

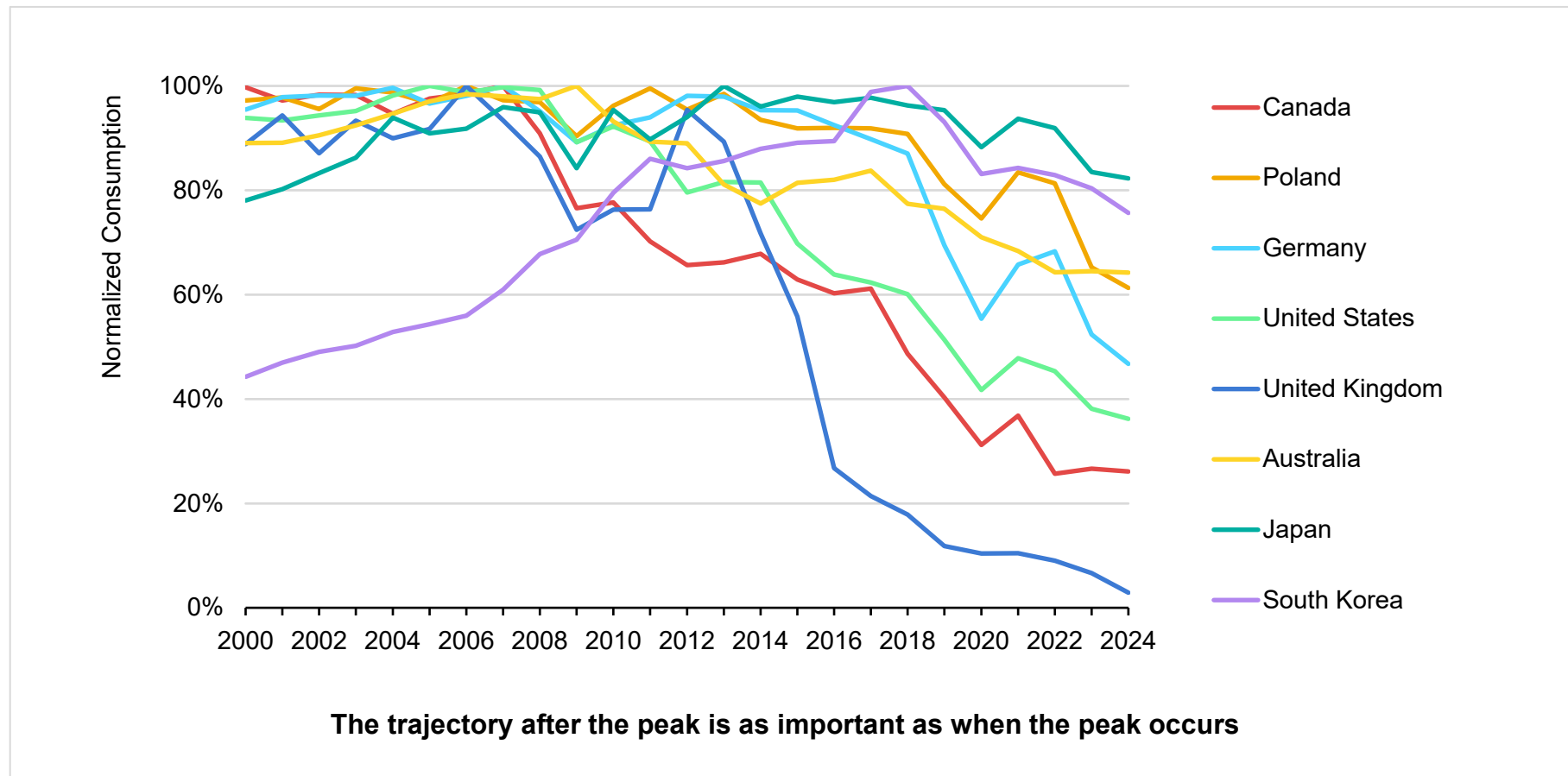


Global coal market outlook

Carlos Fernández Alvarez, Senior Coal Analyst

