12,500 GAR	1.0%	110.08	-6.80
FOB US Gulf Coast*	COUGU00	11,500 GAR	2.9%	98.13	-6.00
FOB Vancouver*	COVCU00	8,800 GAR	0.8%	100.05	-1.11

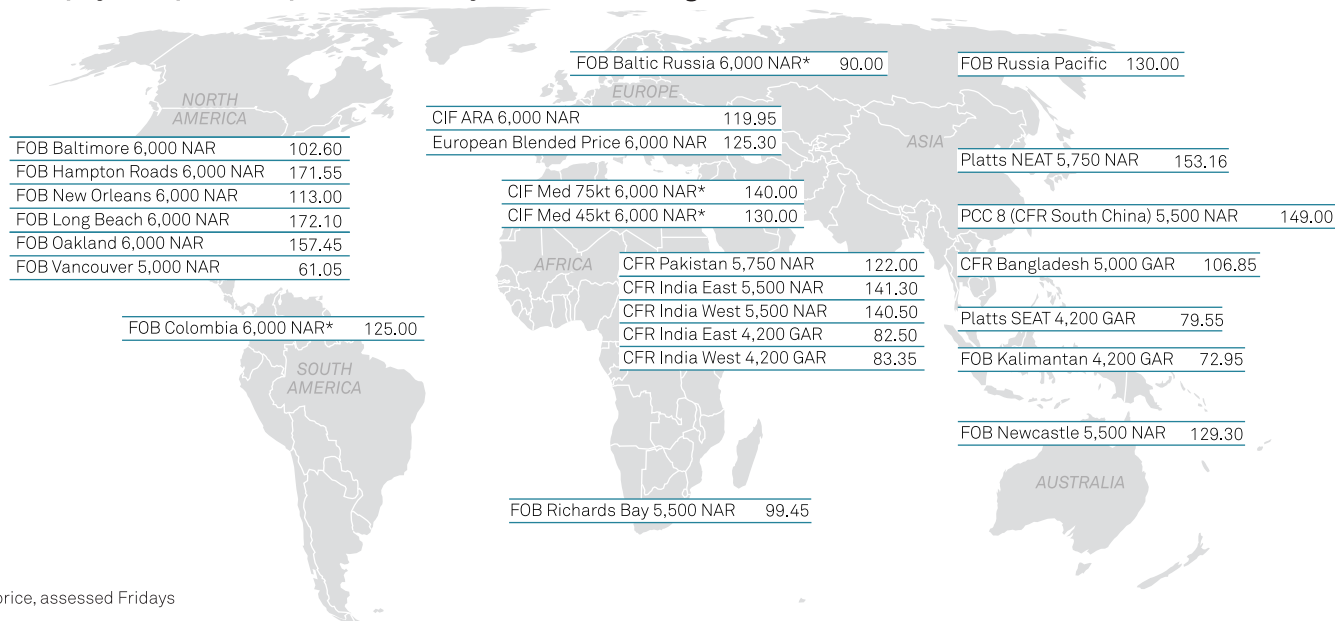
* CV = Btu/lb

Indonesia-based trader said sounding optimistic.

Along with some demand for low-CV coal in China and India, Vietnam is also said to be showing signs of emerging demand. "Though market is coming down, Vietnam's domestic market remains strong, and it is picking up after the Lunar New Year holidays," a Vietnam-based trader said.

Stockpiles in China remain at comfortable levels, indicating

Global coal physical price snapshot, February 09 (\$/mt, kcal/kg)



* Weekly price, assessed Fridays

Source: S&P Global Commodity Insights

no urgency on their part to start booking cargoes aggressively. Stocks at China's Caofeidian port stood at 13.02 million mt as of Feb. 9, up from 12.48 million mt Feb. 6, according to a source. Stocks at the Jingtang port were at 6.37 million mt, down from 6.16 million mt Feb. 6.

Platts is part of S&P Global Commodity Insights.

— Anupam Chatterjee,

Key EU committee approves ETS, CBAM carbon reforms

- European carbon prices rise sharply after vote
- Reform raises 2030 carbon reduction target to 62% on 2005 levels
- Draft bill will be voted by European Parliament in Q2

The European Parliament's Committee on Environment, Public Health and Food Safety (ENVI) voted Feb. 9 in favor of the EU's revised Emissions Trading System, which includes major carbon market reforms, pushing the bill closer to formal adoption.

The ENVI committee said in a tweet that 57 voted for the ETS reform while 13 voted against it, with six abstentions. Meanwhile, the EU's Carbon Border Adjustment Mechanism (CBAM) received 63 votes in favor and seven opposing the carbon tax.

European carbon prices observed sharp gains immediately after the approval by ENVI of these key reforms.

EU Allowances for December 2023 rose by more than Eur2/mtCO₂e in morning trading Feb. 9. EUAs were trading at Eur91.66/mtCO₂e at 1235 GMT, according to ICE. This was up from the previous day's price of Eur90.28/mtCO₂e, as assessed by Platts,

Spot dry bulk freight assessments, Feb 9

	Platts symbol	\$/mt	Chg
Capesize			
Australia-China	CDANC00	7.65	0.00
Queensland-Japan	CIGAJ00	8.75	0.00
New South Wales-Korea	CINAK00	9.25	0.00
Bolivar-Rotterdam	CIBCR00	8.25	+0.05
Roberts Bank-Japan	CDRKJ00	8.95	0.00
Panamax			
Richards Bay-India West	CSAKL00	13.75	0.00
Kalimantan-India West	CSAKP00	8.40	0.00
Richards Bay-India East	CSAKN00	13.90	0.00
Kalimantan-India East	CSAKR00	6.85	0.00
Ventspils-Rotterdam	CILTNO0	6.75	-0.25
USEC-India	CDBUI00	28.50	-0.25
USEC-Rotterdam	CDBUR00	10.75	-0.25
Mobile-Rotterdam	CDMAR00	13.75	-0.50
Roberts Bank-Japan	CDRBK00	15.15	+1.00
Australia-China	CDBFA00	12.00	+0.45
Australia-India	CDBFAI0	13.00	+0.25
Supramax			
Richards Bay-Port Qasim	CRBPB00	15.20	-0.55
South Kalimantan-Krishnapatnam	CISKK00	9.90	-0.30

Thermal coal implied freight table, Feb 9

Basis 5,500 kcal/kg NAR						
Origin/delivery hub	NE Asia	SE Asia	NW Europe	India	Med	South China
FOB Newcastle (20% Ash)	17.20	-19.92	-19.35	12.00	-0.97	19.70
FOB Kalimantan	15.27	-21.85	-21.28	10.07	-2.90	17.77
FOB Colombia	31.92	-5.20	-4.63	26.72	13.75	34.42
FOB Russia Baltic	64.00	26.88	27.45	58.80	45.83	66.50
FOB Russia Pacific	27.33	-9.79	-9.22	22.13	9.16	29.83
FOB Richards Bay	47.05	9.93	10.50	41.85	28.88	49.55
FOB Baltimore	52.44	15.32	15.89	47.24	34.27	54.94
FOB New Orleans	42.92	5.80	6.37	37.72	24.75	45.42
FOB Vancouver	79.34	42.22	42.79	74.14	61.17	81.84

Platts

S&P Global
Commodity Insights

Coal Trader International

ISSN: 1746-8914

Contact Client Services: support@platts.com;
Americas: +1-800-752-8878;
Europe & Middle East: +44-20-7176-6111; Asia Pacific: +65-6530-6430

Head of Global Coal – Pricing
Deepak Kannan: +91-124-612-7258,
Deepak.Kannan@spglobal.com

Editors
Joseph Clarke: +44-7966-136431, Joseph.Clarke@spglobal.com
Sarah Matthews: +44-207-176-8531,
sarah.matthews@spglobal.com
Rituparna Nath: +91-124-612-7086, rituparna.nath@spglobal.com
Suyash Pande: +91-124-612-7148, suyash.pande@spglobal.com
Pritish Raj: +91-124-612-7574; pritish.raj@spglobal.com
Anupam Chatterjee: +91-124-612-7251;
anupam.chatterjee@spglobal.com

Global Head of Generating Fuels & Electric Power Pricing
Francis Browne

President of S&P Global Commodity Insights
Saugata Saha

Advertising
Tel: +1-720-264-6618
Manager, Advertisement Sales
Bob Botelho

Coal Trader International is published every business day by S&P Global Commodity Insights, a division of S&P Global, registered office: 20 Canada Square, Canary Wharf, London, E14 5LH.

Officers of the Corporation: Richard E. Thornburgh, Non-Executive Chairman; Doug Peterson, President and Chief Executive Officer; Ewout Steenberg, Executive Vice President, Chief Financial Officer; Steve Kemps, Executive Vice President, General Counsel

© 2023 by S&P Global Inc. All rights reserved.

S&P Global, the S&P Global logo, S&P Global Commodity Insights, and Platts are trademarks of S&P Global Inc. Permission for any commercial use of these trademarks must be obtained in writing from S&P Global Inc.

You may view or otherwise use the information, prices, indices, assessments and other related information, graphs, tables and images ("Data") in this publication only for your personal use or, if you or your company has a license for the Data from S&P Global Commodity Insights and you are an authorized user, for your company's internal business use only. You may not publish, reproduce, extract, distribute, retransmit, resell, create any derivative work from and/or otherwise provide access to the Data or any portion thereof to any person (either within or outside your company, including as part of or via any internal electronic system or intranet), firm or entity, including any subsidiary, parent, or other entity that is affiliated with your company, without S&P Global Commodity Insights' prior written consent or as otherwise authorized under license from S&P Global Commodity Insights. Any use or distribution of the Data beyond the express uses authorized in this paragraph above is subject to the payment of additional fees to S&P Global Commodity Insights.

S&P Global Commodity Insights, its affiliates and all of their third-party licensors disclaim any and all warranties, express or

implied, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use as to the Data, or the results obtained by its use or as to the performance thereof. Data in this publication includes independent and verifiable data collected from actual market participants. Any user of the Data should not rely on any information and/or assessment contained therein in making any investment, trading, risk management or other decision. S&P Global Commodity Insights, its affiliates and their third-party licensors do not guarantee the adequacy, accuracy, timeliness and/or completeness of the Data or any component thereof or any communications (whether written, oral, electronic or in other format), and shall not be subject to any damages or liability, including but not limited to any indirect, special, incidental, punitive or consequential damages (including but not limited to, loss of profits, trading losses and loss of goodwill).

ICE index data and NYMEX futures data used herein are provided under S&P Global Commodity Insights' commercial licensing agreements with ICE and with NYMEX. You acknowledge that the ICE index data and NYMEX futures data herein are confidential and are proprietary trade secrets and data of ICE and NYMEX or its licensors/suppliers, and you shall use best efforts to prevent the unauthorized publication, disclosure or copying of the ICE index data and/or NYMEX futures data.

