

Coal Trader International

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News Headlines

Asian thermal coal market remains subdued on scarce demand

- Further price drops expected
- Bidders stick to quoting low prices
- Lack of demand weighs

Philippines' move away from coal-fired power to take nearly two decades

- Coal powers over 55% of electricity
- Imports account for 90% Indonesian coal
- Moratorium of new coal plants imposed in 2020

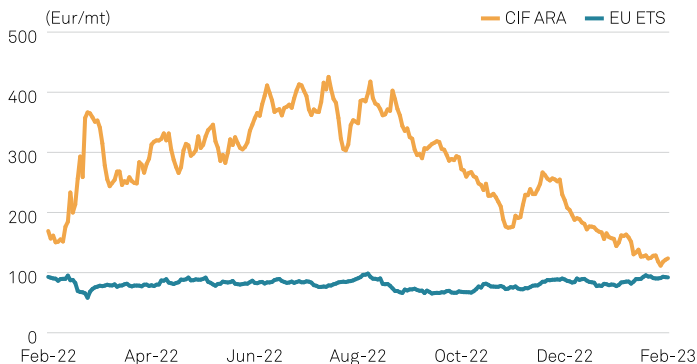
INDIA DATA: Dec coal imports surge 30% on year, Apr-Dec imports rise 16%

- Imports from Indonesian surge 64% over April-December
- Volumes from Australia, South Africa decline
- Receives 15.66 million mt from Russia in 9-month period

Japan set to launch emissions trading system in April

- 679 companies endorse GX League; must notify participation by April 28
- Need to make Scope 1, 2 GHG cut pledges for FY 2030-31, FY 2025-26
- Firms to offset shortfalls in GHG cuts with carbon credits or explain failure

CIF ARA vs EU ETS carbon allowance



Source: S&P Global Commodity Insights

Daily prompt physical thermal coal assessments, Feb 14

	CV (kcal/kg)	Window	Platts symbol	\$/mt	Chg
Asia-Pacific					
Northeast Asia					
Platts NEAT	5,750 NAR	15-60 day	JKTCA00	146.70	-4.43
South Asia					
Platts SEAT	4,200 GAR	15-60 day	CSEAA00	73.75	-2.05
CFR Pakistan	5,750 NAR	30-60 day	TPKCA00	115.00	+6.00
CFR Bangladesh	5,000 GAR	30-60 day	TCBAN00	100.90	-0.90
Sulfur Differential			TCSDA00	0.30	
China					
PCC 6 (CFR South China)	3,800 NAR	30-60 day	PCCPQ00	74.70	-2.00
PCC 7 (CFR South China)	4,700 NAR	30-60 day	PCCPP00	100.70	-0.90
PCC 8 (CFR South China)	5,500 NAR	15-60 day	PCCSC00	145.50	-1.00
Yuan/mt					
PCC 6 (CFR South China)	3,800 NAR	30-60 day	PCCPR00	507.13	-14.53
PCC 6 (VAT included)	3,800 NAR	30-60 day	PCCPS00	573.06	-16.42
PCC 7 (CFR South China)	4,700 NAR	30-60 day	PCCP000	683.65	-7.37
PCC 7 (VAT included)	4,700 NAR	30-60 day	PCCFB00	772.52	-8.33
PCC 8 (CFR South China)	5,500 NAR	15-60 day	PCCSD00	987.79	-8.61
PCC 8 (Duty & VAT included)	5,500 NAR	15-60 day	PCCFA00	1116.20	-9.73
Indonesia					
FOB Kalimantan (Geared Supramax)	4,200 GAR	7-45 day	CSBK100	67.00	-2.00
FOB Kalimantan (Geared Supramax)	3,800 GAR	7-45 day	CSCKJ00	58.00	-2.00
FOB Kalimantan (Geared Supramax)	5,900 GAR	90-day	CSAKH00	134.00	-1.00
FOB Kalimantan (Geared Supramax)	5,000 GAR	90-day	CSAKI00	93.00	-0.90
Kalimantan Floating Crane			AKFCA00	2.00	
Australia					
FOB Newcastle 20% Ash	5,500 NAR	7-45 day	AAVUW00	123.15	-4.15
FOB Newcastle 23% Ash	5,500 NAR	7-45 day	AAVVB00	120.00	-4.00
FOB Newcastle Ash Differential			AAVA00	1.05	
India					
CFR India West (Gearless Panamax)	5,500 NAR	30-60 day	CIWCI00	137.00	-1.00
CFR India West (Gearless Panamax)	5,000 GAR	30-60 day	TCAKP00	103.35	-0.90
CFR India West (Gearless Panamax)	4,200 GAR	30-60 day	TCAKT00	77.35	-2.00
CFR India East (Gearless Panamax)	5,500 NAR	30-60 day	CIECI00	137.80	-1.00
CFR India East (Gearless Panamax)	5,000 GAR	30-60 day	TCAKJ00	102.50	-0.90
CFR India East (Gearless Panamax)	4,200 GAR	30-60 day	TCAKU00	76.50	-2.00
Atlantic Basin					
Europe					
CIF ARA	6,000 NAR	15-60 day	CSARM01	132.55	+2.50
European Blended Price (EBP)	6,000 NAR	15-60 day	TEBPA00	126.95	-0.75
EBP/CIF ARA Differential	6,000 NAR	15-60 day	TEBPB00	-5.60	-3.25
South Africa					
FOB Richards Bay	5,500 NAR	7-45 day	AAXEX00	111.40	+0.50
North America					
FOB Baltimore 3%S	6,900 NAR	15-60 day	CUATB04	115.00	-2.00
FOB Hampton Roads 1%S	6,000 NAR	15-60 day	CUAEA04	166.10	0.00
FOB New Orleans 3%S	6,000 NAR	15-60 day	CUAFA04	110.00	-2.00
FOB Long Beach 0.5%S	6,000 NAR	15-60 day	CTLBA00	163.30	0.00
FOB Oakland 0.5%S	6,000 NAR	15-60 day	CTOKA00	148.80	0.00
FOB Vancouver 0.5%S	5,000 NAR	15-60 day	CTVCA00	61.10	0.00

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

Asian thermal coal market remains subdued on scarce demand

- Further price drops expected
- Bidders stick to quoting low prices
- Lack of demand weighs

The Asian thermal coal market remained sluggish Feb. 14 amid elusive demand while sellers struggled to find the expected prices for cargoes on offer, sources said.

With the gradual retreat of the winter season, when coal demand usually peaks, market participants expect prices of thermal coal in the spot market to come down further.