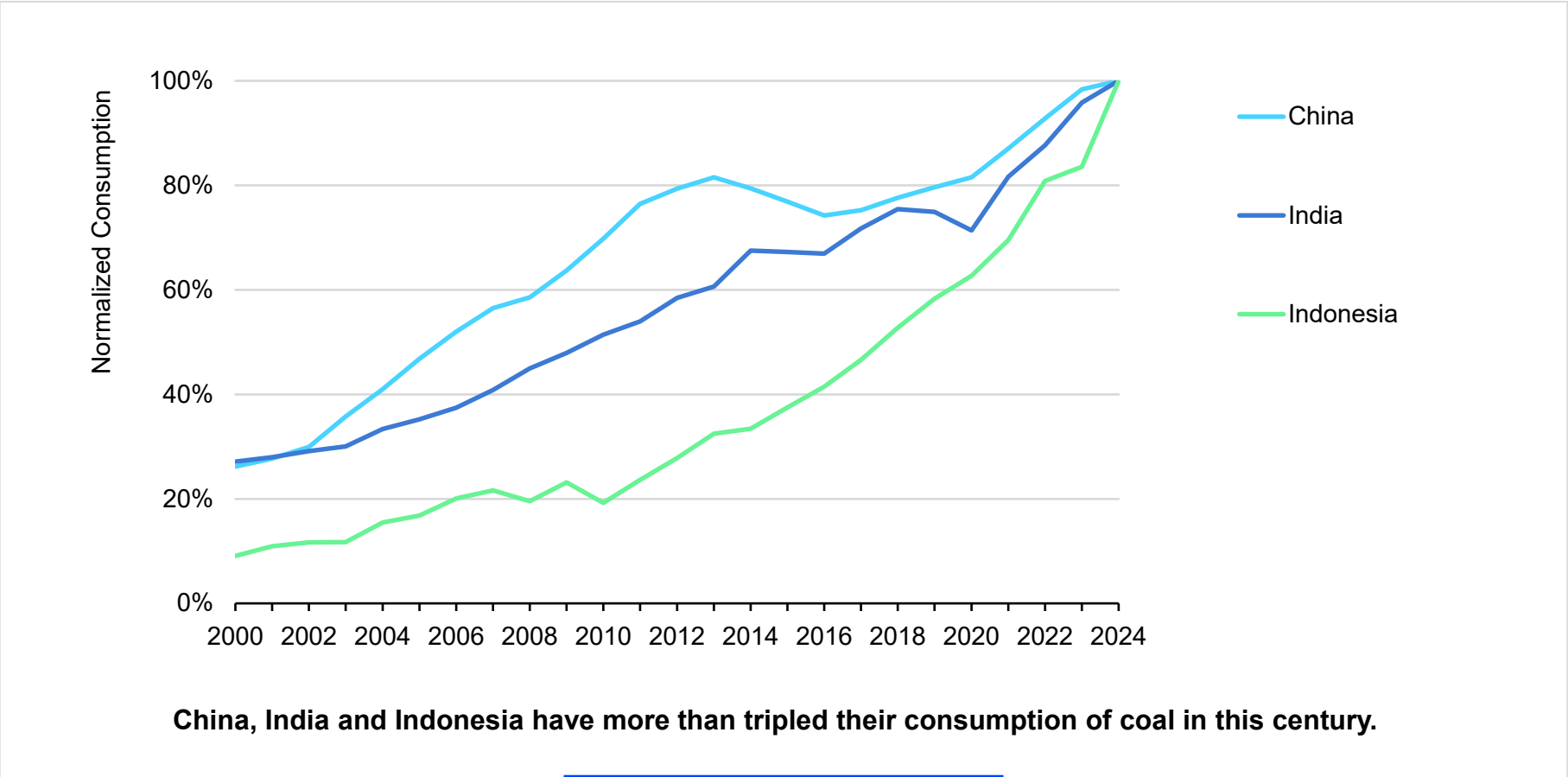
7th Symposium on Gas and Coal Market Outlooks| Paris, 8 October 2025