Permission is granted for those registered with the Copyright Clearance Center (CCC) to copy material herein for internal reference or personal use only, provided that appropriate payment is made to the CCC, 222 Rosewood Drive, Danvers, MA 01923, phone +1-978-750-8400. Reproduction in any other form, or for any other purpose, is forbidden without the express prior permission of S&P Global Inc. For article reprints contact: The YGS Group, phone +1-717-505-9701 x105 (800-501-9571 from the U.S.).

For all other queries or requests pursuant to this notice, please contact S&P Global Inc. via email at support@platts.com.

Recent heards in the thermal coal market

Date reported	Heard type	Product (kcal/kg)	Price (per mt) (mt)	Volume size (mt)	Delivery period notes	Source	Additional notes
09/02/2023	Indication	CFR Pakistan 5750 NAR	\$122	50000	March	Trader	
09/02/2023	Indication	CFR Pakistan 5750 NAR	\$120	50000	March	Trader	
09/02/2023	Offer	FOB Richards Bay 6000 NAR	\$140	50000	April	globalCOAL	
09/02/2023	Offer	FOB Richards Bay 6000 NAR	\$133	50000	March	Market	
09/02/2023	Offer	FOB Richards Bay 6000 NAR	\$133	50000	April	Market	
09/02/2023	Bid	FOB Richards Bay 6000 NAR	\$120	50000	April	Market	
09/02/2023	Bid	CIF ARA 6000 NAR	\$112.5	50000	April	Market	Non-Russian origin
09/02/2023	Offer	CIF ARA 6000 NAR	\$122.5	50000	April	Market	Non-Russian origin
09/02/2023	Offer	CIF ARA 6000 NAR	\$122	50000	March	Market	Non-Russian origin
09/02/2023	Bid	CIF ARA 6000 NAR	\$110	50000	March	Market	Non-Russian origin
09/02/2023	Indication	CFR Pakistan 5750 NAR	\$122	50000	March	Market	
09/02/2023	Offer	FOB Kalimantan 3400 GAR	\$53	55000	Feb/Mar	Trader	Supramax
09/02/2023	Indication	FOB Kalimantan 3400 GAR	\$52.25	55000	Feb/Mar	Trader	Supramax
09/02/2023	Indication	CFR India 5500 NAR	\$135	75000	Feb/Mar	Trader	Panamax, south african origin
09/02/2023	Indication	CFR India 4800 NAR	\$120	75000	Feb/Mar	Trader	Panamax, south african origin
09/02/2023	Indication	CFR India 6000 NAR	\$155-160	75000	Feb/Mar	Trader	Panamax, russian origin
09/02/2023	Trade	FOB Kalimantan 3800 NAR	\$76	Unknown	Mar	Trader	Gearless vessel
09/02/2023	Offer	FOB Kalimantan 4200 GAR	\$74	55000/75000	Feb/Mar	Trader	Geared vessel
09/02/2023	Bid	FOB Kalimantan 4200 GAR	\$72.5	55000/75000	Feb/Mar	Trader	Geared vessel
09/02/2023	Bid	FOB Kalimantan 3400 GAR	\$49	55000/75000	Feb/Mar	Trader	Geared vessel
09/02/2023	Indication	FOB Kalimantan 4200 GAR	\$73-73.50	55000/75000	Feb/Mar	Trader	Geared vessel
09/02/2023	Offer	FOB Kalimantan 3800 NAR	\$75	75000	Feb/Mar	Trader	Panamax
09/02/2023	Offer	FOB Richards Bay 5500 NAR	\$122	75000	Mar	Trader	Panamax
09/02/2023	Offer	FOB Richards Bay 4800 NAR	\$100	75000	Mar	Trader	Panamax
09/02/2023	Offer	FOB Kalimantan 3400 GAR	\$50	55000	Mar	Trader	Supramax
09/02/2023	Offer	FOB Kalimantan 4200 GAR	\$72	Unknown	Mar	Trader	Gearless vessel
09/02/2023	Trade	FOB Kalimantan 4200 GAR	\$72.5	55000	Mar	Trader	Supramax
09/02/2023	Indication	FOB Kalimantan 4200 GAR	\$72-73	55000	Mar	Trader	Supramax
09/02/2023	Indication	FOB Kalimantan 3400 GAR	\$49	55000	Mar	Trader	Supramax
09/02/2023	Offer	FOB Kalimantan 4800 GAR	\$93	75000	Feb	Trader	Panamax
09/02/2023	Bid	FOB Kalimantan 4800 GAR	\$90	75000	Feb	Trader	Panamax
08/02/2023	Offer	FOB Colombia 6000 NAR	\$120	150000	April	Trader	
08/02/2023	Offer	FOB Colombia 6000 NAR	\$120	150000	March	Trader	
08/02/2023	Offer	CIF ARA 6000 NAR	\$127	50000	April	Trader	Non-Russian origin
08/02/2023	Bid	CIF ARA 6000 NAR	\$117	50000	April	Trader	Non-Russian origin
08/02/2023	Bid	FOB Richards Bay 6000 NAR	\$145	50000	April	Trader	
08/02/2023	Offer	FOB Richards Bay 6000 NAR	\$145	50000	April	Trader	
08/02/2023	Offer	FOB Richards Bay 6000 NAR	\$143	50000	March	Trader	
08/02/2023	Bid	FOB Richards Bay 6000 NAR	\$147	50000	March	Trader	
08/02/2023	Indication	CFR Pakistan 5750 NAR	\$120	50000	March	Trader	
08/02/2023	Indication	FOB NOLA 6000 NAR	\$110	0	March	Broker	
08/02/2023	Indication	FOB Baltimore 6900 NAR	\$110	0	March	Broker	
08/02/2023	Indication	FOB Baltimore 6900 NAR	\$125	0	March	Broker	
08/02/2023	Indication	FOB NOLA 6000 NAR	\$121	0	March	Broker	
08/02/2023	Indication	FOB Kalimantan 4700 NAR	\$110	55000/75000	Feb	Producer	Geared vessel
08/02/2023	Offer	CFR India 6000 NAR	\$150	55000/75000	Mar	Trader	Geared vessel, russian origin
08/02/2023	Offer	CFR India 5800 NAR	\$140	55000/75000	Mar	Trader	Geared vessel, mozambique origin
08/02/2023	Offer	FOB Colombia 6000 NAR	\$120	55000/75000	Mar	Trader	Geared vessel
08/02/2023	Offer	CFR India 6900 NAR	\$157	55000/75000	Mar	Trader	Geared vessel, us origin
08/02/2023	Offer	FOB Richards Bay 6000 NAR	\$145	75000	Mar	Trader	Panamax
08/02/2023	Offer	FOB Richards Bay 5500 NAR	\$115	75000	Mar	Trader	Panamax
08/02/2023	Offer	FOB Richards Bay 4800 NAR	\$95	75000	Mar	Trader	Panamax
08/02/2023	Offer	FOB Richards Bay 5700 NAR	\$135	75000	Mar	Trader	Panamax
08/02/2023	Offer	FOB Kalimantan 6500 GAR	\$140	55000	Mar	Trader	Supramax, high sulfur
08/02/2023	Offer	FOB Kalimantan 5800 GAR	\$130	55000	Mar	Trader	Supramax

part of S&P Global Commodity Insights.

Under CBAM, which will initially come into effect in 2026, imports of steel, cement, fertilizers, aluminum and electricity will be subject to a carbon leakage or tax.

"By confirming that a price has been paid for the embedded carbon emissions generated in the production of certain goods imported into the EU, the CBAM will ensure the carbon price of imports is equivalent to the carbon price of domestic production, and that the EU's climate objectives are not undermined," according to the European Commission.

Climate targets

On Feb. 8, the EU Committee of the Permanent Representatives also approved the ETS reform with 23 member states approving the key bill, according to Peter Liese, lead negotiator on the ETS in the European Parliament.

This comes more than a month after negotiators agreed to reform the EU's ETS on Dec. 18, increasing carbon cutting ambitions to 2030, detailing the removal of free allowances and confirming the inclusion of maritime shipping and a new ETS II for buildings and transport.

The headline agreement requires the ETS' 10,000 covered installations to reduce their carbon emissions by 62% on 2005 levels by 2030, one percentage point more than proposed by the European Commission and a 44% hike on the current target.

This means the EU ETS and CBAM reforms are just a few steps away from making the legislation binding, with a plenary vote expected in the second quarter of 2023.

A one-off reduction in EUAs of 90 million mtCO₂e in 2024 and 27 million mtCO₂e in 2026 would help Europe deliver on the target, in combination with an annual reduction in EUAs of 4.3% from 2024-27 and 4.4% from 2028-30, the same as previously agreed by the EU Council and European Parliament.

Analysts at S&P Global expect EUAs to receive upside support to long-term prices as we get closer to the conclusion of these negotiations.

"The sum of 2021-2030 EU ETS free allocations are set to fall by around 10%, led by a reduction of nearly 50% from sectors covered by the new CBAM by 2030," they added in a recent note.

— Eklavya Gupte

Australia's Ichthys to boost 2023 LNG shipments by 18% on year to record 132 cargoes: INPEX

- Ichthys aims to complete 9.3 mil mt/year supply framework in 2023
- INPEX plans 25% hike in 2023 capex for oil and gas developments
- INPEX plans to produce record 638,900 boe/d in 2023 on Ichthys boost

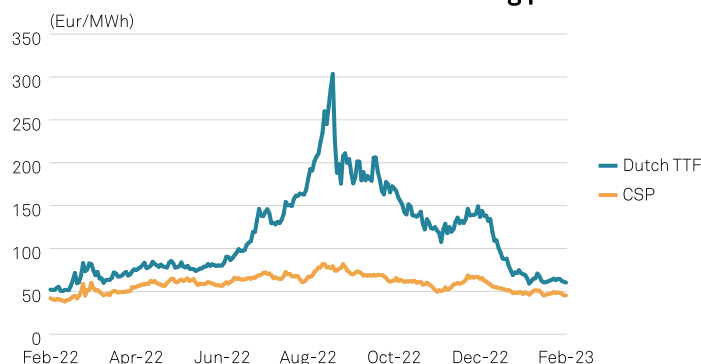
The INPEX-operated Ichthys project in Australia is expected to ship a record 132 LNG cargoes in 2023, up 18% from 112 cargoes a year ago, an INPEX spokesperson said Feb. 9, as it starts working

Thermal coal forward curves, Feb 9

	Bid	Ask	Midpoint*	Platts symbol	Change*	% Change
CIF ARA 6,000 NAR						
Mar-23	120.85	121.15	121.00	CSAM001	-3.15	-2.54
Apr-23	121.85	122.15	122.00	CSAM002	-5.00	-3.94
Q2-23	123.45	123.75	123.60	CSAQ001	-5.40	-4.19
Q3-23	129.35	129.65	129.50	CSAQ002	-3.00	-2.26
Q4-23	130.85	131.15	131.00	CSAQ003	-4.05	-3.00
Q1-24	134.85	135.15	135.00	CSAQ004	-2.80	-2.03
2024	132.85	133.15	133.00	CSAY001	-2.00	-1.48
2025	125.85	126.15	126.00	CSAY002	-4.00	-3.08
2026	115.85	116.15	116.00	CSAY003	-6.00	-4.92

*Fields are calculated.