"Globally, everything is over supplied," an Indonesia-based trader said, adding that "buyers who are inquiring currently, seems to have no intention to buy right now". A Thailand-based trader pointed to the constant decline in bid values quoted by the buyers.

A Singapore-based trader concurred, adding that "some demand is there, but all of them want prices lower than current levels".

An Indonesia-based producer said that falling prices of oil and gas in the global market may have a bearing on the current trend in coal, adding that "many mines are slowing down output" with the lack of demand in sight.

"There is pressure from coal from other origins as Europe is not buying currently," an Australia-based trader said.

With the current high stockpiles, European buyers are not looking at fresh procurements, resulting in many cargoes from the US, Colombia and South Africa being diverted to the Asian market.

Weekly prompt physical thermal coal prices, Feb 10

	Code	Kcal/kg	Basis	Sulfur	\$/mt	Change
CIF Med 75kt	CTCMT04	6,000	NAR	0.8%	135.00	-5.00
CIF Med 45kt	CTCMA04	6,000	NAR	0.8%	125.00	-5.00
FOB Colombia	CSABZ00	6,000	NAR	0.8%	120.00	-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	0.00

Platts physical thermal coal netbacks, Feb 14

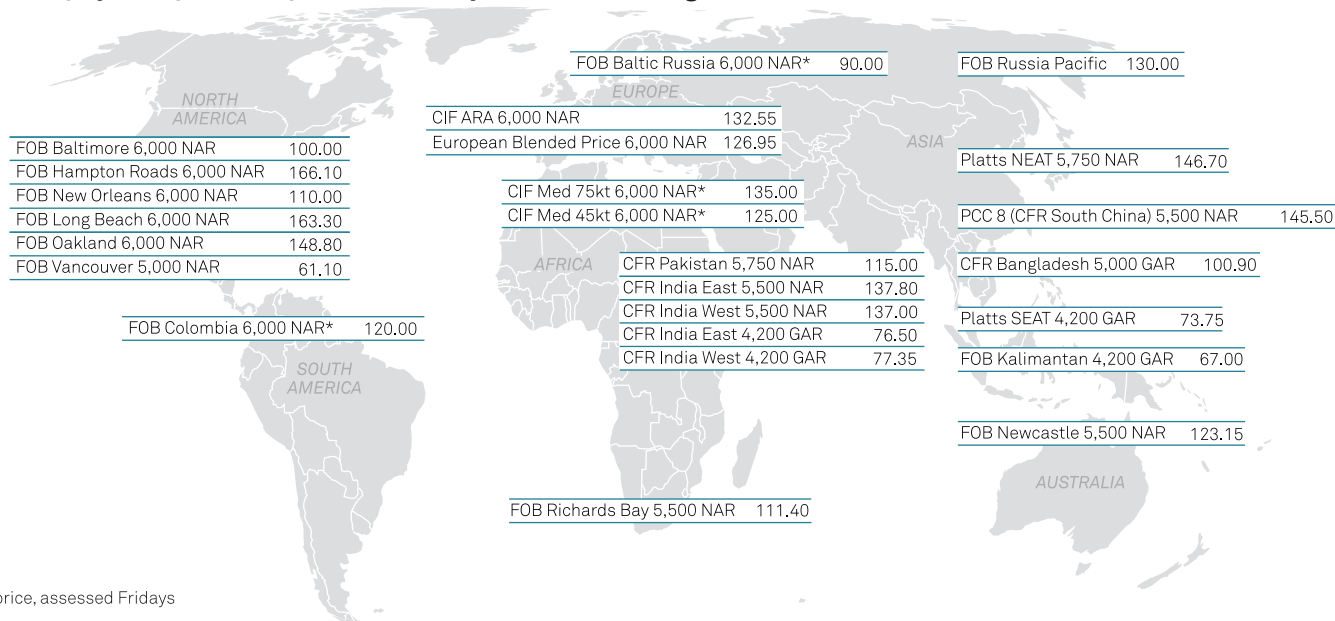
	Code	CV (kcal/kg)	Basis	Sulfur	\$/mt	Chg
Coal (\$/mt)						
CIF ARA	CSARM01	6,000	NAR	1.0%	132.55	+2.50
Platts NEAT	JKTCA00	5,750	NAR	1.0%	146.70	-4.43
CFR India West	CIWCI00	5,500	NAR	0.8%	137.00	-1.00
Panamax Freight (\$/mt)						
USEC-Rotterdam	CDBUR00				11.50	-0.25
Mobile-Rotterdam	CDMAR00				15.00	-0.25
Roberts Bank-Japan	CDRBK00				15.10	0.00
Richards Bay-India West	CSAKL00				13.75	0.00
Penalties & Premia (\$/mt)						
Per 0.1% Sulfur (USGC)	COPAP00				0.42	+0.26
Total S discount (USGC)	COPBP00				7.98	+4.94
Netbacks (\$/st)						
FOB US East Coast*	COUSC00	12,500	GAR	1.0%	122.02	+2.77
FOB US Gulf Coast*	COUGU00	11,500	GAR	2.9%	101.37	-1.94
FOB Vancouver*	COVCU00	8,800	GAR	0.8%	98.96	-1.48

* CV = Btu/lb

Stocks at China's Caofeidian port stood at 13.11 million mt as of Feb. 14, up from 13.07 million mt Feb. 13, according to a source. Stocks at the Jingtang port were at 6.70 million mt, up from 6.59 million mt Feb. 9.

Fuel inventory levels at Indian power plants edged lower, as demand began to pick up with the gradual advent of the summer months. Coal stocks at Indian power plants were at 33.24 million

Global coal physical price snapshot, February 14 (\$/mt, kcal/kg)



* Weekly price, assessed Fridays

Source: S&P Global Commodity Insights

mt Feb. 11, sufficient for less than 12 days of coal burn, according to data from the Central Electricity Authority. The stock levels were at 33.40 million mt Feb. 8.

Platts is part of S&P Global Commodity Insights.
— Anupam Chatterjee,

Philippines’ move away from coal-fired power to take nearly two decades

- Coal powers over 55% of electricity
- Imports account for 90% Indonesian coal
- Moratorium of new coal plants imposed in 2020

With the slow development of renewables and the challenges associated with nuclear energy, thermal coal is going to stay as a major source of power in the Philippines for at least two decades, industry experts told S&P Global Commodity Insights.

Thermal coal accounts for over 55% of the country’s power mix, of which almost 70% is imported, according to government data and estimates from energy sector officials in the Philippines. Of the total imports, nearly 90% comes from Indonesia, comprising of grades ranging 4,200 kcal/kg NAR to 5,000 kcal/kg GAR.