In mature economies, coal consumption have already peaked



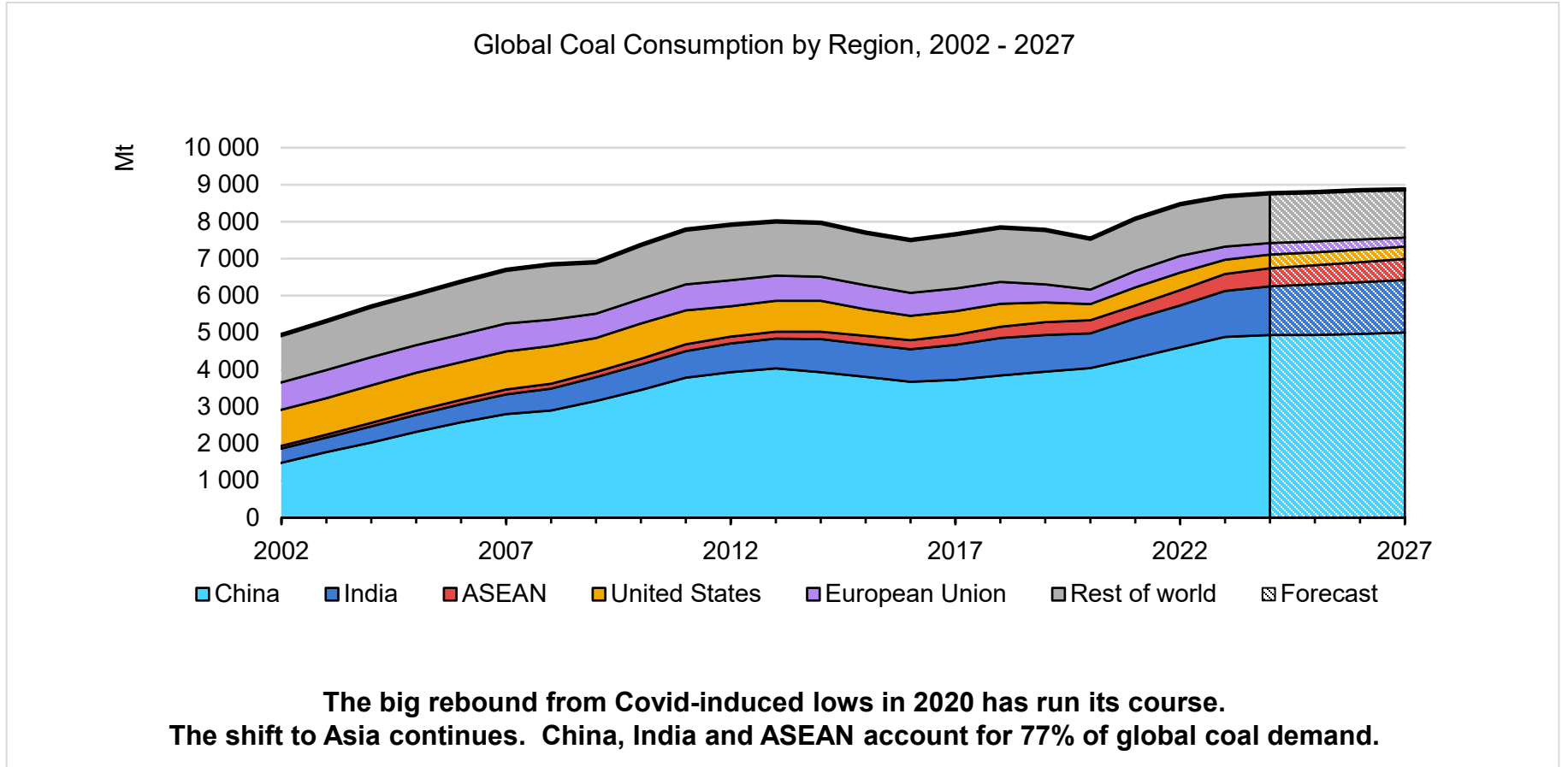
The trajectory after the peak is as important as when the peak occurs