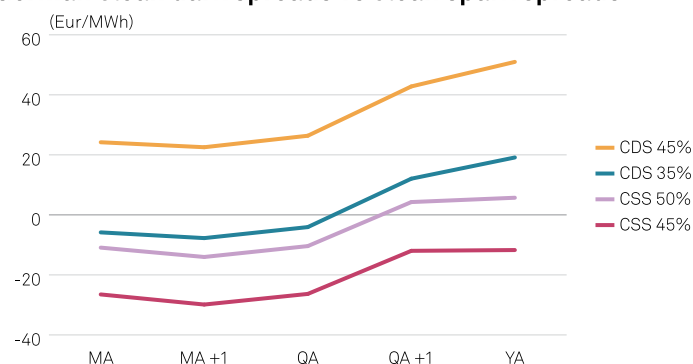
Year-ahead TTF vs Dutch YA coal switching price



Efficiency used is 50% for gas plants and 40% for Dutch coal plants. Platts CSPI is the theoretical threshold at which gas is more competitive than coal in power generation. When the gas price is higher than the CSPI, CCGTs are more expensive to run than coal-fired plants.

Source: S&P Global Commodity Insights

German clean dark spreads vs clean spark spreads



Source: S&P Global Commodity Insights

Power price fundamentals

		09-Feb-23	Change
Brent oil (month ahead - \$/b)	AAYES00	84.080	+0.070
Coal CIF ARA (year ahead - \$/mt)	CSAY001	133.000	-2.000
EEX EUA carbon (front December - Eur/mt)	EADLP00	90.960	+0.680
UK NBP gas (month ahead - p/th)	NGAAE00	132.050	-2.925
Dutch TTF gas (year ahead - Eur/MWh)	GTFTZ00	60.225	-0.825

on debottlenecking the facility to boost production.

The boost in Ichthys LNG shipments comes as the project now aims to build a framework capable of a stable supply of 9.3 million mt/year of LNG in 2023 from debottlenecking the facility from upgrading cooling systems for liquification and taking measures against vibration, the spokesperson said.

This marks an advancement of reaching the 9.3 million mt/year Ichthys LNG supply framework by one year from a target by 2024, increasing production by 400,000 mt/year under a midterm-business plan announced in February 2022.

The Ichthys LNG shipments will increase in 2023 after a 4% year-on-year dent in 2022 from major scheduled maintenance programs over June 26-Aug. 10, the spokesperson said, adding that the project will only have a 10-day shutdown maintenance program in 2023.

For 2023, the Ichthys project also plans to ship around three offshore condensate cargoes, two plant condensate cargoes and three LPG cargoes a month, the spokesperson said.

The planned shipments compare with 21 offshore condensate cargoes shipped in 2022, which was stable from 2021, with 29 plant condensate cargoes shipped in 2022, down from 32 cargoes the year before, the spokesperson said.

LPG shipments totaled 30 cargoes in 2022, down from 32 the year before, the spokesperson said, adding the maintenance program was a key driver for the year-on-year decline in 2022 plant condensate and LPG cargo shipments.

Boosting capex

INPEX, Japan's largest upstream company, plans to raise its capital expenditure for oil and gas developments by 25% year on year to Yen 349 billion (\$2.66 billion) in 2023 due mainly to its activities at Ichthys and other projects in Oceania, the spokesperson said.

The company also plans to more than double its capex for exploration to Yen 71 billion in 2023 from Yen 30.4 billion in 2022 due mainly to exploration at blocks surrounding Ichthys, the spokesperson added.

The stable Ichthys operations also expects to boost INPEX's oil and gas production to a record 638,900 b/d of oil equivalent in 2023 from the previous record of 622,200 boe/d in 2022, the spokesperson said.

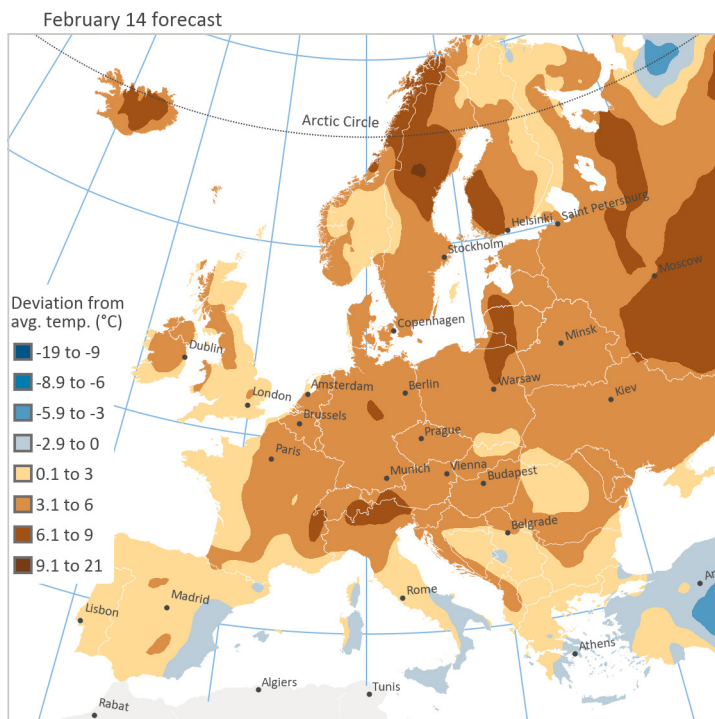
INPEX posted a record net profit of Yen 438.276 billion in 2022, up 96.5% year on year on record revenue of Yen 2.325 trillion, up 86.8% over the same period.

The Ichthys project, operated by INPEX, involves piping gas from the offshore Ichthys field in the Browse Basin off northwestern Australia more than 890 km (5,502 miles) to the onshore 8.9 million mt/year LNG plant near Darwin. At peak, it has capacity to produce 1.65 million mt/year of LPG and 100,000 b/d of condensate.

With its 66.245% stake in the Ichthys project, INPEX has the right to lift 900,000 mt/year of Ichthys LNG, the majority of which it receives at its Naoetsu LNG import terminal in northwestern Japan for its pipeline gas supply.

— Takeo Kumagai

5-day-ahead temperature deviation forecast



Source: S&P Global Commodity Insights, CustomWeather

Japan's spot daily electricity prices soar as snow forecast to hit Tokyo

- 24-hour day-ahead spot electricity price surges 25% for Feb 10
- TEPCO's Feb 10 demand, facility utilization peaking 94% of capacity
- Snowfall, colder weather to support prompt LNG, kerosene demand

Spot electricity prices traded on the Japan Electric Power Exchange surged for Feb. 10 as Tokyo and Tohoku in the northeast were forecast to be hit by snow in the day, rebounding to a level close during the recent cold spell.

The JEPX marked the 24-hour day-ahead price at Yen 20.84/kWh for Feb. 10, up 25.2% from Yen 16.64/kWh for Feb. 9, with the day-ahead daytime (8 am-10 pm Japan Standard Time) price at Yen 24.21/kWh, up 42.2% from Yen 17.03/kWh the previous day, while the day-ahead peak time soared 63.5% to Yen 25.02/kWh from Yen 15.30/kWh over the same period.

The wholesale spot electricity prices rose close to the level during the recent cold spell and snow storm hitting regions from the north to western Japan over Jan. 24-26.

Spot electricity prices tend to rise when Japan is hit by snow that reduces solar power output.

The Japan Meteorological Agency forecasts Tokyo and the Tohoku region to be cloudy, followed by snow Feb. 10.

In its month-long weather forecast, the JMA said Feb. 9 that all regions from Hokkaido in the north to Chugoku and Shikoku

Platts daily metallurgical coal assessments, Feb 9

Asia-Pacific coking coal (\$/mt)

	Platts symbol	FOB Australia	Change	Platts symbol	CFR China	Change	Platts symbol	CFR India	Change
HCC Peak Downs Region	HCCGA00	370.25	+7.00	HCCGC00	382.25	+7.45	HCCGI00	383.25	+7.25
Premium Low Vol	PLVHA00	370.25	+7.00	PLVHC00	331.00	0.00	PLVHI00	383.25	+7.25
Low Vol HCC	HCCAU00	344.50	+7.00	HCCCH00	288.00	0.00	HCCIN00	357.50	+7.25
Low Vol PCI	MCLVA00	334.50	+7.00	MCLVC00	226.00	-2.00	MCLVI00	347.50	+7.25
Mid Vol PCI	MCLAA00	332.50	+7.00	MCLAC00	224.00	-2.00	MCVAI00	345.50	+7.25
Semi Soft	MCSSA00	288.50	0.00	MCSSC00	220.00	-1.00	MCSSI00	301.50	+0.25
Premium Low Vol China Netback	PLVHD00	319.00	-0.45						

TSI coking coal indices (\$/mt)

TSI Premium Hard (PHCC) FOB Australia	TS01034	370.25	+7.00
---------------------------------------	---------	--------	-------

Asia-Pacific brand relativities (\$/mt)

	Platts symbol	FOB Australia	Spread vs PLV FOB Australia	Platts symbol	CFR China	Spread vs PLV CFR China	Spread vs Low Vol HCC CFR China
Premium Low Vol	PLVHA00	370.25	100.00%	PLVHC00	331.00	100.00%	
Peak Downs	HCPDA00	370.25	100.00%	MCBAA00	382.25	115.48%	
Saraji	HCSAA00	370.25	100.00%	MCBAB00	382.25	115.48%	
Oaky North	HCOKA00	370.25	100.00%	MCBAR00	382.25	115.48%	
Illawarra	HCIWA00	370.25	100.00%	MCBAH00	382.25	115.48%	
Moranbah North	HCMOA00	370.25	100.00%	MCBAG00	382.25	115.48%	
Goonyella	HCGOA00	370.25	100.00%	MCBAE00	382.25	115.48%	
Peak Downs North	HCPNA00	370.25	100.00%	MCBAJ00	382.25	115.48%	
Goonyella C	HCGNA00	370.25	100.00%	MCBAI00	382.25	115.48%	
Riverside	HCRA00	370.25	100.00%	MCRVR00	382.25	115.48%	
GLV	HCHCA00	369.25	99.73%	MCBAF00	381.25	115.18%	
Low Vol HCC				HCCCH00	288.00	87.01%	100.00%
Lake Vermont HCC				MCBAN00	356.50		123.78%
Carborough Downs				MCBAO00	354.50		123.09%
Middlemount Coking				MCBAP00	346.50		120.31%
Poitrel Semi Hard				MCBAQ00	343.50		119.27%

February 9 freight rates. Australia to China: Panamax = \$12.00/mt Capesize = \$765/mt.

For further information about these assessments, please refer to the specifications guide:

<https://www.spglobal.com/platts/en/our-methodology/methodology-specifications/metals/metallurgical-coal-methodology> or contact PL_CokingCoal@spglobal.com.

