

GLOBAL MET COAL MARKET WORKING TO OVERCOME UNCERTAINTY

45TH ANNUAL METALLURGICAL COAL PRODUCERS ASSOCIATION MEETING

19TH MAY 2025

WHAT CHANGED SINCE THE 2024 MCPA MEETING

➤ **GLOBAL ECONOMIC UNCERTAINTY**

➤ **GLOBAL DEMAND IS FLAT**

➤ **GLOBAL MET COAL PRODUCTION HAS INCREASED**

➤ **CHINESE STEEL EXPORTS HAVE INCREASED**

YEAR-ON-YEAR PRICE CHANGES

Product	16-May-25	<u>% Change</u>	20-May-24	<u>% Change</u>	22-May-23
		2025 vs. 2024		2024 vs. 2023	
PLV	\$191.00	-18.7%	\$235.00	5.4%	\$223.00
LV PCI	\$137.50	-14.3%	\$160.50	-18.3%	\$196.50
USEC LV	\$180.50	-15.7%	\$214.00	-4.0%	\$223.00
USEC HV A	\$172.00	-20.7%	\$217.00	-2.7%	\$223.00
USEC HV B	\$158.50	-17.4%	\$192.00	-7.2%	\$207.00
API2	\$95.00	-9.5%	\$105.00	-18.0%	\$128.00
NEWC	\$102.14	-27.7%	\$141.27	-10.7%	\$158.17

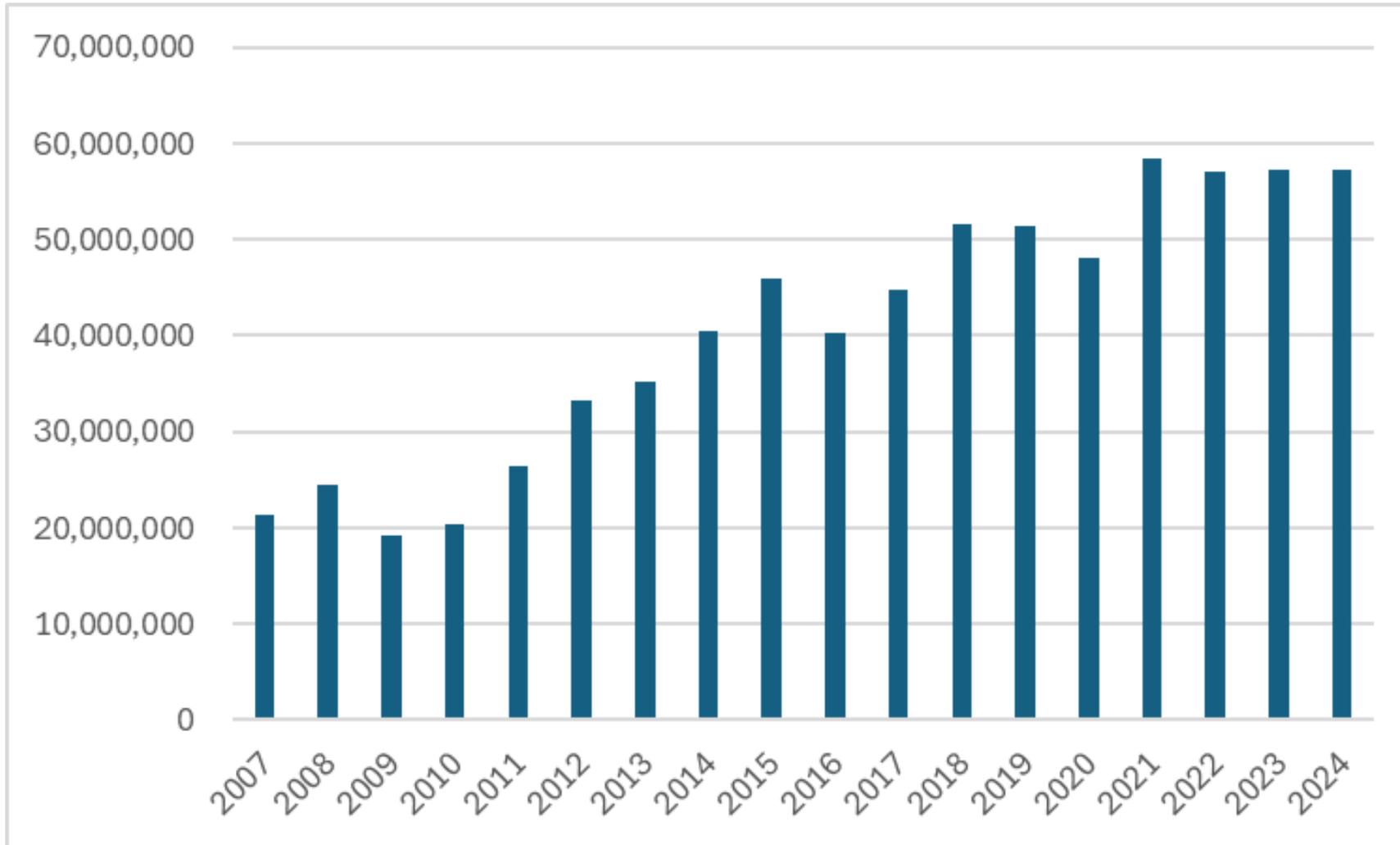
API2 and NEWC prices based on May 16, 2025, May 17, 2024, and May 19, 2023 respectively

