

Annual Coke Market Survey

A Research Proposal by Resource-Net

Introduction

The next update of the “Coke Market Survey” will be available in November 2019. As well as updated market data and price forecasts, this report will include detailed information on the coke and coking coal industries. The report will be approximately 250 pages in length.

Since it was first produced 15 years ago, the “*Coke Market Survey*” has been of value to the following:

- Producers & traders of coke & coking coal;
- Consumers of coke in the metallurgical and other industries;
- Equipment & technology suppliers to the coking industry;
- Financial institutions with an interest in coke and coking coal.

Chinese coke supply continues to play a major role in pricing worldwide. Exports were 9.8m tonnes last year, 1.7m tonnes more than in 2017. This year’s volume is likely to be lower, as world trade has slowed in line with deteriorating economic outlook. At more than \$300/tonne fob in the first half of the year, export pricing remains on a relatively high level. Availability from other countries is mostly either stable or declining.

Investment in coke capacity is being discouraged because of erratic prices, environmental issues and falling demand. In Europe and elsewhere, capacity closures have occurred and more can be expected. We therefore expect coke shortages to emerge again in the future. Likewise, expansion to coal capacity is becoming politically unacceptable in many parts of the world, leading to a greater likelihood that coking coal will also become relatively scarce.

Recent price spikes in coke have largely been due to the coking coal market. Adding to the uncertainty is the shift in pricing methodology from 2017, with the negotiated coking coal benchmark largely replaced by index-based pricing. The impact has been more market volatility, as indices are driven primarily by demand from China where purchasing is erratic.

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Outline Coverage

The “Coke Market Survey” will include the following:

Metallurgical Coke Supply

- Effective capacity data by major coke plant, plus comments on status and future developments;
- Historical coke production data by country 2010-18, estimates for 2019;
- Coke capacity forecast by country to 2029;
- Discussion of expansions and upgrades to coke-making capacity, permanent battery shutdowns in the past three years;
- Coke export availability, historical and forecast – China, Japan, Poland, Colombia, Russia, other exporters, plus available export statistics;
- Discussion of Chinese coke production & policies, impact on its export potential.

Demand for Metallurgical Coke

- Historical coke consumption (all grades combined) by country 2010-2018, estimates for 2019;
- Forecast coke demand by country to 2029, developed by statistical modelling techniques.

Metallurgical Coal Markets

- Export volumes from major suppliers i.e. Australia, Canada, Russia, United States;
- Current supply developments for coking coal;
- Estimated coking coal production by country - historical development and future availability;
- Demand outlook for coking coal;
- Pricing methodologies by region;
- Historical pricing for coking coal, plus forecast development.

Price Analysis & Forecasts

- Price forecasts for blast furnace coke and coking coal;
- Balance of likely coke import demand versus potential export capacity (five years ahead);
- Comparison of future coke demand versus available capacity (6-10 years ahead);
- Analysis of long-term coke and coking coal price development.

The report’s coverage is similar to that in recent years. We encourage any ideas on how it might be enhanced.

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Methodology

We source information for the “*Coke Market Survey*” primarily by communications with participants in the coke market, i.e. consumers, traders and producers in all parts of the world.

Other sources of information will include:

- Statistical data on production and demand from industry associations and producers;
- Conference papers and company information;
- Trade data when available;
- Communications with industry participants.

Costs, Conditions & Timing

The “Coke Market Survey” will be completed by the end of November 2019. The completed document will be sent along with key data in “Excel”. Companies subscribing are required to restrict access to the research to their own personnel, as according to Resource-Net’s standard conditions of supply.

At **€3250** or US dollar equivalent for all customers, the subscription costs for this report remain on a moderate level:

Invoices for the full amount will be issued from August. Companies wishing to subscribe should confirm by contacting Resource-Net via email without delay! Full payment will be required before the report is dispatched.

Background

Andrew Jones has more than twenty years' experience of analysing the global commodities sector as well as an extensive knowledge of the steelmaking and non-ferrous metals industries. Prior to establishing “Resource-Net” in 1999, he had been employed in commodities research and equity analysis in several countries.

He has an Honours Degree in Metallurgy from the University of Sheffield (UK) and an MSc in Multinational Commerce from Boston University.

Any questions or expressions of interest in this proposal should be addressed to ***andrew@resource-net.com***.

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