Atlantic coking coal (\$/mt)

	Platts symbol	FOB US East Coast	Change	VM	Ash	S
Low Vol HCC	AAWWR00	320.00	0.00	19.25%	8.25%	0.95%
High Vol A	AAWS00	305.00	0.00	32.25%	7.5%	0.95%
High Vol B	AAWT00	290.00	+5.00	36.00%	8.00%	1.00%

Premium Low Vol

		\$/mt	Change	VM	Ash	S
Premium Low Vol HCC CFR NWE	PLVHE00	379.95	+7.25	21.50%	9.30%	0.50%
Premium Low Vol FOB Australia	PLVHA00	370.25	+7.00	21.50%	9.30%	0.50%

Detailed methodology and specifications are found here: <http://platts.com/IM.Platts.Content/MethodologyReferences/MethodologySpecs/metcoalmethod.pdf>.

PCC Met (Platts China Coal – Metallurgical) (Yuan/mt)*

	Platts symbol	Ex-washplant	Platts symbol	Free-on-Rail	Platts symbol	DDP Tangshan	Platts symbol	CFR China equivalent (\$/mt)
PCC Met Shanxi Premium Low Vol	PCCMA04	2425	PCCMB04	2460	PCCMC04	2685	PLVHJ04	328.88
PCC Met Shanxi High Sulfur Premium Low Vol	PCCMD04	2075	PCCME04	2110	PCCMF04	2335	PLVHD04	290.76
PCC Met North China Fat Coal					PCCMG04	2475	PCCDG04	308.78
PCC Met Shanxi PCI	PCCMH04	1800	PCCMI04	1835	PCCMJ04	1970	MCLCC04	243.80
PCC Met Shandong Semi Soft	PCCMK04	1850	PCCML04	1870			MCSSD04	219.32
PCC Met Rail Freight Shanxi – Tangshan	PCCMM04	200						
PCC Met Truck Freight Shanxi – Tangshan	PCCMO04	260						

*Weekly (assessed February 8).

North China prompt port stock prices

	Platts symbol (Yuan/mt, incl VAT)	Ex-stock Jingtang	Platts symbol	CFR Jingtang equivalent (\$/mt)**
Premium Low Vol*	AAWZN00	2600.00	AAWZO00	337.53
Low Vol HCC*	AAWZP00	2350.00	AAWZQ00	304.70

*Weekly (assessed February 3), 20-day delivery from date. **Ex-stock price, net of port charges, import tax and VAT.

Platts daily metallurgical coal assessments (continued)

HCC assessed specifications

	CSR	VM	Ash	S	P	TM	Fluidity
Premium Low Vol	71%	21.50%	9.30%	0.50%	0.05%	9.70%	500
HCC Peak Downs Region	74%	20.70%	10.50%	0.60%	0.03%	9.50%	400
Low Vol HCC	62%	21.50%	8.00%	0.45%	0.06%	10.50%	100

Penalties & Premia: Differentials (\$/mt)

	Within min-max	Platts symbol	% of Premium Low Vol FOB Australia assessment price	Platts symbol	Net value
Per 1% CSR	67-74%	CPCSA00	0.00%	CPCSP00	0.00
Per 1% VM (air dried)	18-27%	CPVPA00	0.00%	CPVMP00	0.00
Per 1% TM (as received)	8-11%	CPTPA00	0.00%	CPTMP00	0.00
Per 1% Ash (air dried)	7-10.5%	CPAPA00	0.00%	CPPAP00	0.00
Per 0.1%S (air dried)	0.3-1%	CPSPA00	0.00%	CPSPV00	0.00

US Low Vol HCC Penalties & Premia; Differentials (\$/mt)

	Within min-max	Platts symbol	% of US Low Vol HCC FOB USEC assessment price	Platts symbol	Net value
Per 1% CSR	50-64%	CPPBA00	0.20%	CPPBB00	0.64
	40-49%	CPPBC00	0.20%	CPPBD00	0.64
Per 0.1% S	0.70-1.05%	CPPBE00	0.85%	CPPBF00	2.72
	1.06-1.25%	CPPBG00	1.80%	CPPBH00	5.76
Per 1% TM (as received)	6-11%	CPPBK00	1.00%	CPPBL00	3.20
Per 1% Ash	5-10%	CPPBI00	1.75%	CPPBJ00	5.60

US weekly brand relativities (\$/mt), February 3

	Platts symbol	FOB	Spread vs US LV
Blue Creek No. 7	MCAPB04	345.00	
Blue Creek No. 4	MCAPC04	330.00	
Beckley	MCAPD04	317.00	100.63%
Low Vol FOB USEC	AAWVR00	315.00	100.00%
Windber	MCAPE04	310.25	98.49%
Buchanan	MCAPF04	317.00	100.63%

February 3 Panamax freight rates. Hampton Roads to Rotterdam = \$11.75/mt, Hampton Roads to Brazil = \$12.00/mt, Mobile to Rotterdam = \$15.00/mt.

For further information about these assessments, please refer to the specifications guide:

<https://www.spglobal.com/platts/en/our-methodology/methodology-specifications/metals/metallurgical-coal-methodology> or contact PL_CokingCoal@spglobal.com.

Source: S&P Global Platts

Coking coal derivatives assessments, Feb 9

	Platts symbol	\$/mt	Chg	% Chg
TSI Premium Hard Coking Coal Australia Export FOB East Coast Port				
Mar-23	MCPLM01	358.500	+2.500	+0.702
Apr-23	MCPLM02	349.000	+4.500	+1.306
May-23	MCPLM03	324.000	+6.500	+2.047
Q2-23	MCPLQ01	306.500	+3.500	+1.155
Q3-23	MCPLQ02	288.000	+1.000	+0.348
Q4-23	MCPLQ03	285.000	+1.000	+0.352
2024	MCPLY01	281.250	+1.000	+0.357
2025	MCPLY02	256.250	+1.000	+0.392

Platts China PLV, met coke price differentials, Feb 9

Price spreads	Platts symbol	\$/mt
Import-Shanxi Premium Low Vol CFR China	PLVHK04	2.12
Import-port stock Premium Low Vol CFR China	PLVHL04	-8.53
62/60% CSR coke export-domestic FOB North China	PLVHN04	5.70

Metallurgical coke, Feb 9

Seaborne					
	% CSR	Platts symbol	\$/mt	Chg	% Chg
FOB North China	66/65	MCCNC00	446.00	+2.00	+0.45
	65/63	MCCHB00	432.00	+2.00	+0.47
	64/62	AAWVL00	416.00	+2.00	+0.48
	62/60	MCCHA00	411.00	+2.00	+0.49
CFR India	66/65	MCCNI00	475.00	+3.00	+0.64
	65/63	MCINB00	458.00	+3.00	+0.66
	64/62	MCCET00	448.00	+3.00	+0.67
	62/60	MCINA00	443.00	+3.00	+0.68
Domestic					
Yuan/mt					
DDP North China (weekly)	62/60	AAWVJ00	2700.00	0.00	0.00
\$/mt					
FOB North China equivalent (DDP weekly)	62/60	PLVHM04	405.30	-4.69	-1.16

regions in the western Japan are forecast to experience below the 30-year-average temperatures over Feb. 11-March 10.

Colder than expected weather would have impact on prompt LNG demand for power generation and heating as well as on kerosene demand for heating.

LNG impact

A Japanese utility said that the snowfall would increase prompt LNG consumption in the Tokyo area but it would have limited impact on winter LNG procurements as the market already shifts to spring cargoes.

Takayuki Nogami, chief economist at Japan Organization for Metals and Energy Security, however, said that additional LNG procurements could still be possible should lower than 30-year-average temperatures to remain in populous parts of the country amid an unexpected outage at a nuclear power plant.

Japan's largest power generation company JERA shut the 1 GW No. 2 Higashi Ohgishima gas-fired unit following an electricity facility glitch at 12:30 pm local time Feb. 9 (0330 GMT), the company said in a filing to the Hatsuden Joho Kokai System, but did not share an outlook for restart.

In its outlook estimated at 06:20pm local time Feb. 9, TEPCO Power Grid said its facility utilization peaking at 06:00-07:00 am and its demand peaking at 11:00-12:00 pm at 94% each of its supply capacity in the Tokyo area Feb. 10.

LNG stocks held by Japan's major power utilities fell 4.3% week on week to 2.42 million mt as of Feb. 5, according to data released Feb. 8 by the Ministry of Economy, Trade and Industry, marking the lowest level in six weeks.

Kerosene impact

The colder than expected weather would also support further Japan's kerosene demand for heating, which has been robust particularly in the north so far this winter.

Following the JMA's Feb. 9 month-long weather forecast, one Japanese refiner said Feb. 9 it is revising higher its outlook of kerosene sales for February.

Japan's kerosene stocks dropped 11.1% on the week to 11.16 million barrels Feb. 4, according to the Petroleum Association of Japan data released Feb. 8, as the output slid 3.3% from a week ago to 2.17 million barrels in the Jan. 29-Feb. 4 period.

Estimated domestic kerosene shipments in the week to Feb. 4 jumped 14.4% on the week to 3.53 million barrels, according to S&P Global Commodity Insights calculations based on PAJ data.

— Takeo Kumagai, Atsuko Kawasaki, Hiroyuki Koshiji

US DATA: Coal carloads drop 14.8% on week, AAR says

- UP coal rail share sinks to 20-month low
- Most US coals close lower on session: Platts Weekly Price Survey

Weekly US coal carloads fell to the lowest level so far this year at 58,224 in the week ended Feb. 4, according to Association of

Weekly Averages for Platts Thermal Coal Price Assessments (\$/mt)

	CV (kcal/kg)	Basis	Week ending 03-Feb	Week ending 27-Jan	Change
FOB Kalimantan	5,900	GAR	138.600	141.333	-2.733
FOB Kalimantan	5,000	GAR	101.400	103.833	-2.433
FOB Kalimantan	4,200	GAR	78.970	82.450	-3.480
FOB Kalimantan	3,800	GAR	63.600	64.583	-0.983

Monthly and Quarterly Averages for Platts Forward Benchmark Coal Price Assessments (\$/mt)