METALLURGICAL COAL SHIPMENTS 2010-2024

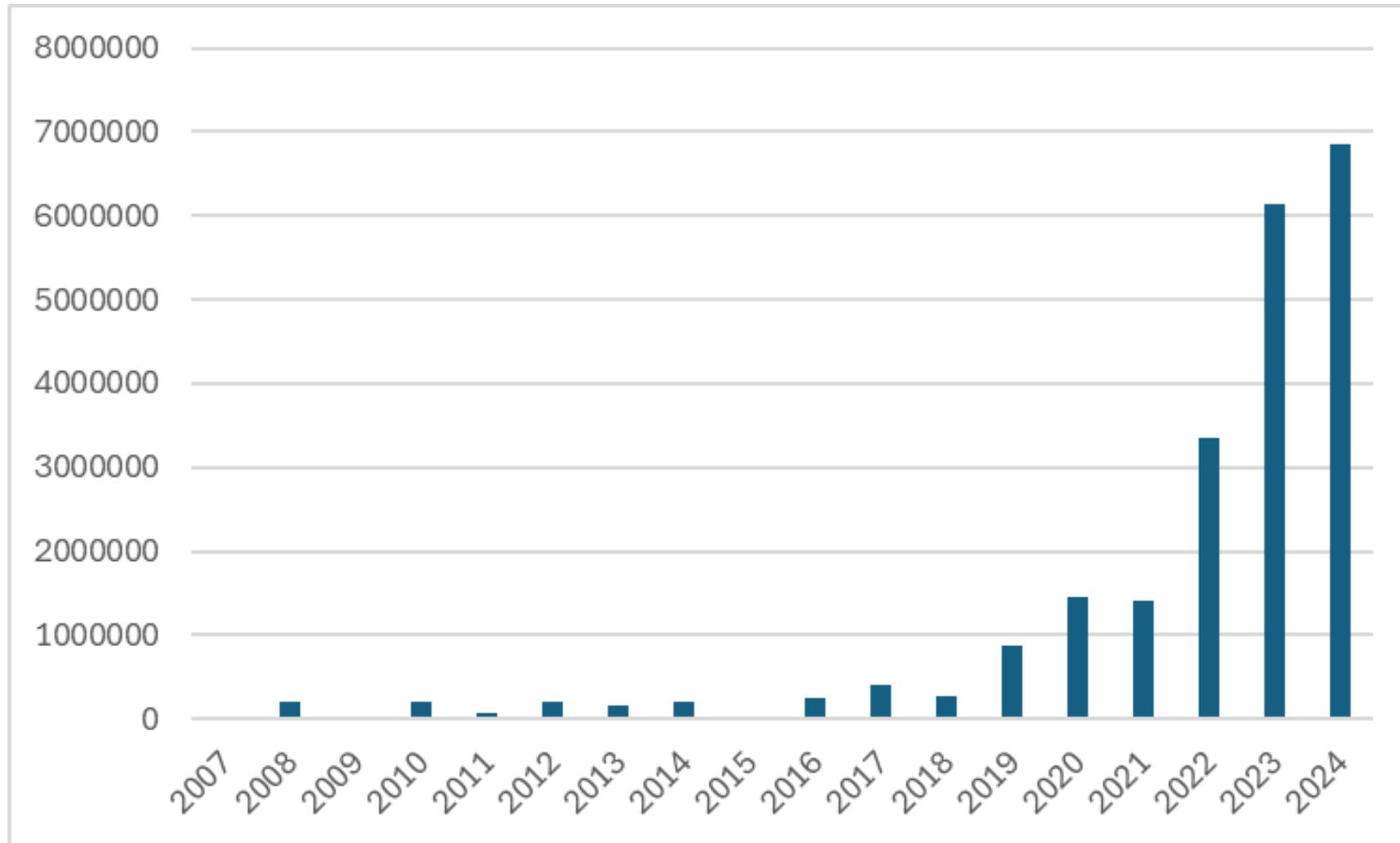
From Australia, Canada, Mongolia, & USA

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Australia	158,957,698	132,707,257	144,543,397	170,009,606	186,364,980	186,100,849	189,228,058	172,674,775	178,852,819	184,354,695	171,822,118	166,992,760	160,531,823	151,226,818	152,856,688
Canada	27,555,026	27,666,372	30,725,381	35,020,330	31,063,245	28,049,215	28,038,551	28,946,018	32,766,218	34,812,822	26,989,161	26,283,592	28,126,501	30,629,396	28,858,998
Mongolia	15,048,797	20,038,843	19,060,024	15,441,387	14,786,565	12,723,285	23,561,576	26,269,556	27,676,453	33,773,319	23,765,998	14,037,292	25,611,111	53,960,276	56,792,266
USA	50,958,073	63,019,458	63,343,075	60,122,266	54,495,392	41,752,713	36,826,664	48,165,340	54,357,502	47,932,089	37,935,886	40,822,520	42,164,056	46,531,780	51,579,172
Total	252,519,594	243,431,930	257,671,877	280,593,589	286,710,182	268,626,062	277,654,849	276,055,689	293,652,992	300,872,925	260,513,163	248,136,164	256,433,491	282,348,270	290,087,124
Y-o-Y change		-3.60%	5.85%	8.90%	2.18%	-6.31%	3.36%	-0.58%	6.37%	2.46%	-13.41%	-4.75%	3.34%	10.11%	2.74%
Highlighted cells indicate peak production for each region and total															