“For any country with limited financial resources, it’s going to be difficult to make the transition from coal to renewables. The only way to do it is by making natural gas as a bridge, but in the Philippines contracting for LNG is quite challenging due to the current conflict in Europe which has reduced the amount available for Asian markets,” Frank Thiel, president of The American Chamber of Commerce of the Philippines, said at the PowerTrends 2023 International Business Forum last week.

Spot dry bulk freight assessments, Feb 14

	Platts symbol	\$/mt	Chg
Capesize			
Australia-China	CDANC00	7.85	0.00
Queensland-Japan	CIGAJ00	8.95	0.00
New South Wales-Korea	CINAK00	9.45	0.00
Bolivar-Rotterdam	CIBCR00	8.00	-0.40
Roberts Bank-Japan	CDRKJ00	9.20	-0.05
Panamax			
Richards Bay-India West	CSAKL00	13.75	0.00
Kalimantan-India West	CSAKP00	8.35	0.00
Richards Bay-India East	CSAKN00	13.90	0.00
Kalimantan-India East	CSAKR00	6.80	0.00
Ventspils-Rotterdam	CILTNO0	7.50	-0.25
USEC-India	CDBUI00	29.50	-1.00
USEC-Rotterdam	CDBUR00	11.50	-0.25
Mobile-Rotterdam	CDMAR00	15.00	-0.25
Roberts Bank-Japan	CDRBK00	15.10	0.00
Australia-China	CDBFA00	12.20	0.00
Australia-India	CDBFAI0	13.55	0.00
Supramax			
Richards Bay-Port Qasim	CRBPB00	13.90	-0.05
South Kalimantan-Krishnapatnam	CISKK00	9.90	0.00

Thermal coal implied freight table, Feb 14

Basis 5,500 kcal/kg NAR						
Origin/delivery hub	NE Asia	SE Asia	NW Europe	India	Med	South China
FOB Newcastle (20% Ash)	17.17	-21.74	-1.65	14.65	0.60	22.35
FOB Kalimantan	11.02	-27.89	-7.80	8.50	-5.55	16.20
FOB Colombia	30.32	-8.59	11.50	27.80	13.75	35.50
FOB Russia Baltic	57.82	18.91	39.00	55.30	41.25	63.00
FOB Russia Pacific	21.15	-17.76	2.33	18.63	4.58	26.33
FOB Richards Bay	28.92	-9.99	10.10	26.40	12.35	34.10
FOB Baltimore	48.65	9.74	29.83	46.13	32.08	53.83
FOB New Orleans	39.49	0.58	20.67	36.97	22.92	44.67
FOB Vancouver	73.11	34.20	54.29	70.59	56.54	78.29

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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
14/02/2023	Offer	FOB Richards Bay 6000 NAR	\$140	50000	April	Trader	
14/02/2023	Bid	FOB Richards Bay 6000 NAR	\$132	50000	April	Trader	
14/02/2023	Bid	FOB Richards Bay 6000 NAR	\$120	50000	March	Trader	
14/02/2023	Bid	CIF ARA 6000 NAR	\$132.5	50000	March	Trader	Non-Russian origin
14/02/2023	Bid	CIF ARA 6000 NAR	\$132	50000	April	Trader	Non-Russian origin
14/02/2023	Offer	CIF ARA 6000 NAR	\$150	50000	April	Trader	Non-Russian origin
14/02/2023	Indication	CFR Pakistan 6000 NAR	\$115	50000	March	Trader	Non-South African origin
14/02/2023	Indication	CFR Pakistan 6000 NAR	\$115	50000	April	Trader	Non-South African origin
14/02/2023	Trade	FOB Richards Bay 4800 NAR	\$97-98	55000	Feb	Trader	Supramax
14/02/2023	Indication	FOB Newcastle 5100 NAR	\$97-98	130000	Feb/Mar	Trader	Capesize
14/02/2023	Indication	FOB Newcastle 5500 NAR	\$110	130000	Feb/Mar	Trader	Capesize
14/02/2023	Bid	FOB Kalimantan 3800 NAR	\$64	55000	Feb/Mar	Trader	Supramax
14/02/2023	Bid	FOB Kalimantan 4800 NAR	\$89	55000	Feb/Mar	Trader	Supramax
14/02/2023	Indication	FOB Kalimantan 3800 NAR	\$67	55000	Feb/Mar	Producer	Supramax
14/02/2023	Offer	FOB Kalimantan 4400 NAR	\$85	75000	Feb/Mar	Trader	Panamax
14/02/2023	Bid	FOB Kalimantan 4400 NAR	\$80	75000	Feb/Mar	Trader	Panamax
14/02/2023	Bid	FOB Kalimantan 4700 GAR	\$86-87	75000	Feb	Trader	Panamax
14/02/2023	Indication	FOB Kalimantan 3400 NAR	\$45.5	55000	Feb/Mar	Trader	Supramax
14/02/2023	Indication	FOB Kalimantan 4200 GAR	\$66	55000	Feb/Mar	Trader	Supramax
14/02/2023	Indication	FOB Kalimantan 4200 GAR	\$70	55000	Feb	Trader	Supramax
14/02/2023	Indication	FOB Kalimantan 4200 GAR	\$65-66	55000	Feb/Mar	Trader	Supramax
14/02/2023	Indication	FOB Kalimantan 4400 NAR	\$85	55000	Feb/Mar	Trader	Supramax
14/02/2023	Indication	FOB Kalimantan 4200 GAR	\$64	55000/75000	Feb	Trader	Geared vessel
14/02/2023	Bid	FOB Kalimantan 4200 GAR	\$67	75000	Feb	Trader	Panamax
14/02/2023	Trade	CIF South Korea 6000 NAR	\$130	55000/75000	Feb/Mar	Trader	Geared vessel, russian origin
13/02/2023	Offer	FOB Richards Bay 6000 NAR	\$144	50000	March	Trader	
13/02/2023	Offer	FOB Richards Bay 6000 NAR	\$142	50000	April	Trader	
13/02/2023	Indication	CFR Pakistan 6000 NAR	\$110	50000	April	Trader	
13/02/2023	Indication	CFR Pakistan 6000 NAR	\$109	50000	March	Trader	
13/02/2023	Bid	FOB Richards Bay 6000 NAR	\$130	50000	April	Trader	
13/02/2023	Bid	CIF ARA 6000 NAR	\$125	50000	April	Trader	Non-Russian origin
13/02/2023	Offer	CIF ARA 6000 NAR	\$145	50000	April	Trader	Non-Russian origin
13/02/2023	Bid	CIF ARA 6000 NAR	\$130	50000	March	Trader	Non-Russian origin
13/02/2023	Indication	FOB NOLA 6000 NAR	\$110	0	March	Broker	
13/02/2023	Indication	FOB Baltimore 6900 NAR	\$110	0	March	Broker	
13/02/2023	Indication	FOB Baltimore 6900 NAR	\$116	0	March	Broker	
13/02/2023	Indication	FOB NOLA 6000 NAR	\$109	0	March	Broker	
13/02/2023	Trade	FOB Kalimantan 3700 GAR	\$53.5	55000	Feb	Trader	Supramax
13/02/2023	Indication	FOB Kalimantan 4200 GAR	\$66-68	55000	Feb/Mar	Trader	Supramax
13/02/2023	Indication	FOB Kalimantan 3400 GAR	\$47-48	55000	Feb/Mar	Trader	Supramax
13/02/2023	Indication	FOB Kalimantan 5000 GAR	\$90-91	55000	Feb/Mar	Trader	Supramax
13/02/2023	Indication	FOB Newcastle 5100 NAR	\$110	130000	Feb/Mar	Trader	Capesize
13/02/2023	Offer	FOB Kalimantan 3700 GAR	\$58	55000/75000	Feb	Trader	Geared vessel
13/02/2023	Bid	FOB Kalimantan 3700 GAR	\$57	55000/75000	Feb	Trader	Geared vessel
13/02/2023	Trade	FOB Kalimantan 3400 GAR	\$45.75	55000	Feb	Trader	Supramax
13/02/2023	Indication	FOB Kalimantan 3400 GAR	\$49-49.50	55000	Feb	Trader	Supramax
13/02/2023	Offer	FOB Kalimantan 3400 GAR	\$50.5	55000	Feb	Trader	Supramax
13/02/2023	Bid	FOB Kalimantan 3400 GAR	\$49	55000	Feb	Trader	Supramax
13/02/2023	Indication	FOB Kalimantan 4200 GAR	\$68-69	55000	Feb	Trader	Supramax
13/02/2023	Offer	FOB Kalimantan 5000 GAR	\$94-95	55000	Feb	Trader	Supramax
13/02/2023	Indication	FOB Kalimantan 4200 GAR	\$72-73	Unknown	Feb/Mar	Trader	Gearless vessel
13/02/2023	Indication	FOB Kalimantan 4200 GAR	\$72	55000/75000	Feb/Mar	Trader	Geared vessel
13/02/2023	Indication	FOB Kalimantan 4200 GAR	\$69	55000/75000	Feb/Mar	Trader	Geared vessel
13/02/2023	Indication	FOB Richards Bay 6000 NAR	\$135	75000	Feb/Mar	Trader	Panamax
13/02/2023	Offer	FOB Kalimantan 3800 NAR	\$70.73	75000	Feb/Mar	Trader	Panamax
13/02/2023	Indication	FOB Kalimantan 4200 GAR	\$72-73	75000	Feb	Trader	Panamax
13/02/2023	Offer	FOB Kalimantan 4200 GAR	\$72-73	75000	Feb/Mar	Trader	Panamax