	CV (kcal/kg)	Basis	Jan-23	Dec-22	Nov-22	Q4-22	Q3-22
Platts SEAT	4,200	GAR	91.33	98.65	95.43	98.78	94.64
Platts NEAT	5,750	NAR	157.97	163.81	165.03	174.04	232.37
CFR Pakistan	5,750	NAR	178.24	224.97	176.22	195.31	338.36
CFR Bangladesh	5,000	GAR	115.06	127.90	132.42	134.89	136.14
Sulfur Differential			0.30	0.30	0.30	0.30	0.30
CIF ARA	6,000	NAR	165.16	227.69	218.28	238.01	364.29
European Blended Price	6,000	NAR	166.91	213.14	208.88	225.93	304.83
EBP Differential	6,000	NAR	1.75	-14.56	-9.41	-12.08	-59.46
FOB Richards Bay	5,500	NAR	114.16	142.91	148.73	153.66	236.88
FOB Newcastle 20% Ash	5,500	NAR	133.96	138.16	137.26	145.15	195.45
FOB Newcastle 23% Ash	5,500	NAR	130.54	134.64	133.76	141.45	190.46
FOB Kalimantan	5,900	GAR	145.05	159.30	173.26	173.95	184.06
FOB Kalimantan	5,000	GAR	107.26	118.91	122.90	124.12	119.83
FOB Kalimantan	4,200	GAR	84.59	90.87	87.34	89.84	82.21
FOB Kalimantan	3,800	GAR	65.65	73.20	70.47	71.71	66.53
CFR India West	5,500	NAR	148.56	157.10	161.24	163.11	168.22
CFR India West	5,000	GAR	117.85	130.68	135.71	137.48	136.28
CFR India West	4,200	GAR	95.17	102.64	100.15	103.20	98.67
CFR India East	5,500	NAR	149.36	157.90	162.04	163.91	168.85
CFR India East	5,000	GAR	117.05	129.77	134.66	136.39	134.86
CFR India East	4,200	GAR	94.37	101.72	99.09	102.11	97.25
CIF Med 75kt	6,000	NAR	180.25	215.40	240.00	247.27	304.43
CIF Med 45kt	6,000	NAR	123.50	141.20	151.25	153.31	245.64
FOB Baltimore	6,000	NAR	134.84	167.84	162.17	178.24	235.78
FOB Hampton Roads	6,000	NAR	192.69	224.00	231.92	230.70	241.03
FOB New Orleans	6,000	NAR	149.93	187.62	183.65	200.71	264.09
FOB Baltimore	6,900	NAR	155.05	193.00	186.49	204.96	271.14
FOB Colombia	6,000	NAR	151.50	208.20	202.80	216.54	317.83
Russia Baltic	6,000	NAR	97.50	110.00	103.75	105.77	126.43
Russia Pacific	6,300	GAR	137.00	148.60	148.50	151.85	154.36

American Railroads data released Feb. 8.

Coal carloads were 14.8% lower on the week and 10.4% lower than the year-ago week. The latest week was at a 17.1% deficit to the five-year average 70,221 coal carloads. Coal accounted for 13% of US rail share in week five, down from 14.4% the week before.

Union Pacific's coal carload originations and interchanges fell by the steepest margin, down 36.4% on the week to 10,443. UP coal carloads were 36.1% lower than the year-ago week. Year to date, UP coal carloads rose 6.9% above the 2022 period. Coal accounted for 6.9% of UP rail share, a 20-month low.

Union Pacific ships coal in the Powder River Basin, which consists primarily of Wyoming and Montana. As part of the Feb. 3 Weekly Price Survey, Platts assessed PRB 9,400 Btu/lb rail coal for prompt-quarter delivery down 10 cents on the session at \$16.25/st.

Norfolk Southern coal carload originations and interchanges fell 7.4% on the week to 13,831. NS coal carloads were 16.5% higher than the year-ago week. Year to date, NS coal carloads were 10.1% higher than the 2022 period. Coal was 10.8% of total NS traffic in the latest week, down from 11.2% the week before. It was a three-week low for NS coal rail share.

Platts Feb. 3 Weekly Price Survey assessed Thacker/Kenova 12,500 Btu/lb NS rail coal down \$5.50 on the session at \$114.50/st, according to S&P Global Commodity Insights data.

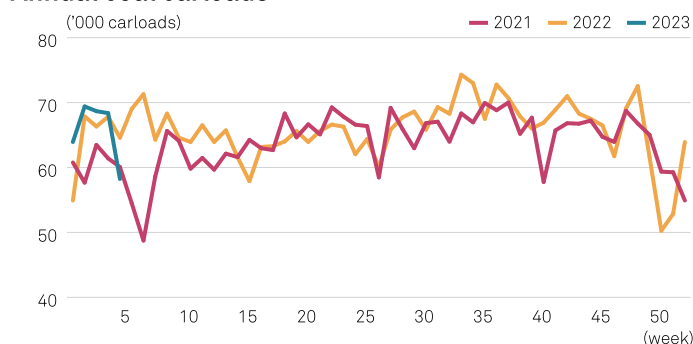
CSX coal carload originations and interchanges totaled 12,761, down 6.5% from the week before. CSX coal carloads were 28.6% higher on the year. Year-to-date CSX coal carloads were 5.7% higher than the 2022 period. Coal accounted for 11.4% of CSX rail share, down from 11.8% the prior week.

Central Appalachia 12,500 Btu/lb rail coal for prompt-quarter delivery fell \$5.50 on the session to \$113/st, according to the Feb. 3 Platts Weekly Price Survey.

BNSF did not yet report week-five data.

Platts is part of S&P Global Commodity Insights.

Annual coal carloads



Source: Association of American Railroads

— Morgan Snook

Asia-Pacific Panamax activity stymied by wide bid-offer gap

- Owners continue to resist dropping offers lower
- Slow down in new cargo orders entering market

Asia-Pacific Panamax market saw limited activity on the day Feb. 9 as bids and offers stayed far apart.

"Despite positive momentum building overnight on the [freight derivative] markets, this bullish sentiment has failed to materialize in the Pacific," a ship-operator source said. "Notably, next to no fresh cargo requirements were circulated, with only new tonnage positions being marketed," the source added.

A second ship-operator source added that the spot physical rates and freight derivative rates did not seem to be in sync.

"Pacific does feel over supplied. But owners are still resisting even though options to ballast are reducing given the drop in rates out of east coast South America," the second ship-operator said while adding that the rates were under pressure.

Out of Australia, Steel Authority of India Ltd., or SAIL was heard to have fixed a 75,000 mt (plus/minus 10%) metallurgical coal cargo from Dalrymple Bay Coal Terminal to Vizag on east coast India for March 1-10 laycan at \$14.90/mt.

Kamsarmax vessels opening in the Far East were heard bid at \$6,000/d for a trip via Australia compared to offers close to

\$9,000/d.

Platts assessed the freight rate to move 75,000 mt (plus/minus 10%) of metallurgical coal from Hay Point to Paradip on east coast India on Feb. 9, at \$13/mt, up 25 cents/mt from Feb. 8 and to Qingdao in China at \$12/mt, up 45 cents/mt over the same period.

In Southeast Asia, presence of multiple smaller and older Panamax vessels kept the rates under pressure, the second ship-operator said.

No fresh fixtures were heard out of Indonesia on the day. An indicative offer was heard at \$9/mt, excluding port charges at discharge port, for Panamax with coal from East Kalimantan in Indonesia to Dahej on west coast India.

Platts assessed the freight rate to move 75,000 mt (plus/minus 10%) of thermal coal from Banjarmasin in Indonesia's South Kalimantan province to Krishnapatnam on India's east coast Feb. 9 at \$7.55/mt and to Mundra on India's west coast at \$8.40/mt, both unchanged from Feb. 8.

Platts assessed the freight rate to move 65,000 mt (plus/minus 10%) of thermal coal from Samarinda in Indonesia's East Kalimantan province to Guangzhou in China at \$5.70/mt, Feb. 9, up 25 cents/mt on the day.

Activity was thin out of Indian Ocean. Platts assessed the freight rate to move 75,000 mt (plus/minus 10%) of thermal coal from Richards Bay Coal Terminal in South Africa to Paradip at \$13.90/mt on Feb. 9, flat on the day.

Platts is part of S&P Global Commodity Insights.

— Shriram Sivaramakrishnan

Asia PLV FOB prices rise on tight supply amid weather disruptions

- Bid heard at \$370/mt FOB Australia for March-loading cargo
- Demand from North Asian, Indian markets supports prices

The PLV FOB Australia prices continued to be supported Feb. 9 by tight supply due to expected weather disruptions in Australia, according to sources.

Platts assessed the benchmark PLV FOB Australia price up \$7/mt on the day at \$370.25/mt on FOB Australia basis Feb. 9 while the delivered price was assessed flat at \$331/mt on CFR China basis.

In the FOB Australia market, a bid was heard at \$370/mt for 40,000 mt of globalCOAL HCCA Branded coal with a March 11-20 loading laycan.

"It was heard earlier in the day that there seems to be some short-term stoppages at the DBCT ports, with this impacting the wait times by even two months in extreme cases," an International trader said.

According to the DBCT duty officer contacted by S&P Global Commodity Insights during Asian trading hours, the terminal was operational and not impacted by the cyclone so far.

"Weather disturbances will lead to supply disruptions in Australia and that will likely keep the sentiment bullish," an Indian

steelmaker source said.

“Demand is still originating from the North Asian and Indian market, with a steel market buy tender seeing no takers, providing further indication that the market’s upward momentum is strong,” an international trader said.

Prices were rangebound in the CFR China market amid a lack of trading activity.

“Interest within the Chinese market appears to be lukewarm, with a wide disparity in the price expectations of sellers and buyers. Participants will remain on the sidelines despite having relatively low inventories,” a China-based trader said.

Prices remained rangebound in the domestic China met coke market as it continued to see an impasse between steel mills and merchant cokeries after the third round of price cuts that was proposed Jan. 29.

“The third round of price cuts has landed, with many uncertain if it will follow through,” a Chinese trader said.

Platts assessed domestic met coke with 62%/60% CSR DDP North China flat at Yuan 2,700/mt Feb. 9, or at the equivalent of \$405.30/mt FOB China, down \$4.69/mt on the week.

Offers in the Indian metcoke market were heard at Rupee 44,000-45,000/mt ex-washplant [\$532.70/mt], according to coke producers.

Platts is part of S&P Global Commodity Insights.

— Staff

Assessment Rationales

Platts Thermal Coal Indonesia Daily Rationale

Platts assessed the seven-to-45 day price of FOB Kalimantan 4,200 kcal/kg GAR coal at \$72.95/mt on Feb. 9, down \$2.95/mt on the day, amid low demand.

Trades heard at \$72.50/mt FOB and \$74/mt FOB and an offer heard at \$70/mt FOB on Supramax basis for March-loading cargoes were not included in the assessment as they could not be confirmed before the Platts Markets on Close assessment process.

The best bid was heard at \$72.50/mt FOB on Supramax basis for February/March-loading cargo.

The best offer was heard at \$73/mt FOB on Supramax basis

for February/March-loading cargo while a higher offer was heard at \$74/mt FOB on Supramax basis for February/March-loading cargo.

The above rationale applies to the FOB Kalimantan 4,200 kcal/kg GAR assessment, with the associated code: CSBK100

Platts is part of S&P Global Commodity Insights.

Platts Hard Coking Coal Premium Low Vol CFR China Daily Rationale

Platts assessed premium low volatile matter hard coking coal unchanged at \$331/mt CFR China Feb. 9, in line with tradeable levels heard for the day.

Tradable levels were heard in the \$325-\$335/mt CFR China range for US low-vol Blue Creek No. 7, normalized to a \$2/mt discount to Platts Premium Low Vol CFR China in the \$327-\$337/mt range.

Platts is part of S&P Global Commodity Insights.