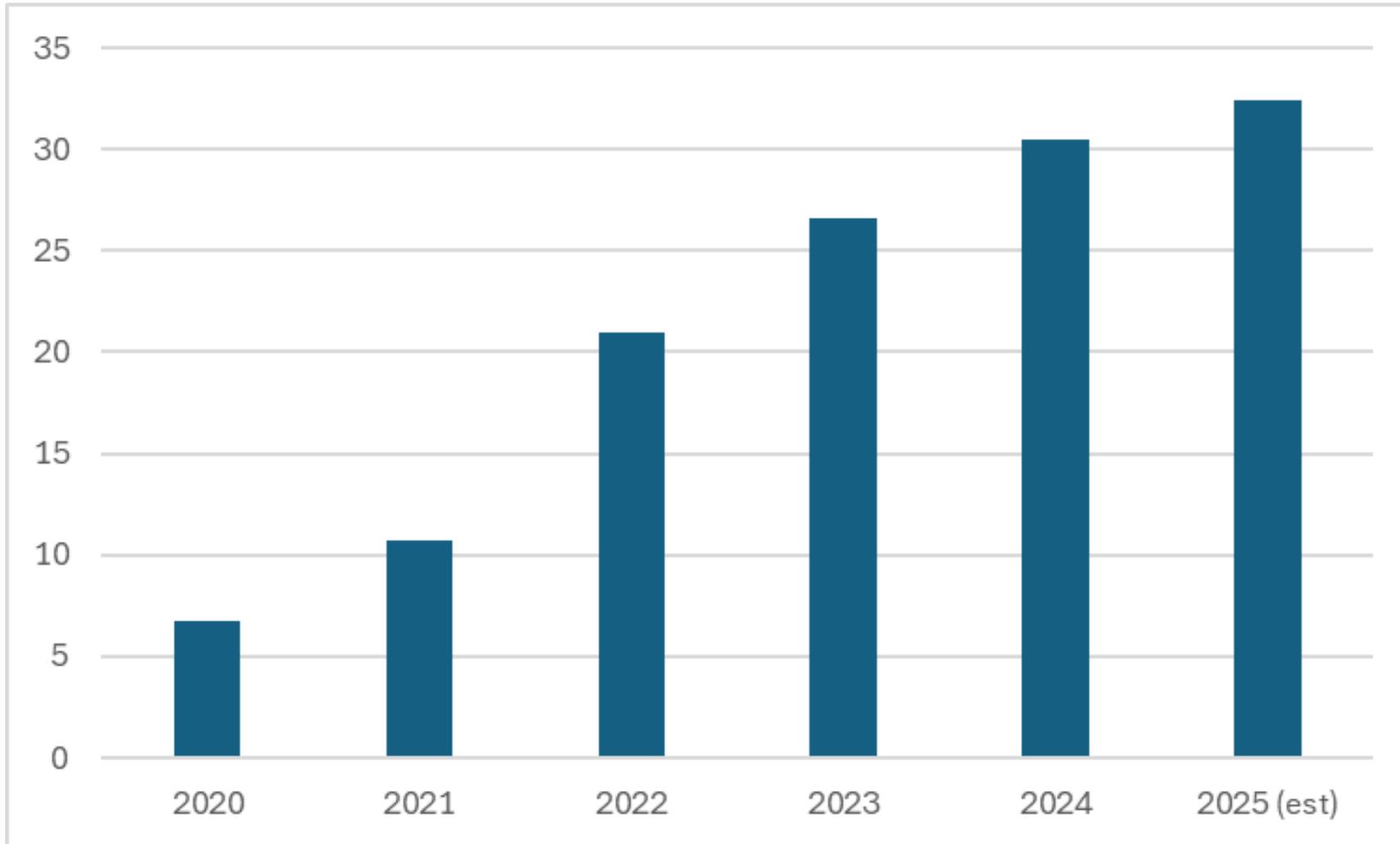
INDIA METALLURGICAL COAL IMPORTS



INDIA METALLURGICAL COAL IMPORTS – RUSSIAN ORIGIN



CHINA IMPORTS OF RUSSIAN METALLURGICAL COAL

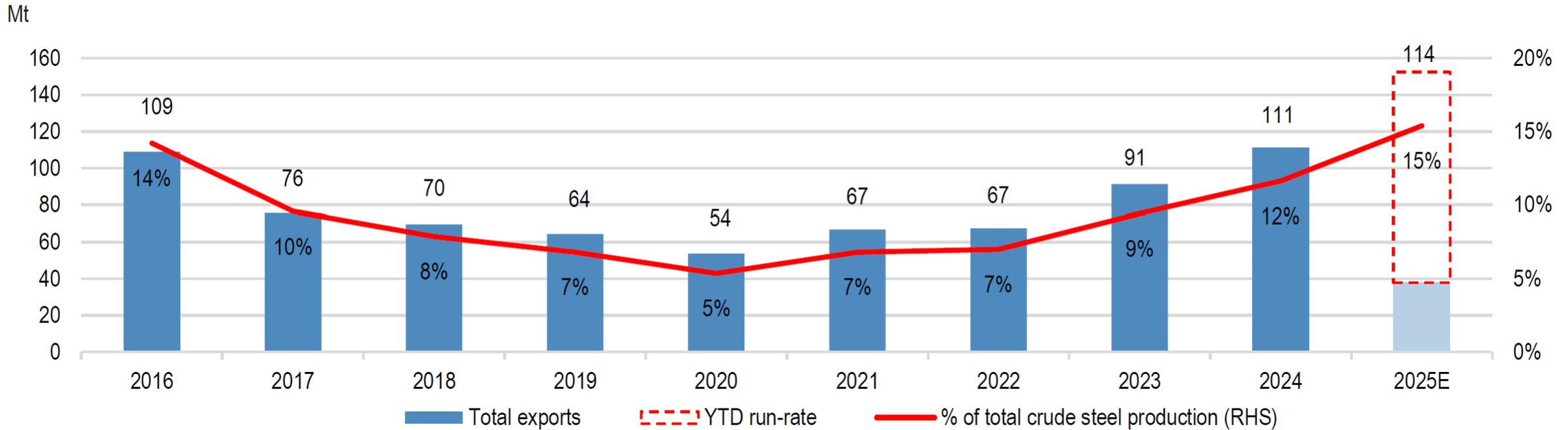


GLOBAL STEEL PRODUCTION

					2025 vs
Region	2022	2023	2024	2025 (est)	2024
Advanced Economies	411	400	394	398	1.0%
Developing World Economies	313	329	331	330	-0.3%
India	125	141	149	159	6.7%
China	1016	1025	996	974	-2.2%
World Total	1865	1895	1870	1861	-0.5%
World ex-China	849	869	874	887	1.5%
World ex China and India	723	729	724	728	0.6%