As part of the government's strategy to limit usage of coal, it issued a moratorium on new coal-fired power plants in 2020, but allowed projects that were already approved. However, experts feel given the significant number of coal-fired power plant projects approved before the 2020 moratorium, the Philippine's coal dependency is projected to persist. The country currently has around 28 operating coal-fired power plants.

"Even after the moratorium, not much has changed because the imports have gone up," Thiel said, adding with growing energy needs it is likely that significant volume of imports will continue.

According to the Department of Energy's roadmap for 2020-2040, coal production is expected to hit 282 million mt by 2040, up sharply from around 15 million mt currently.

Arnulfo A Robles, executive director at PhilCoal — an association of local coal producers — said that while the moratorium on new coal plants is a step in the right direction, it does not serve the purpose if existing capacities will be increased and more coal will be imported.

"There is only one major coal producer in the Philippines today, which produces nearly 85% of the total coal. If no new plants are to be made, certainly the pressure will be to import more given how energy needs are projected to increase in the years to come," Robles said.

Renewable targets on the course

The Philippines' expects to increase the share of renewable energy sources in the energy mix to 35% by 2030 and to 50% by 2040, from about 20% in 2022. At the same time, to not remain dependent on one source of energy, the country is also promoting higher usage of LNG till the time a complete transition happens.

According to Cyril C. del Callar, former Department of Energy undersecretary and president of National Power Corporation, the country will have to seek global investments and further incentivize the sector to meet the renewable target.

The government has already allowed full foreign ownership on investment in renewables while talks of further incentives are underway.

"We have not reached the scale like that of Europe which can fund its own energy transition and we need to prioritize energy needs for our people. If prioritizing needs pushes away the transition plans for a few years, I think there's no problem with that," Callar said.

— *Pritish Raj*

INDIA DATA: Dec coal imports surge 30% on year, Apr-Dec imports rise 16%

- Imports from Indonesian surge 64% over April-December
- Volumes from Australia, South Africa decline
- Receives 15.66 million mt from Russia in 9-month period

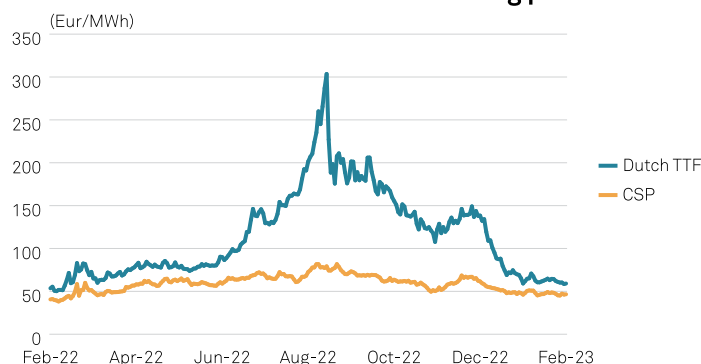
India's coal imports rose 30.1% year on year to 18.06 million mt in December, federal commerce ministry data showed Feb. 14, while imports over April-December were 15.9% higher at 186.06 million mt.

Thermal coal forward curves, Feb 14

	Bid	Ask	Midpoint*	Platts symbol	Change*	% Change
CIF ARA 6,000 NAR						
Mar-23	131.85	132.15	132.00	CSAM001	+3.00	+2.33
Apr-23	130.85	131.15	131.00	CSAM002	+1.50	+1.16
Q2-23	131.85	132.15	132.00	CSAQ001	+3.05	+2.37
Q3-23	134.85	135.15	135.00	CSAQ002	+1.50	+1.12
Q4-23	140.85	141.15	141.00	CSAQ003	+4.00	+2.92
Q1-24	142.85	143.15	143.00	CSAQ004	+3.00	+2.14
2024	139.35	139.65	139.50	CSAY001	+2.50	+1.82
2025	131.35	131.65	131.50	CSAY002	+3.50	+2.73
2026	123.85	124.15	124.00	CSAY003	+5.00	+4.20

*Fields are calculated.