Exclusions: No market data was excluded from the assessment process.

The above rationale applies to Platts premium Low Vol CFR China assessment (PLVHC00) and TSI Prem JM25 CFR Jingtang (TS01044).

Platts Hard Coking Coal Premium Low Vol FOB Australia Daily Rationale

Platts assessed premium low volatile matter hard coking coal up \$7/mt on the day to \$370.25/mt FOB Australia Feb. 9, above a bid and in line with tradable levels heard for the day.

A bid was heard at \$370/mt FOB Australia for 40,000 mt globalCOAL HCCA branded coal with a March 11-20 loading laycan. This was for coal normalized to parity with Platts Premium Low Vol FOB Australia.

Tradeable values were heard in the \$360-\$380/mt FOB Australia range for Australian premium low-vol Peak Downs, normalized to parity with Platts Premium Low Vol FOB Australia.

Platts is part of S&P Global Commodity Insights.

Exclusions: No market data was excluded from the assessment process.

The above rationale applies to Platts Premium Low Vol FOB Australia assessment (PLVHA00) and TSI Premium Hard Coking Coal Australia Export FOB East Coast Port (TS01034).

Current Vessel Fixtures

Vessel	Quantity (Mt)	Origin/Destination	Loading Dates	Rate (\$/mt)	Charterer
Australia					
TBN	75000	DBCT/Vizag	Feb. 20-Mar. 1	\$15.15/mt	SAIL
TBN	75000	Hay Point/Gangavaram	Feb. 19-28	\$15/mt	RINL
TBN	75000	Hay Point/Paradip	March 5-14	\$12/mt	BPSL
TBN	130000	Newcastle/Mailiao	Feb 21-28	RNR	Oldendorff
TBN	150000	Newcastle+Haypoint/Ijmuiden	Feb 21-28	high \$11's/mt	Tata
TBN	75000	Abbot Point/Vizag	Feb. 19-28	\$14.70/mt	SAIL
TBN	75000	Gladstone/Gangavaram	Feb. 15-24	\$18/mt	RINL
TBN	75000	Hay Point/Vizag	Feb. 19-28	\$15.90/mt	SAIL
TBN	80000	DBCT/Gangavaram	Feb. 10-19	\$16.90/mt	RINL
Canada					
TBN	167000	Neptune/Pohang + Gwangyang	Feb 21 - Mar 2	RNR	Cosco
TBN	167000	Neptune/Pohang + Gwangyang	Feb 21 - Mar 2	RNR	Cosco
Colombia					
TBN	170000	Puerto Bolivar/Hadera	Feb 15-24	\$10.75/mt	NCSC
First Phoenix	160000	Bolivar/Rotterdam	Feb 19-28	\$8.50/wmt	Oldendorff
Classic TBN	160000	Bolivar/Iskenderun	Feb 19-28	RNR	Oldendorff
Indonesia					
TBN	70000	Tanjung Kampeh/Putian	Feb. 17-20	\$5.30/mt	CNR
TBN	55000	Taboneo/Tangshan	Feb. 21-24	\$9.50/mt	Xiamen C&D
TBN	54000	Muara Pantai/Dongfang	Feb. 18-20	\$6.80/mt	Mercury
TBN	55000	Muara Berau/Magadalla	Feb. 13-17	\$10.10 bss free DA at discharge port	CNR
TBN	150000	Adang Bay/Bedi	Feb 27-Mar 4	RNR	Nayara
TBN	55000	Muara Berau/Navlakhi	Feb. 11-15	mid-\$11/mt	CNR
TBN	50000	Adang Bay/Waigaoqiao	Feb. 15-19	\$8.60/mt	Shenergy
TBN	55000	Muara Berau/Xinsha	Feb. 11-13	\$7.50/mt	CNR
Latvia					
Cosco TBN	70000	Klaipeda/Rotterdam	Sep 20-23	high \$5s/mt	CNR
Norway					
TBN	60000	Mo-I-Rana/Ijmuiden	Nov 10-15	\$7.25/mt	TS Global
South Africa					
Jera TBN	75000	RBCT/Civitavecchia	Feb. 24-Mar. 3	\$11.25/mt	Enel Produzione
CCL TBN	150000	RBCT/Stignsnaes	Feb 11-19	\$6/mt	Mercuria
TBN	75000	RBDDBT/Paradip	Feb. 18-28	\$14.10/mt	CNR
TBN	150000	RBCT/Dhamra	Mar 11-20	\$8.20/mt	OMPL
United States					
TBN	140000	Newport News+Norfolk/ECI	Feb 25-Mar 6	mid-high \$29's/wmt	Sail
Lordship	100000	Mobile/Hansaport	Feb 19-28	high \$17's/wmt	Salzgitter
TBN	110000	Mobile/Hansaport	Feb 17-28	mid-high \$17's/wmt	Salzgitter
TBN	75000	Newport News/Vizag	Feb. 15-24	\$32.90/mt	SAIL
Mozambique					
TBN	38000	Beira/east coast India	Feb. 20-25	\$21.45/mt	SAIL
Brazil					
Oldendorff TBN	180000	Ponta Da Madeira/Rotterdam	Jun 20-Jul 3	\$6.80/mt	TKSE
Russia					
Philippos A	160000	Taman/NChina	Feb 14-17	high \$24's/wmt	Elsi
TBN	160000	Taman/Youngheung	Feb 27-Mar 3	RNR	Mercuria
Vietnam					
TBN	55000	Vietnam/China	early Feb	\$7.15/mt	CNR

TBN=To be nominated. PPT=Prompt

Petcoke Weekly

Volume 23 / Issue 28 / February 9, 2023

Demand dip changes course of US petcoke market

- Assessments drop as China, India go quiet
- Three of four prices decline by more than \$12

The US petroleum coke market's rally ran out of steam in the week ended Feb. 8., with three of four Platts assessments declining by more than \$12.

"Demand is very weak because the peak buyers, India and China, are out of the market at the moment," one trader said. China and India both went without US petcoke shipments in the week ended Feb. 6, according to Kpler shipping data.

US producers continue to deal with maintenance issues, and Brazil and Mediterranean interests have picked up some of the demand slack, creating a supply described as "a bit tight" by the trader. But limited interest in two of the world's largest economies ruled the week. Price declines across the coal market contributed to the bearish market, especially in India, the trader said.

"India, as usual, will buy whatever's cheapest in the market, which right now is coal," the trader said.

The trader said many Indian and Chinese interests could afford to hold tight.

"Buyers are in a position to wait because they have good inventories," the trader said.

Platts assessed FOB US Gulf Coast 6.5% sulfur petcoke assessment at \$137.50/mt, a \$12.50 decline and the petcoke's largest one-week decline since late July. High-sulfur USGC petcoke came into the week with its highest assessment in six months, and it had six advances and one decline in the previous eight weeks.

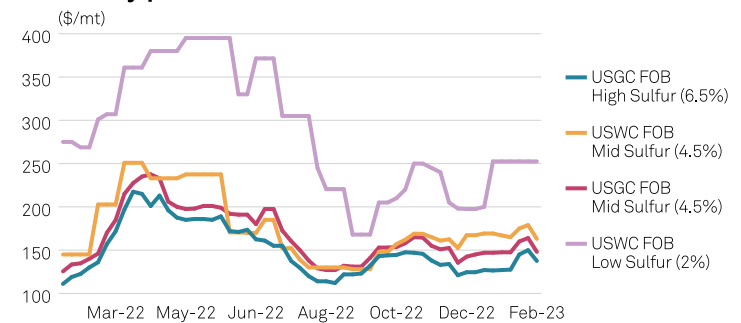
The USGC high-sulfur assessment was influenced by indications of value from India-based traders at \$137.50/mt and \$135/mt; both included standard delivery terms and March loading. A US trader offered an indication of value at \$138/mt with 15- to 45-day loading and other standard terms.

FOB USGC 4.5% sulfur petcoke landed a \$148/mt Platts

Platts weekly spot price petcoke assessments, Feb 8

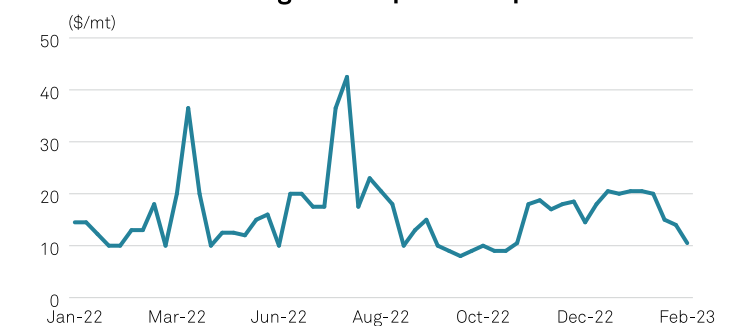
Origin	Sulfur	Platts symbol	\$/mt	Change
Americas				
FOB USGC High Sulfur	6.5%	CPAAA00	137.50	-12.50
FOB USGC Mid Sulfur	4.5%	CPAAF00	148.00	-16.00
FOB USWC Mid Sulfur	4.5%	CPAAC00	163.00	-16.00
FOB USWC Low Sulfur	2.0%	CPAGG00	252.50	0.00
International				
CIF Turkey	5.0%	CPAGH00	185.00	+5.00
CFR India East	6.5%	CPAGK00	178.00	-3.00

US weekly petcoke assessments



Source: S&P Global Commodity Insights

USGC mid sulfur vs high sulfur petcoke spread



Source: S&P Global Commodity Insights

Monthly and quarterly averages for Platts petcoke assessments (\$/mt)

Product	Sulfur	Monthly code	Jan-23	Dec-22	Nov-22	Quarterly code	Q4-22	Q3-22
Americas								
FOB USGC High Sulfur	6.5%	CPAAA03	131.50	124.25	139.55	CPAAA05	136.44	130.92
FOB USGC Mid Sulfur	4.5%	CPAAF03	150.50	142.50	157.60	CPAAF05	151.96	148.77
FOB USWC Mid Sulfur	4.5%	CPAAC03	169.06	164.06	165.27	CPAAC05	161.35	142.12
FOB USWC Low Sulfur	2.0%	CPAGG03	252.50	198.25	238.00	CPAGG05	217.15	259.50
International								
CIF Turkey	5.0%	CPAGH03	159.13	174.00	183.85	CPAGH05	180.63	172.31
CFR India East	6.5%	CPAGK03	171.00	173.75	186.20	CPAGK05	183.77	184.00

assessment, a \$16 decline and its biggest dip since Dec. 7. The assessment was informed by a US trader's indication of value at \$148/mt; the indication included 15- to 45-day loading and other standard delivery terms.

Influenced by the USGC mid-sulfur's assessment, FOB USWC 4.5% sulfur petcoke saw its Platts assessment drop to \$163/mt, a \$16 decline and its lowest assessment in two months. With its illiquid market and no new price information, Platts held FOB USWC 2% petcoke's assessment at \$252.50/mt.

All assessments are tested in the market until 11 ET.

The trader said the week's lower prices could be the start of a trend.