CHINESE STEEL EXPORTS

2016 THROUGH 2025 (EST)

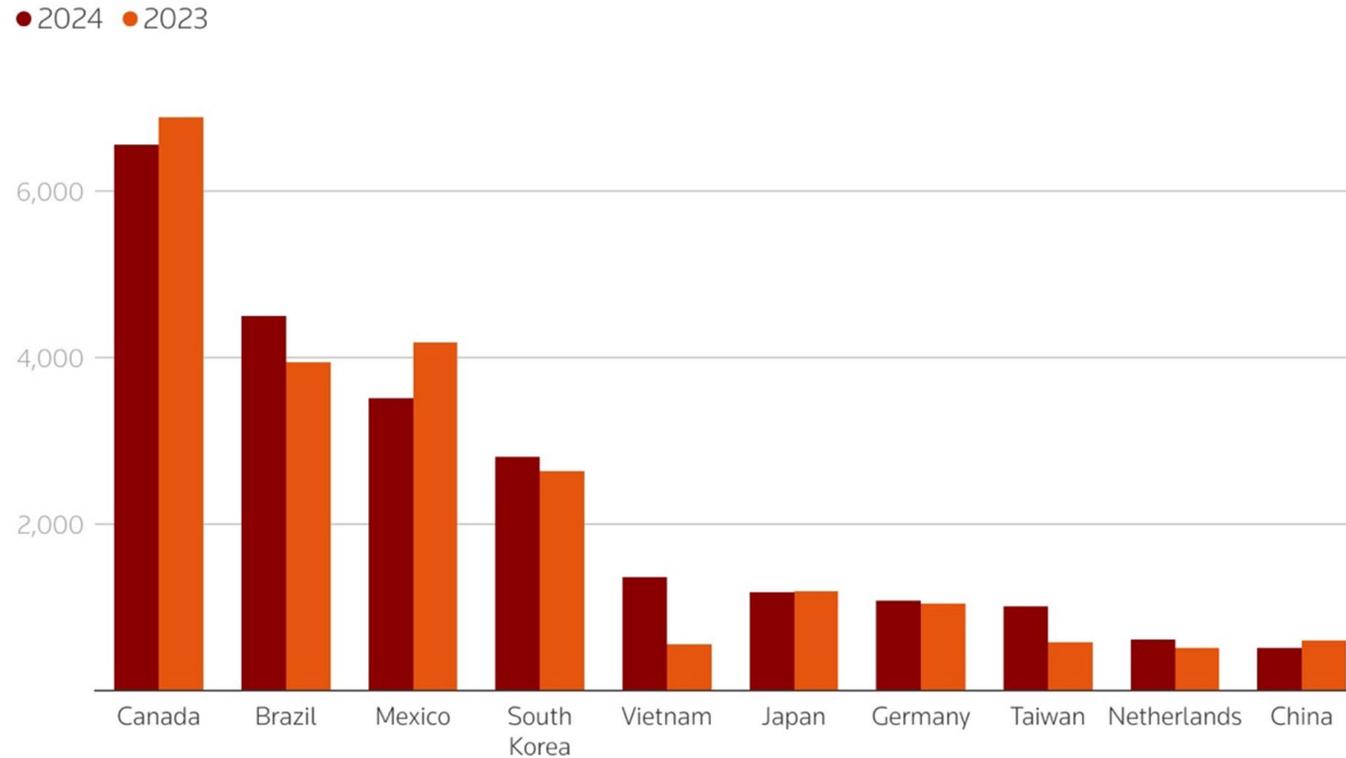


January-April 2025 Chinese steel exports are at 38 million MT. This is the highest export volume at the start of the year since 2015/16.

TOP 10 COUNTRIES EXPORTING STEEL TO THE USA

U.S. steel imports by top 10 countries of origin, 2024 vs 2023

U.S. steel mill product imports in 2024 showed sharply higher imports from Vietnam, with higher volumes also from Brazil, South Korea, Taiwan and the Netherlands. In thousands of net tons



Note:

By David Lawder • Source: U.S. Census Bureau data via American Iron and Steel Institute

GEO POLITICS HAS AFFECTED THE SEABORNE COAL MARKET



Reciprocal Tariffs announced April 2, 2025

WEST VIRGINIA
West Virginia coal industry could see 'severe negative impacts' from China tariff: report