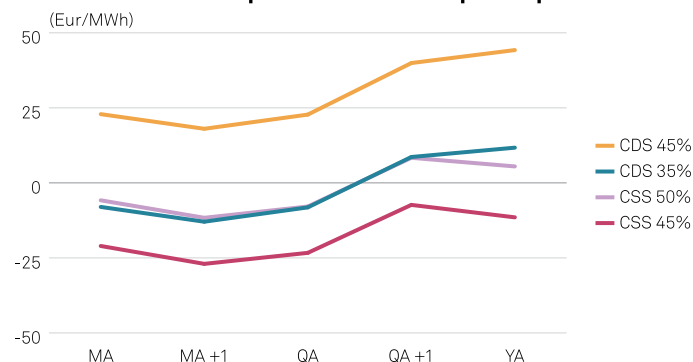
Year-ahead TTF vs Dutch YA coal switching price



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

		14-Feb-23	Change
Brent oil (month ahead - \$/b)	AAYES00	85.320	-0.730
Coal CIF ARA (year ahead - \$/mt)	CSAY001	139.500	+2.500
EEX EUA carbon (front December - Eur/mt)	EADLP00	92.050	-0.390
UK NBP gas (month ahead - p/th)	NGAAE00	130.700	+2.100
Dutch TTF gas (year ahead - Eur/MWh)	GTFTZ00	59.125	+0.575

Indonesia remained the main supplier in December at 7.12 million mt, up 48.8% year on year, and over April-December supplied 90.31 million mt, up 63.6% year on year.

The average price of Indonesian 4,200 kcal/kg GAR coal rose 14.4% year on year to \$86.96/mt FOB over the first nine months of India's April-March financial year, S&P Global Commodity Insights data showed.

Australia at 3.66 million mt and Russia at 1.99 million mt were the second- and third-largest suppliers of coal to India in December, followed by South Africa at 1.61 million mt, the ministry data showed. Up to 1.18 million mt arrived from Mozambique in the month.

Imports from Australia over April-December fell 33.9% year on year to 35.28 million mt and from South Africa fell 32.6% to 13.02 million mt.

The average price of Australian high-ash 5,500 kcal/kg NAR surged 89.1% year on year to \$174.79/mt FOB over April-December, while South African 5,500 kcal/kg NAR prices surged 100.6% over the same period to \$215.46/mt FOB, S&P Global data showed.

Shift in sourcing

Imports from Russia surged 165.7% year on year to 15.66 million mt over April-December and from Mozambique rose 36.3% to 6.8 million mt, the ministry data showed.

While supply from traditional sources such as Australia and South Africa fell over the nine-month period, imports from other suppliers increased, though remained lower in absolute volumes.

Imports from Canada rose 24.1% year on year to 2.25 million mt over April-December. India also imported 84,400 mt from Colombia, 277,863 mt from Latvia and 312,000 mt from Taiwan over April-December, against none the year before.

India's coal import costs rose 17.2% year on year to \$3.15 billion in December, and over April-December surged 87.7% to \$39.24 billion., S&P Global data showed. Global thermal coal prices have gradually started to ease from elevated levels over March-October due to the Russia-Ukraine conflict, which disrupted trade flows as Europe cut reliance on Russian imports.

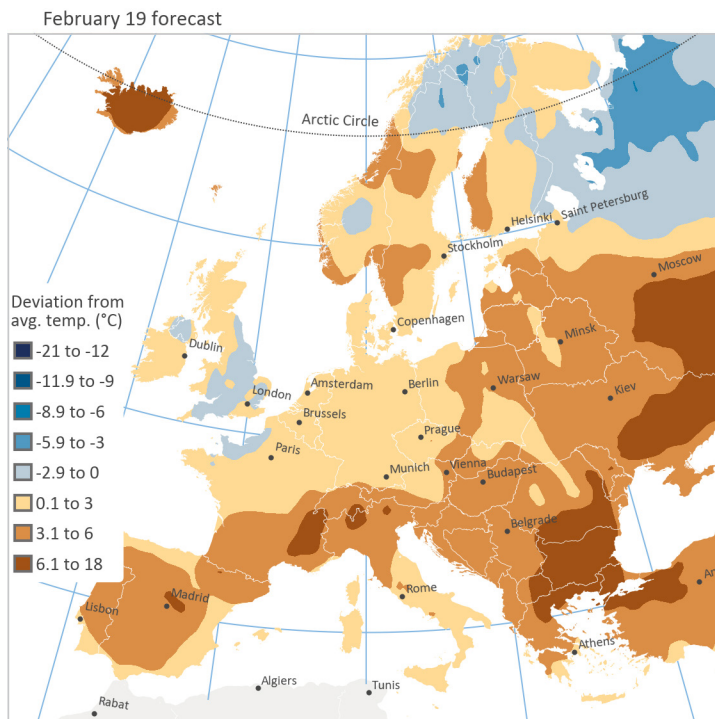
— Anupam Chatterjee

Japan set to launch emissions trading system in April

- 679 companies endorse GX League; must notify participation by April 28
- Need to make Scope 1, 2 GHG cut pledges for FY 2030-31, FY 2025-26
- Firms to offset shortfalls in GHG cuts with carbon credits or explain failure

Japan is set to launch its emissions trading system in April with the first phase of ETS, involving voluntary participation from companies, that will continue for three years until the end of March 2026, marking a step forward in the development of its carbon pricing mechanism.

5-day-ahead temperature deviation forecast



Source: S&P Global Commodity Insights, CustomWeather

The move comes as Japan will formally start the GX League in April, with 679 companies having endorsed its basic concept of pursuing carbon neutrality and creating business opportunities, Minister of Economy, Trade and Industry Yasutoshi Nishimura said Feb. 14.

"The first phase [of the ETS] will start in April with a practical trading platform," Nishimura told the GX League Symposium 2023 in Tokyo.

"We aim to launch a full-fledged ETS from around 2026 after deepening our consideration to develop a framework that is more fair and effective by building necessary data and expertise with companies."

The launch of the ETS would not only effectively help drive corporate behavior towards 2050 carbon neutrality in the world's fifth largest CO₂ emitter but also monetize local companies' push for reducing carbon emissions.