"Once the refineries come back from maintenance, we can expect the price to come down," the ytrader said. "Supply will be improved; demand is unclear, but the wild card is China."

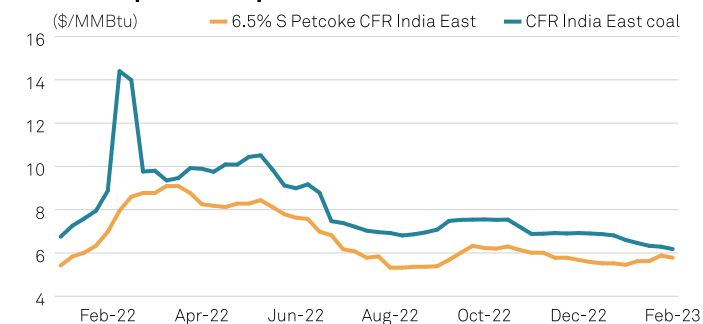
Platts is part of S&P Global Commodity Insights.

— Michael Fox, Staff

India fuel price comparison

Coal	CV kcal/kg	Platts symbol	\$/mt
CFR India East	5500 NAR	CIECI00	141.30
Petcoke			
CFR India East	7500 NAR	CPAGK00	178.00

India fuel price comparison



Source: S&P Global Commodity Insights

Recent petcoke hears

Date	Product	Sulfur %	Price	Details
08/02/2023	FOB USWC	4.5	165	Platts Petcoke Indication: FOB USWC 4.5%, 55,000 mt vessel, 15- to 45-day loading, at \$165/mt: trader
08/02/2023	FOB USWC	1.6	292	Platts Petcoke Trade: FOB USWC 1.6% S, 40,000 mt cargo, vessel, March loading at \$292/mt: trader
08/02/2023	CIF Turkey	5	185	Price Indication: CIF Turkey 5% 50,000 mt vessel, Feb loading, US-origin at \$185/mt: Med-based trader
08/02/2023	CIF Turkey	5	185	Price Indication: CIF Turkey 5% 50,000 mt vessel, Mar loading, US-origin at \$185/mt: Med-based trader
08/02/2023	CFR India	6.5		Platts Petcoke Offer Indication : CFR India 6.5%, vessel, prompt loading, US origin at \$175-\$185/mt: trader
08/02/2023	CFR India	6.5		Platts Petcoke Offer Indication : FOB USGC 6.5%, vessel, prompt loading, US origin at \$135/mt: trader
08/02/2023	CFR India	6.5		Platts Petcoke Offer Indication : FOB USGC 6.5%, vessel, prompt loading, US origin at \$135-\$140/mt: trader
08/02/2023	CFR India	9		Platts Petcoke Offer Indication : FOB Saudi 9%, vessel, prompt loading, Saudi origin at \$165-167/mt: trader
07/02/2023	FOB USGC	4.5	148	Platts Petcoke Indication: FOB USGC 4.5%, vessel, 15- to 45-day loading, at \$148/mt: trader
07/02/2023	FOB USGC	6.5	138	Platts Petcoke Indication: FOB USGC 6.5%, vessel, 15- to 45-day loading, at \$138/mt: trader
01/02/2023	CIF Turkey	5	180	Platts Petcoke Offer Indication: CIF Turkey 5% 50,000 mt vessel, Mar loading, US-origin at \$180/mt: Med-based trader
01/02/2023	FOB USGC	6.5	150	Platts Petcoke Indication: FOB USGC 6.5%, vessel, March loading, at \$150/mt: trader
01/02/2023	FOB USGC	6.5	143	Platts Petcoke Bid Indication: FOB USGC 6.5%, vessel, March loading, at \$143/mt: trader
01/02/2023	CIF Turkey	5	185	Platts Petcoke Offer Indication: CIF Turkey 5% 50,000 mt vessel, Mar loading, US-origin at \$185/mt: Med-based trader
01/02/2023	CIF Turkey	5	180	Platts Price Indication: CIF Turkey 5% 50,000 mt vessel, Mar loading, US-origin at \$180/mt: Med-based trader
01/02/2023	CFR India	9	178-180	Platts Petcoke Offer Indication : CFR India 9%, vessel, prompt loading, Saudi origin at \$178-180/mt: trader
01/02/2023	CFR India	6.5	180-185	Platts Petcoke Offer Indication : CFR India 6.5%, vessel, prompt loading, US-origin at \$178-180/mt: trader
01/02/2023	CFR India	9	186-187	Platts Petcoke Offer Indication : CFR India 9%, vessel, prompt loading, Saudi origin at \$186-187/mt: trader
01/02/2023	CFR India	6.5	190	Platts Petcoke Offer Indication : CFR India 6.5%, vessel, prompt loading, US origin at \$190/mt: trader
01/02/2023	CFR India	6.5	180-185	Platts Petcoke Offer Indication : CFR India 6.5%, vessel, prompt loading, US origin at \$180-185/mt: trader
01/02/2023	CFR India	6.5	185	Platts Petcoke Offer Indication: CFR India 6.5%, vessel, prompt loading, US origin at \$185/mt: trader
25/01/2023	CIF Turkey	6	150-155	Price Indication: CIF Turkey 6% 50,000 mt vessel, Mar loading, US-origin at \$150-\$155/mt: Med-based trader
25/01/2023	CIF Turkey	6	153	Price Indication: CIF Turkey 6% 50,000 mt vessel, Mar loading, US-origin at \$153/mt: Med-based trader
25/01/2023	CIF Turkey	6	152	Price Indication: CIF Turkey 6% 50,000 mt vessel, Mar loading, US-origin at \$152/mt: Med-based trader
25/01/2023	CFR India	6.5	185	Platts Petcoke Offer : CFR India 6.5%, vessel, prompt loading, US origin at \$185/mt: trader
25/01/2023	FOB USGC	6.5	145	Platts Petcoke Indication: FOB USGC 6.5%, vessel, Feb/March loading, at \$145/mt: trader
18/01/2023	CIF Turkey	6	145	Price Indication: CIF Turkey 6% 50,000 mt vessel, March loading, US-origin at \$145/mt: Med-based trader
18/01/2023	CIF Turkey	6	146.5	Price Indication: CIF Turkey 6% 50,000 mt vessel, March loading, US-origin at \$146.50/mt: Med-based trader
18/01/2023	CIF Turkey	6	155.5	Price Indication: CIF Turkey 6% 50,000 mt vessel, Feb loading, US-origin at \$155.50/mt: Med-based trader
18/01/2023	CIF Turkey	6	154	Price Indication: CIF Turkey 6% 50,000 mt vessel, Feb loading, US-origin at \$154/mt: Med-based trader
18/01/2023	CIF Turkey	6	156	Price Indication: CIF Turkey 6% 50,000 mt vessel, Feb loading, US-origin at \$156/mt: Med-based trader
18/01/2023	CFR India	6.5	175-180	Offer Indication: CFR India 6.5%, 55,000 mt vessel, Feb/Mar loading, US-origin at \$175-180/mt: India-based trader;
18/01/2023	CFR India	6.5	170-175	Bid Indication: CFR India 6.5%, 55,000 mt vessel, Feb/Mar loading, US-origin at \$170-175/mt: India-based trader;
18/01/2023	CFR India	0.09	180	Price Indication: CFR India 6.5%, 55,000 mt vessel, Feb/Mar loading, Saudi-origin at \$180/mt: India-based trader;
18/01/2023	CFR India	6.5	175-178	Offer: CFR India 6.5%, 55,000 mt vessel, Feb/Mar loading, US-origin at \$165/mt: India-based trader;
18/01/2023	CFR India	6.5	175	Bid: CFR India 6.5%, 55,000 mt vessel, Feb/Mar loading, US-origin at \$165/mt: India-based trader;
18/01/2023	CFR India	5	165	Offer: CFR India 5%, 55,000 mt vessel, Feb/Mar loading, Venezuela-origin at \$165/mt: India-based trader;
17/01/2023	FOB USGC	6.5	127.5	Platts Petcoke Indication: FOB USGC 6.5% S, 50,000 mt cargo, vessel, 15- to 45-day loading at \$127.50/mt: trader
17/01/2023	FOB USWC	4.5	165	Platts Petcoke Indication: FOB USWC 4.5% S, 50,000 mt cargo, vessel, 15- to 45-day loading at \$165/mt: trader
17/01/2023	FOB USWC	4.5	147.5	Platts Petcoke Indication: FOB USGC 4.5% S, 50,000 mt cargo, vessel, 15- to 45-day loading at \$147.50/mt: trader

US petcoke exports decline 6.4% in week ended Feb. 6: Kpler

- No shipments flow to China during week
- Gibraltar, Canada lead list of importers

A drop-off in exports to China helped drive weekly US petroleum coke exports down 6.4% for the seven days ended Feb. 6, according to Kpler sipping data.

The US sent 479,015 mt aboard 13 vessels in the most recent week, down from 511,912 mt on 15 ships in the week ended Jan. 29.

One of the US' most important petcoke markets, China, did not take in any shipments in the most recent reporting week, having taken in 148,092 mt the week prior. Key markets Brazil and Turkey also saw no imports of US-origin petcoke during the week after having taken in shipments the in the previous week.

However, the 131,171 mt of US petcoke shipped to Gibraltar offset some of the declines in the most recent reporting week. The British Overseas Territory led the list of US customers on the week, followed by Canada with 60,730 mt, Bulgaria with 59,172 mt and Japan at 58,974 mt.

Platts assessed FOB USGC 6.5% sulfur petcoke at \$137.50/mt on Feb. 8, down \$12.50 from the previous week's assessment, according to data from S&P Global Commodity Insights. FOB USGC 4.5% petcoke drew a \$148/mt assessment on Feb. 8, down \$16 from its Feb. 1 assessment. On the West Coast, FOB USWC 4.5% petcoke was assessed at \$163/mt Feb. 8, down \$16 on the week, while FOB USWC 2% petcoke remained steady at \$252.50/mt.

The Texas port of Beaumont-Port Arthur saw the largest export volume during the week, sending 102,925 mt of petcoke to Gibraltar. Houston saw the second largest export volume at 69,226 mt from shipments to Spain and Mexico. Mississippi's port of Pascagoula sent 59,172 mt of petcoke to Bulgaria, placing third among origination points during the week ended Feb. 6.

Roughly 53% of the petcoke cargoes were sold by unnamed sellers, but Saudi Aramco's 102,925 mt of shipments to Gibraltar putting the company at the top of the list of named sellers.

Of the buyers, nearly 58% were unnamed, although Hudson Shipping Lines' 59,172 mt of cargo to Bulgaria placed it first among named buyers.

— Michael Fox

Turkey petcoke at multi-month high on constricted supply

- Limited US-origin supply
- CIF Turkey hits \$185/mt

Petcoke trading activity in the Europe, Middle East and Africa regions remained subdued over the week to Feb. 8 as tight supply from the region's largest supplier — the US — led to further price gains, sources said.