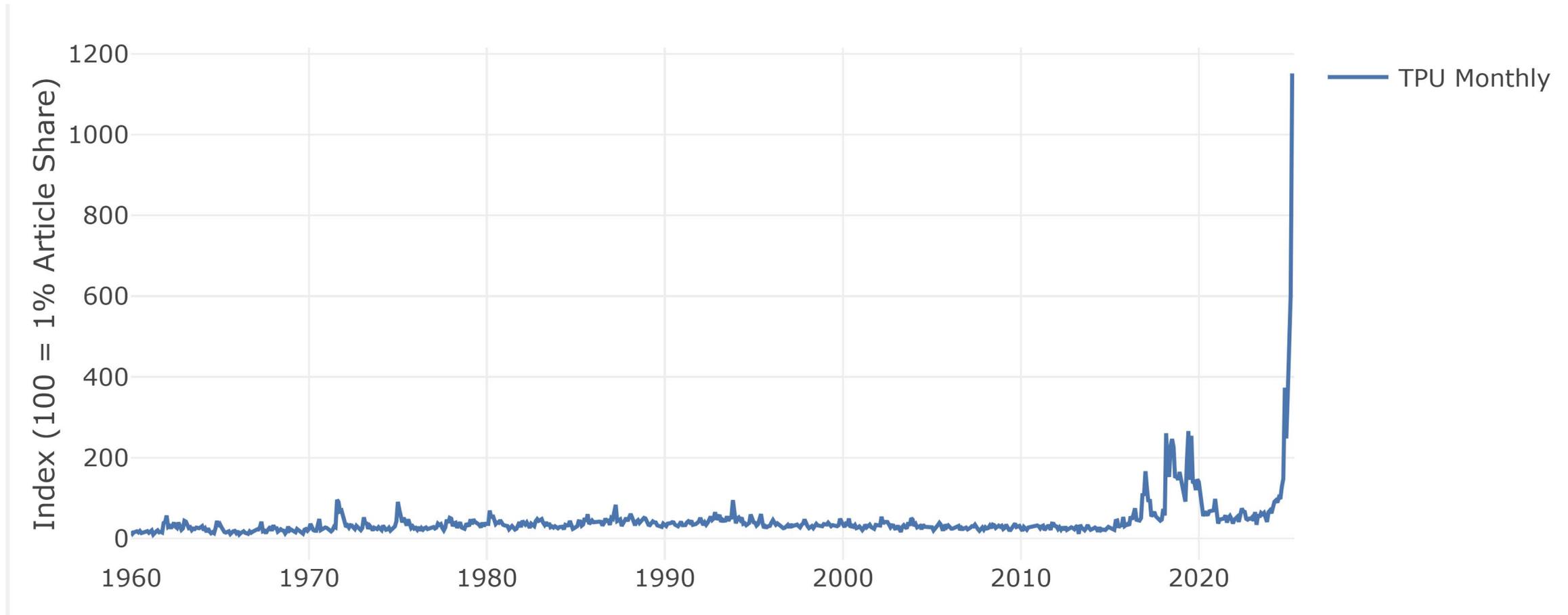
Currently, China has imposed a 28% tariff on U.S. coal

HISTORY OF A TRADE DISPUTE 1930

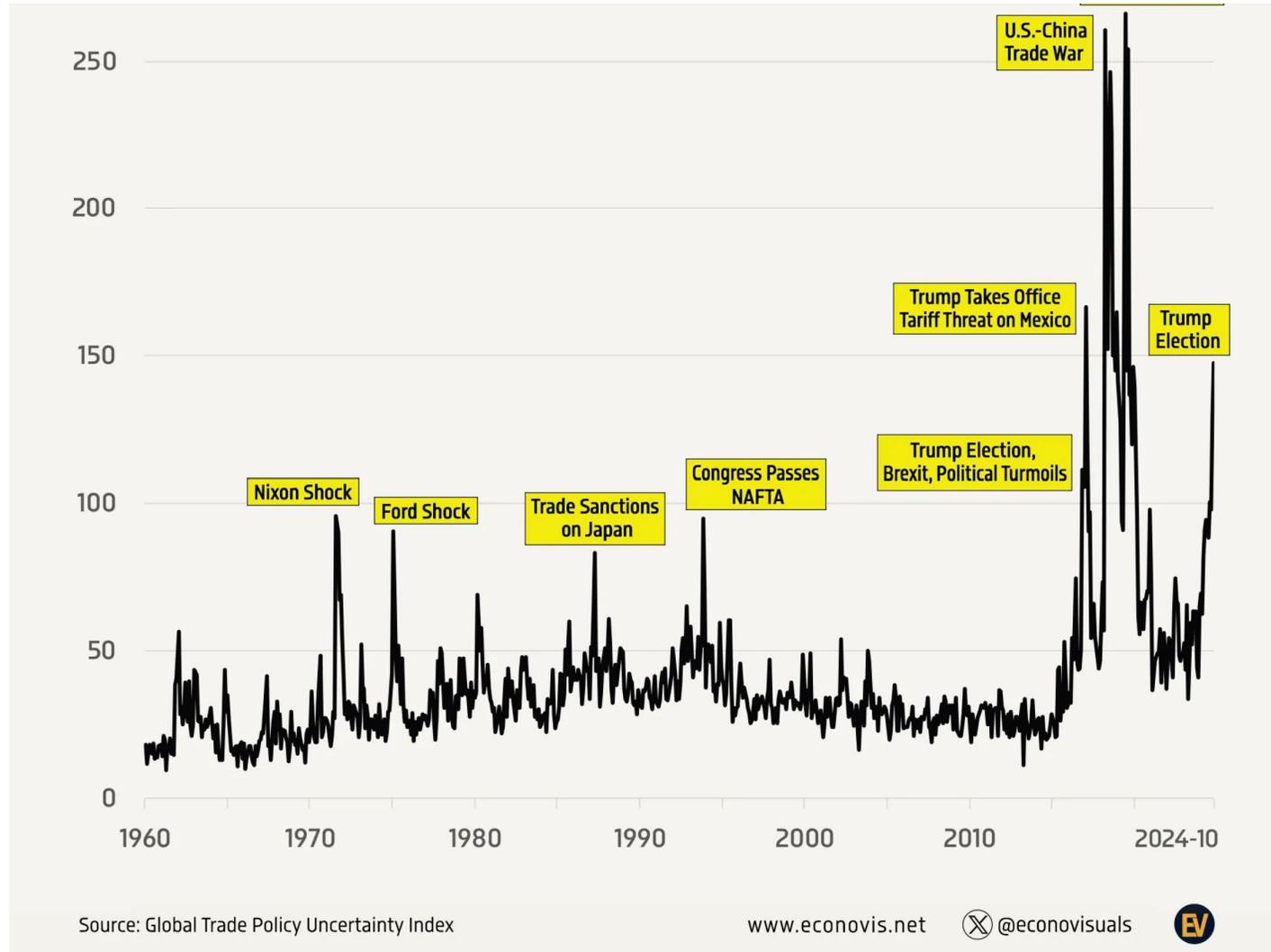
- On June 13, 1930, the U.S. Senate passed the Smoot-Hawley Tariff, among the most catastrophic acts in U.S. congressional history.
- As economists predicted, the high tariff proved to be a disaster.
- Even before its enactment, U.S. trading partners began retaliating by raising their tariff rates, which froze international trade.
- Many economists and historians believe the trade tariffs imposed under the Smoot-Hawley Tariff, and the retaliatory tariffs imposed by the trading partners of the United States, exacerbated the Great Depression (1929-1939)