The companies that have endorsed the GX League concept must notify its secretariat on whether they will participate in the ETS by April 28, which will be followed by reporting of their voluntary greenhouse gas emissions reduction targets and setting base greenhouse gas volumes between early May and Sept. 29.

Voluntary base

As part of this process, the companies will voluntarily have to make "pledges" on their Scope 1 and Scope 2 GHG reduction targets in Japan for FY 2030-31 (April-March) and FY 2025-26 as

Platts daily metallurgical coal assessments, Feb 14

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	385.00	+5.00	HCCGC00	397.20	+5.00	HCCGI00	398.55	+5.00
Premium Low Vol	PLVHA00	385.00	+5.00	PLVHC00	336.00	+1.00	PLVHI00	398.55	+5.00
Low Vol HCC	HCCAU00	350.00	0.00	HCCCH00	288.00	0.00	HCCIN00	363.55	0.00
Low Vol PCI	MCLVA00	344.00	+5.25	MCLVC00	221.00	-1.00	MCLVI00	357.55	+5.25
Mid Vol PCI	MCLAA00	342.00	+5.25	MCLAC00	219.00	-1.00	MCVAI00	355.55	+5.25
Semi Soft	MCSSA00	288.50	0.00	MCSSC00	210.00	-8.00	MCSSI00	302.05	0.00
Premium Low Vol China Netback	PLVHD00	323.80	+1.00						

TSI coking coal indices (\$/mt)

TSI Premium Hard (PHCC) FOB Australia	TS01034	385.00	+5.00
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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	385.00	100.00%	PLVHC00	336.00	100.00%	
Peak Downs	HCPDA00	385.00	100.00%	MCBAA00	397.20	118.21%	
Saraji	HCSAA00	385.00	100.00%	MCBAB00	397.20	118.21%	
Oaky North	HCOKA00	385.00	100.00%	MCBAR00	397.20	118.21%	
Illawarra	HCIIWA00	385.00	100.00%	MCBAH00	397.20	118.21%	
Moranbah North	HCMOA00	385.00	100.00%	MCBAG00	397.20	118.21%	
Goonyella	HCGOA00	385.00	100.00%	MCBAE00	397.20	118.21%	
Peak Downs North	HCPNA00	385.00	100.00%	MCBAJ00	397.20	118.21%	
Goonyella C	HCGNA00	385.00	100.00%	MCBAI00	397.20	118.21%	
Riverside	HCRVA00	385.00	100.00%	MCRVR00	397.20	118.21%	
GLV	HCHCA00	384.00	99.74%	MCBAF00	396.20	117.92%	
Low Vol HCC				HCCCH00	288.00	85.71%	100.00%
Lake Vermont HCC				MCBAN00	362.20		125.76%
Carborough Downs				MCBAO00	360.20		125.07%
Middlemount Coking				MCBAP00	352.20		122.29%
Poitrel Semi Hard				MCBAQ00	349.20		121.25%

February 14 freight rates. Australia to China: Panamax = \$12.20/mt Capesize = \$7.85/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	345.00	+10.00	19.25%	8.25%	0.95%
High Vol A	AAWS00	325.00	+5.00	32.25%	7.5%	0.95%
High Vol B	AAWT00	310.00	+5.00	36.00%	8.00%	1.00%

Premium Low Vol

		\$/mt	Change	VM	Ash	S
Premium Low Vol HCC CFR NWE	PLVHE00	394.80	+5.10	21.50%	9.30%	0.50%
Premium Low Vol FOB Australia	PLVHA00	385.00	+5.00	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	335.03
Low Vol HCC*	AAWZP00	2350.00	AAWZQ00	302.44

*Weekly (assessed February 10), 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	0.69
	40-49%	CPPBC00	0.20%	CPPBD00	0.69
Per 0.1% S	0.70-1.05%	CPPBE00	0.85%	CPPBF00	2.93
	1.06-1.25%	CPPBG00	1.80%	CPPBH00	6.21
Per 1% TM (as received)	6-11%	CPPBK00	1.00%	CPPBL00	3.45
Per 1% Ash	5-10%	CPPBI00	1.75%	CPPBJ00	6.04

US weekly brand relativities (\$/mt), February 10

	Platts symbol	FOB	Spread vs US LV
Blue Creek No. 7	MCAPB04	365.00	
Blue Creek No. 4	MCAPC04	357.75	
Beckley	MCAPD04	327.50	100.77%
Low Vol FOB USEC	AAWVR00	325.00	100.00%
Windber	MCAPE04	320.25	98.54%
Buchanan	MCAPF04	324.50	99.85%

February 10 Panamax freight rates. Hampton Roads to Rotterdam = \$10.75/mt, Hampton Roads to Brazil = \$11.00/mt, Mobile to Rotterdam = \$13.75/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 14

TSI Premium Hard Coking Coal Australia Export FOB East Coast Port	Platts symbol	\$/mt	Chg	% Chg
Mar-23	MCPLM01	378.000	+3.000	+0.800
Apr-23	MCPLM02	345.000	+2.000	+0.583
May-23	MCPLM03	324.000	+3.000	+0.935
Q2-23	MCPLQ01	325.000	+3.000	+0.932
Q3-23	MCPLQ02	302.000	+6.000	+2.027
Q4-23	MCPLQ03	297.000	+6.000	+2.062
2024	MCPLY01	287.000	+4.000	+1.413
2025	MCPLY02	275.000	+4.000	+1.476

Platts China PLV, met coke price differentials, Feb 14

Price spreads	Platts symbol	\$/mt
Import-Shanxi Premium Low Vol CFR China	PLVHK04	2.12
Import-port stock Premium Low Vol CFR China	PLVHL04	-3.03
62/60% CSR coke export-domestic FOB North China	PLVHN04	5.70

Metallurgical coke, Feb 14

Seaborne					
	% CSR	Platts symbol	\$/mt	Chg	% Chg
FOB North China	66/65	MCCNC00	446.00	0.00	0.00
	65/63	MCCHB00	432.00	0.00	0.00
	64/62	AAWVL00	416.00	0.00	0.00
CFR India	62/60	MCCHA00	411.00	0.00	0.00
	66/65	MCCNI00	482.00	+2.00	+0.42
	65/63	MCINB00	465.00	+2.00	+0.43
	64/62	MCCET00	455.00	+2.00	+0.44
	62/60	MCINA00	450.00	+2.00	+0.45
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

well as a total GHG reduction target during the first phase over FY 2023-24 and FY 2025-26.