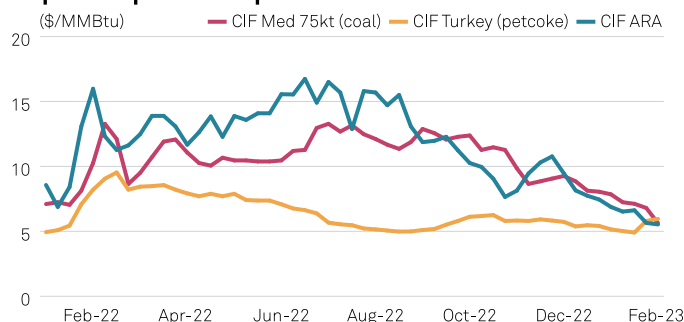
During the week only a single shipment entered the regions,

Europe fuel price comparison

	Type	CV kcal/kg	Platts symbol	\$/mt
CIF Turkey	Petcoke (cv-adjusted)*	6,000 NAR	CPAGL00	148.00
CIF Med 75kt	Coal	6,000 NAR	CTCMT04	140.00
CIF ARA	Coal	6,000 NAR	CSARM01	126.95

*Mid-sulfur (5.5%) 7,500 kcal/kg NAR petcoke adjusted to a 6,000 kcal/kg NAR pricing basis

Europe fuel price comparison



Source: S&P Global Commodity Insights

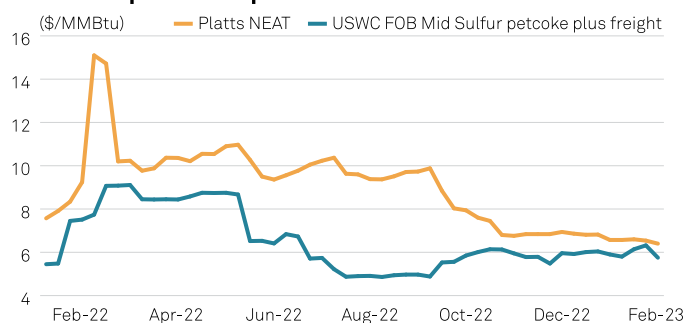
Pacific fuel price comparison

	Type	CV kcal/kg	Platts symbol	\$/mt
Platts NEAT	Coal	5750 NAR	JKTCA00	152.68
USWC FOB Mid Sulfur	Petcoke	7500 NAR	CPAAC00	163.00

Shipping

	Cargo Size (kt)	Platts symbol	\$/mt
Roberts Bank-Japan	75	CDRBK00	14.15

Pacific fuel price comparison

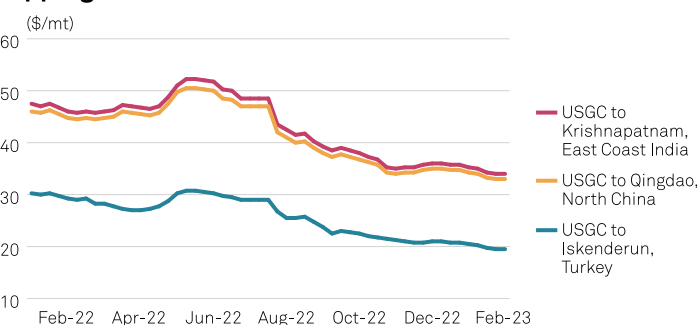


Source: S&P Global Commodity Insights

Shipping Rates

	Platts symbol	Cargo Size (kt)	Platts symbol	\$/mt
USGC to Iskenderun, Turkey	CIPHTSZ	50	CIPHT00	19.50
USGC to Krishnapatnam, East Coast India	CUECISZ	50	CUECI00	34.00
USGC to Qingdao, North China	CUGNCSZ	50	CUGNC00	33.00

Shipping rates



Source: S&P Global Commodity Insights

according to S&P Global Platts cFlow shipping and commodity tracking software from S&P Global Commodity Insights.

The shipment entered Turkey via Iskenderun with 55,700 mt of US-origin material, the data showed.

"The global petcoke market remains very tight," a Mediterranean-based trader said. "This is limiting any sort of movement within the market and pushing up prices."

Another Mediterranean-based trader said buyers were still consuming Russia-origin thermal coal as a "long-lasting source ... On the other hand, it is being loaded from a war zone, that means the source can be cut."

CIF Turkey at multi-month high

On the price side, indications for mid-sulfur petcoke continued to rise amid the lack of availability and material was being offered at \$185/mt, sources said.

Platts CIF Turkey mid-sulfur petcoke price was assessed Feb. 8 at \$185/mt, up \$5/mt week on week to the highest price November when it was \$194/mt.

Platts assessed US Gulf Coast to Turkey Supramax petcoke freight rates at \$19.50/mt, down \$1.25/mt on the week.

Platts is part of S&P Global Commodity Insights

— Sarah Matthews, Staff

India-delivered petcoke prices drop on lower thermal coal prices

- Rise in Reliance's captive demand sustains
- Petcoke seen competing with high-CV thermal coal

India-delivered petcoke prices fell in the week to Feb. 8 amid higher availability of thermal coal of high calorific value at attractive rates, sources said.

Considering the current fall in seaborne thermal coal prices witnessed in the Asian spot market, Indian petcoke users would likely refrain from quoting higher numbers for booking cargoes, market participants said.

However, some demand is expected to sustain from seaborne petcoke imports by Reliance Industries, India's largest petcoke producer, as the company's own output is likely to fall short of its captive demand expectations, sources said.

"Every refiner in the world is looking at Reliance's gasification

project which will use up a lot of petcoke, over and above the petcoke produced by Reliance itself," an India-based trader said.

US petcoke with 6.5% sulfur was indicatively being quoted by potential India-based buyers at \$135-\$140/mt FOB while Saudi Arabia -origin petcoke with 9% sulfur was heard priced at \$165-\$167/mt.

Platts assessed 6,900 kcal/kg NAR Baltimore thermal coal with 3% sulfur at \$123/mt FOB Feb. 7.

The Indian government announced large spending plans on infrastructure in its recent annual budget. This is expected to bode well for petcoke-user cement industry, but market participants will also closely monitor the price movement of thermal coal to assess if higher cement requirement would translate into more petcoke demand or not.

The Supramax freight between Houston in the US Gulf Coast and Krishnapatnam in India's east coast was assessed at \$34/mt Jan. 31, down \$1.75/mt since Feb. 1.

Platts is part of S&P Global Commodity Insights.

— Anupam Chatterjee, Staff

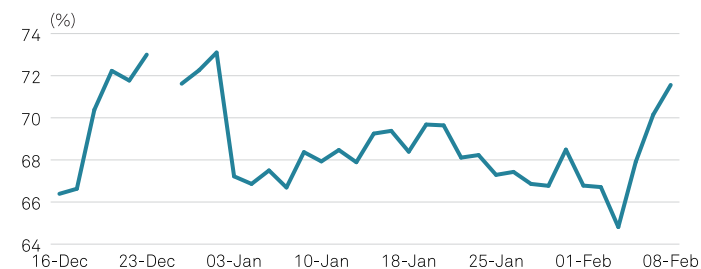
Atlantic Supramax market activity firms, rates mixed

- Scrap market under pressure, bunkers support the rates
- US Gulf Coast sees excess tonnage supply
- East Coast South America sees spot activity

The Atlantic Supramax markets experienced firmer activity with mixed spot rates on Feb. 9, with the Continent and Baltic scrap runs remaining under negative sentiment, while the petcoke runs again experienced ample supply tonnage and grains runs reported stronger spot activity.

The Continent and Baltic Sea saw another cloudy day with scrap runs reported under pressure with bids for scrap voyages to the Mediterranean reported at lower levels. "I have a Supramax which sees bid at \$6,500/d and offer at \$7,000/d, I see it fixed at \$7,000/d in the end," a charterer said. Another charterer said, "With tragedy in Turkey, Iskenderun port is shutting down some mills, that will only add more pressure on the rates." In the market, Glorieuse, 38,338 dwt, 2012 built, failed for a trip with scrap via East Coast UK to Marmara at \$7,500 APS with EMR.

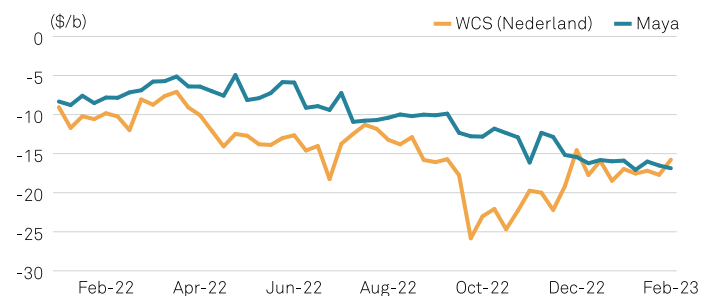
USGC HSFO (3.5% sulfur) vs Dated Brent spread



Note: When High Sulfur Fuel Oil is 85-90% of Dated Brent, refiners are more likely to sell it into other markets, potentially lowering petcoke production.

Source: S&P Global Commodity Insights

Light (LLS) heavy spreads



Note: Petcoke production is likely to contract when the spread to light crude (LLS) narrows.

Source: S&P Global Commodity Insights

Platts assessed the Rotterdam-Aliaga 40,000 mt scrap route up 25 cents at \$14.75/mt and the Rotterdam-Aliaga 30,000 mt scrap route also up 25 cents at \$18.50/mt amid stronger 0.5%S fuel prices.

Looking at the US Gulf Coast region, the market remained soft while the region was reported full of tonnage, according to a shipbroker source, with fronthaul time-charter rates still seen at \$12,000/d. The latest overview showed over-tonnage supply for bulker vessels, with 27 Supramax ballast vessels seen, while there were also 26 Ultramax-sized ballast vessels, according to S&P Global Commodity Insights data. Platts assessed the Houston-Krishnapatnam 50,000 mt fronthaul petcoke route steady at \$34/mt and the New Orleans-Kashima 50,000 mt fronthaul grains route also steady at \$37/mt.

In East Coast South America, fronthaul runs closed the day

with losses. Venus Halo, 55,848 dwt, 2012 built, open Praia Mole, fixed with grains for a time charter-trip delivery Paranagua redelivery China grains \$11,000/d plus \$100,000 ballast bonus Feb. 13-15 with Cargill. Platts assessed freight on the 50,000 mt fronthaul grains Santos-Qingdao route down \$1 at \$30.50/mt.

Meanwhile, in trans-Atlantic grain business, spot activity was seen with the Federal Tambo, 55,337 dwt, 2013 built, fixed with grains delivery Recalada redelivery Italy at \$10,000/d Feb. 10. Another notable trade was the Sweet Lady III, 55,838 dwt, 2006 built, fixed delivery East Coast South America redelivery Amsterdam-Rotterdam-Antwerp-Gent region at \$10,000/d Feb. 19-24 with Meadway. The 40,000 mt Recalada-Bejaia grains route ticked up 50 cents at \$26.50/mt. Platts is part of S&P Global Commodity Insights.

— Konstantinos Frentzos