GLOBAL TRADE POLICY UNCERTAINTY INDEX 1960-2025



GLOBAL TRADE UNCERTAINTY INDEX



DOMESTIC POLICY SUPPORTS COAL AND STEELMAKING COAL

Reinvigorating America's Beautiful Clean Coal Industry and
Amending Executive Order 14241

[Executive Orders](#)

April 8, 2025

Designation of Steelmaking Coal as a Critical Material and Mineral

In coordination with the Department of the Interior, DOE is recommending the designation of coal used in steelmaking as both a critical material and a critical mineral in the upcoming 2025 Critical Materials Assessment. This strategic designation will help ensure the U.S. maintains a stable supply of steelmaking coal in the decades to come and underscores the vital role of steelmaking coal in bolstering national security and economic stability.

WHAT CAN HAPPEN TO PUSH THE MARKET LOWER?

- Reduced global steel demand
- Global and regional trade disputes
- China tariffs on U.S. coal
- Global uncertainties
 - China “peak steel”
 - China economic struggles
 - China-Russia alliance
 - Reduced sanctions on Russian coal

WHAT IS LIKELY TO HAPPEN TO THE COAL MARKET?

- The economic and political challenges, and other exogenous factors, will affect the market for the remainder of 2025.
- Mining issues in Australia could reduce availability of Australian metallurgical coal, thereby supporting additional U.S. coal exports.
- The U.S. policy to assess tariffs on imports has disrupted global trade and trading patterns.
- The supply side shortfall has been resolved by increased supply from Mongolia, domestic production in China, and domestic production in India.
- Global economic activity has moderated
- Expect prices to remain challenging through Q3 2025.
- Potential for positive influences on the domestic coal market due to the administration's policies to support coal.



THANK YOU

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