Their reported GHG reduction targets will basically be compared against their GHG emissions in FY 2013-14, with an exception for selecting one year between between FY 2014-15 and FY 2021-22 as the base year, or including a three-year average including the selected base year.

The companies will have to report their GHG emissions by the end of October after the end of each fiscal year in March, with verification by a third party.

In the event of the companies not fulfilling their GHG reduction targets, they must offset their shortfall by procuring “eligible” carbon credits or explain their reasons for failing to hit targets during the first phase.

While only Scope 1 GHG emissions in Japan can be subject to the ETS trading, companies will be able to trade their GHG reductions that are in excess of the country’s Nationally Determined Contribution, or NDC.

Japan targets a 46% cut in GHG emissions by FY 2030-31 from the levels in FY 2013-14 under its NDC.

Information regarding the degree to which companies are able to meet their GHG reduction targets and their carbon credit trading activities will be publicly available in the “GX Dashboard” once established.

During the first phase, the J-Credit will likely be a key source of carbon credits that are traded in the ETS. Japan ran a carbon credit market on the Tokyo Stock Exchange as part of the METI’s demonstration project for about four months until the end of January.

The J-Credit Scheme is designed to certify the amount of greenhouse gas emissions reduced and absorbed through efforts to introduce energy-saving devices and manage forests.

— Takeo Kumagai

German 778 MW Heilbronn-7 coal plant unavailable to April 2024 after flue duct collapse

- EnBW extends outage
- Flue gas duct collapsed
- Regional impact on grid

German utility EnBW has extended an outage at its 778 MW Heilbronn-7 coal-fired power plant by another three months to end-March 2024, it said Feb. 13.

The plant in southwest Germany was damaged earlier this month after parts of flue gas ducts collapsed, damaging the boiler house. The operator is still assessing the cause and impact of the incident.

Heilbronn-7 generated some 1.8 TWh in 2022, while output in January 2023 averaged around 408 MW, system data show.

EnBW also operates two reserve coal units (units 5 and 6) at Heilbronn on the river Neckar which are not affected.

The units remain under the operational control of transmission grid operator TransnetBW, who calls upon them if needed to support system security in the event of grid instabilities.

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

	CV (kcal/kg)	Basis	Week ending 10-Feb	Week ending 03-Feb	Change
FOB Kalimantan	5,900	GAR	136.600	138.600	-2.000
FOB Kalimantan	5,000	GAR	99.600	101.400	-1.800
FOB Kalimantan	4,200	GAR	74.660	78.970	-4.310
FOB Kalimantan	3,800	GAR	62.600	63.600	-1.000

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

TransnetBW on Feb. 10 asked consumers in the Baden-Wuerttemberg region to save electricity and required some 500 MW redispatch from Switzerland due to strong wind in Northern Germany and grid bottlenecks within Germany.

The plant, modernized in 2009, also supplied district heating with up to 390 MWth output.

Auxiliary steam generators can maintain some heat supply except for two industrial customers, EnBW said.

Generation costs for coal-fired units (35% efficiency) at Eur136.51/MWh for the quarter-ahead remain below those of gas (50% efficiency), S&P Global Commodity Insights data show.

— Andreas Franke

Miner Peabody sees Q1 met coal shipments cut on Queensland rains, US mine

Miner Peabody Energy said it expects to sell 1.3 million-1.5 million st of seaborne met coal volumes in the first quarter of 2023, lower than anticipated full-year rates, due to the effects of heavy rains on shipments in Queensland and unfavorable geological conditions at Shoal Creek mine in Alabama, US.

In a Feb. 14 statement, Peabody said 900,000 st of exports were priced at \$216/st FOB, while remaining unpriced volumes are expected to achieve 75%-80% relativity of the premium hard coking coal price index. Met coal costs are expected to range around \$140-\$150/st in Q1, the St Louis-based miner added.

Peabody sold 2 million st of seaborne met coal in Q4, which was the highest quarterly sales volume for the year, at an average realized price of \$219.81/st, it said. Higher prices tracked the market up from Q3. Total met coal costs averaged \$128.14/st in Q4, 12% higher than in Q3, “primarily due to higher sales price-sensitive costs and a longwall move at Metropolitan,” it said, referring to the mine in New South Wales, Australia.

The US miner expects seaborne met coal volumes of 7 million-8 million st in 2023, from its various coking coal and pulverized coal injection supplying mines in Australia, and the Shoal Creek mine in the US.

— Hector Forster

Colombia coal exports decrease 23.6% on week: CAS

- Turkey is top thermal destination
- FOB Colombia 6,000 NAR 0.8%S falls \$5 to \$120/mt: Platts

Weekly thermal and metallurgical coal exports from top global exporter Colombia dropped 23.6% on the week to 835,877 mt in the week ended Feb. 12, according to Feb. 13 S&P Global Commodities at Sea data.

The latest week's shipments consisted of 111,342 mt of metallurgical and 724,535 mt of thermal coal. In the prior week, Colombia shipped 142,039 mt of met and 952,354 mt of thermal coal.

Platts Feb. 10 assessed prompt-quarter loading FOB Colombia 6,000 kcal/kg NAR 0.8%S coal down \$5 on the weekly session at \$120/mt, according to S&P Global Commodity Insights data.

The top three destinations for Colombia coal were all scheduled to receive thermal shipments, with Turkey leading the group at 172,184 mt. Japan followed with 171,278 mt in Colombia coal shipments. Israel rounded out the top three with 170,411 mt in scheduled thermal shipments. In the prior week, Colombia's top thermal destinations were Poland at 518,972 mt; the Netherlands at 174,258 mt; and Canada, 119,513 mt.

Colombia's met coal was bound for three destinations in the latest week: Mexico at 40,869 mt; Trinidad & Tobago, 37,962 mt; and Brazil, 32,511 mt. In the previous week, Colombia met coal was shipped to three destinations: Brazil at 89,061 mt; Argentina, 32,212 mt; and Guadeloupe, 20,766 mt.

Top shippers and ports

Drummond logged the most thermal shipments in the latest week at 280,245 mt, down from 487,121 mt the prior week. Undisclosed shippers originated 207,280 mt in shipments, up from 139,611 mt the prior week. Cerrejon shipped 170,411 mt, down from 191,389 mt the previous week. Prodeco Group shipped 66,599 mt, down from the previous week's 134,233 mt, CAS data showed.

The top thermal load port in the latest week was Port Drummond at 452,429 mt, down from 555,392 the previous week. Port Bolivar shipped the second-highest thermal volume of any Colombia coal port at 170,411 mt, down from 191,389 mt the week before. Port Nuevo shipped 66,599 mt, down from 134,233 mt the previous week. Santa Marta shipped the remaining 35,096 mt, down from 71,340 mt the prior week.

The top Colombia met coal load port was Buenaventura, which shipped 40,869 mt in the latest reported week, up from zero the week before. Tolu loaded 37,962 mt, compared with zero the previous week. Mamonal shipped the remaining 32,511 mt of met coal, down from 55,321 mt in the previous week.

— Morgan Snook

Asian met coal prices rise with improved buying interest

- Australian mid-vol PCI Daunia booked at \$342/mt FOB Australia
- Australian PMV booked by Indian steel mill at \$380/mt FOB

Asian met coal prices rose slightly Feb. 14 because of improved buying interest.

Platts assessed benchmark premium low volatile matter hard coking coal up \$5/mt on the day at \$385/mt basis FOB Australia Feb. 14, while the delivered price was \$1/mt higher on the day at \$336/mt basis CFR China.

A deal was heard concluded in the FOB Australia market late Feb. 13 at \$380/mt FOB Australia for 40,000 mt of Australian premium mid-vol Illawarra coal with a March 1-10 loading laycan from an international trader to an Indian steel mill.

A bid was heard at \$400/mt FOB Australia for 40,000 mt globalCOAL HCCA branded coal with a March 11-20 loading laycan. However, Platts could not fully verify the details of the bid as of 5.30 pm Singapore time.

Tradeable values were heard in the \$380-\$390/mt FOB Australia range for Australian premium low-vol Peak Downs, normalized to parity with Platts Premium Low Vol FOB Australia.

“Pockets of demand has started emerging as most steel mills have been operating under a low coal inventory basis, hence providing support for the price to continue climbing at these levels,” an Indian trader said.

Another trader said that even with US coals available in the market, market participants will start exploring ways to integrate different qualities of coal to cut back on production costs in the wake of high Australian coking coal prices.

A deal was heard concluded Feb. 14 at \$342/mt FOB Australia for 40,000 mt of Australian mid-tier pulverized coal injection

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Daunia with a March 11-20 loading laycan. The coal had 20.8% volatile matter, 9.5% ash, 0.38% sulfur, 85 hardgrove grindability index, and 7,610 calorific value, on an air-dried basis, market sources said.

"This coal has been offered to the market for a couple of days now, it's interesting to see who might have bought this coal," an Indian steel mill said.

Another trader source said that PCI Daunia's qualities might make it suitable as a weaker grade of coal, like a lean coal instead of PCI, subject to the type of blast furnace the mill uses.

CFR China market prices strengthened with buying interest. The Chinese market inherently lacking low-sulfur high coke strength reactivity, or CSR prime coking coals is supporting prices to continue trending higher, market sources said.

"Buying interest is widely ranged in the current market with mills having differing expectations for the market outlook, for those with lower PHCC [premium hard coking coal] inventory, it remains crucial for them to secure seaborne imported coal," a Chinese trader said.

Tradable levels were heard in the \$330-\$350/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 \$332-\$352/mt CFR China range.

For weaker grades of coal, an offer was heard at \$190/mt CFR China for 125,000 mt of US Baily HV coking coal with an April 1-10 loading laycan. The coal had 38%-41% volatile matter, 9% total moisture, 9% ash, 2.1% sulfur, and 20,000 fluidity, market sources said.

Prices were rangebound in the Chinese met coke market amid talks of a third round of price cuts expected to land during the week.

"Met coke supply along the portside has started rising alongside met coke inventory at major steel mills that might support a third round of price cut to finally land after an impasse over the past few weeks," a Chinese coke trader said.

In the Indian met coke market, market participants continued to cite a price arbitrage between seaborne coke and domestic fuel prices.

"We are not in a rush to sell now as imported coke prices are higher now and we shall wait for domestic prices to edge up. Right now, there is no buying interest at Rupee 44,000/mt ex-washplant levels (\$531.35)," an Indian coke producer said.

Duty-free origin coke of 65 CSR was heard being offered in the \$460-\$463/mt CFR range, according to sources.

Another coke producer was heard looking for a March-laycan Australian or US-origin premium mid-vol coal.

However, current market prices were not acceptable for Indian end-users, market sources said.

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 down \$2/mt day on day at \$67/mt on Feb.14, amid low demand fundamentals.

The best bid was heard at \$65/mt FOB on Supramax basis for February-loading cargo, while a lower bid was heard at \$64/mt for February/March-loading cargo.

No offers or trades were heard before the Platts Markets on Close assessment process.

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

Platts Hard Coking Coal Premium Low Vol CFR China Daily Rationale

Platts assessed premium low volatile matter hard coking coal up \$1/mt on the day at \$336/mt CFR China Feb. 14, in line with tradeable levels heard for the day.

Tradable levels were heard in the \$330-\$350/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 \$332-\$352/mt CFR China range.

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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 \$5/mt on the day to \$385/mt FOB Australia Feb. 14, in line with tradable levels heard for the day.

A bid was heard at \$400/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. However, Platts could not fully verify the details of the bid as of 5.30 pm Singapore time.

Tradeable values were heard in the \$380-\$390/mt FOB Australia range for Australia 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	80000	DBCT/Taiwan	Mar 18-27	\$10.40/mt	TPC
TBN	80000	DBCT/Taiwan	Mar 3-16	\$10.50/mt	TPC
TBN	80000	Newcastle/Taiwan	Mar 11-24	\$11.73/mt	TPC
TBN	80000	Newcastle/Taiwan	Mar 16-29	\$11.87/mt	TPC
TBN	80000	Newcastle/Taiwan	Mar 17-30	\$11.87/mt	TPC
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
Canada					
TBN	189000	Roberts Bank/Japan	Feb 28-Mar 9	RNR	NSC
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 Holdings	50000	Muara Sabak/Jiangyin	Feb. 23-27	\$9.60/mt	Zhuhai Port
TBN	35000	Indonesia Bulk Terminal/Paradip	Feb. 20-25	\$13/mt	JSPL
TBN	80000	Banjarmasin/Taiwan	Mar 1-10	\$5.35/mt	TPC
TBN	80000	Samarinda/Taiwan	Mar 6-15	\$4.99/mt	TPC
TBN	80000	Adang Bay/Taiwan	Mar 8-17	\$5.14/mt	TPC
TBN	80000	Muara Pantai/Taiwan	Mar 16-25	\$5.07/mt	TPC
TBN	80000	Samarinda/Taiwan	Mar 17-26	\$5.57/mt	TPC
TBN	70000	Tanjung Kampeh/Putian	Feb. 17-20	\$5.30/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	RDBT/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