But in other countries trends are different



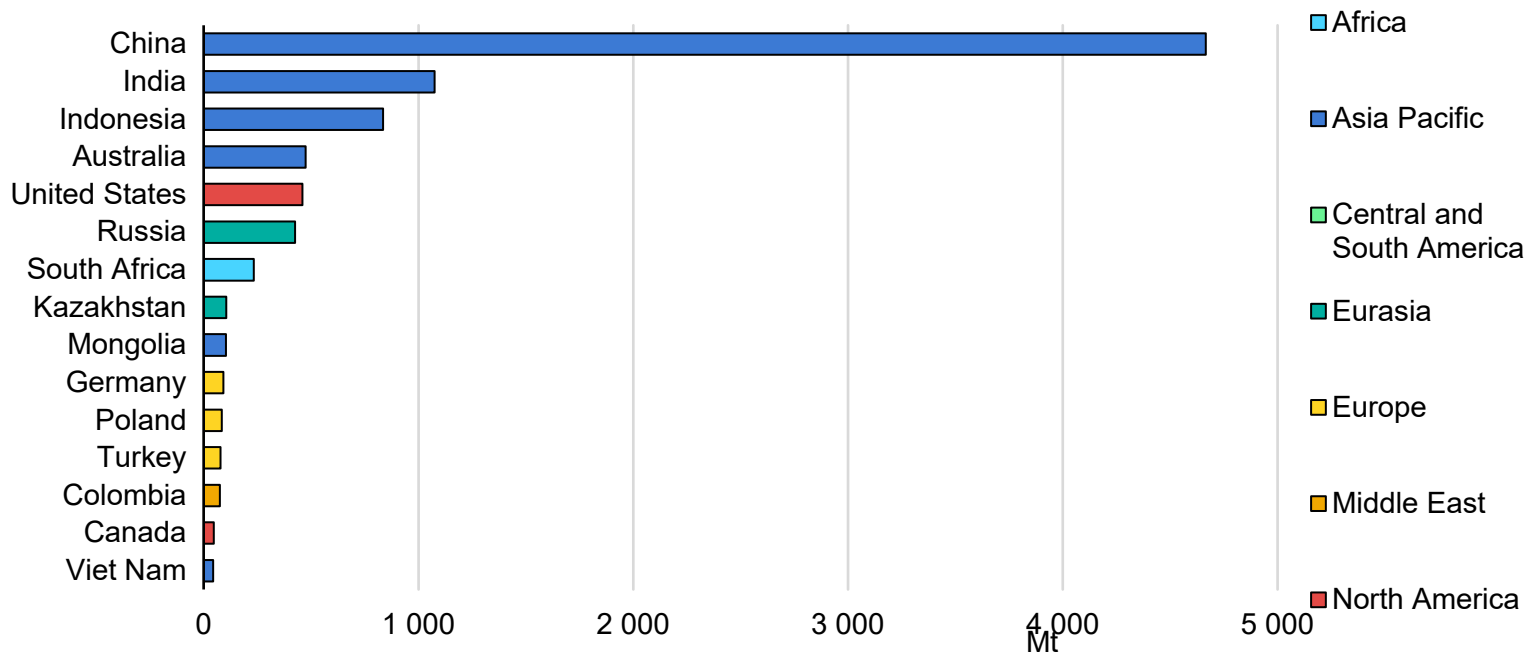
China, India and Indonesia have more than tripled their consumption of coal in this century.

A Structural Plateau of Global Coal Demand Ahead



Global coal production is more concentrated than demand

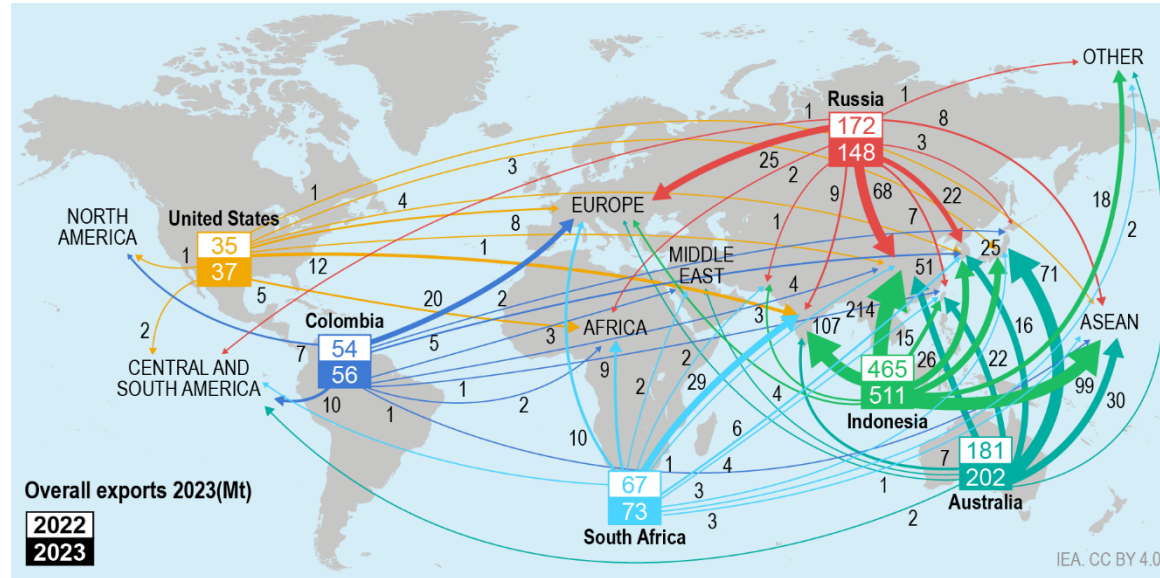
Coal production in the 15 largest producing countries, 2024



Energy-security considerations in China and India, and demand from international markets in Indonesia, pushed coal production into historical highs in 2024 and 2025

Over 80% of global coal trade takes place in Asia

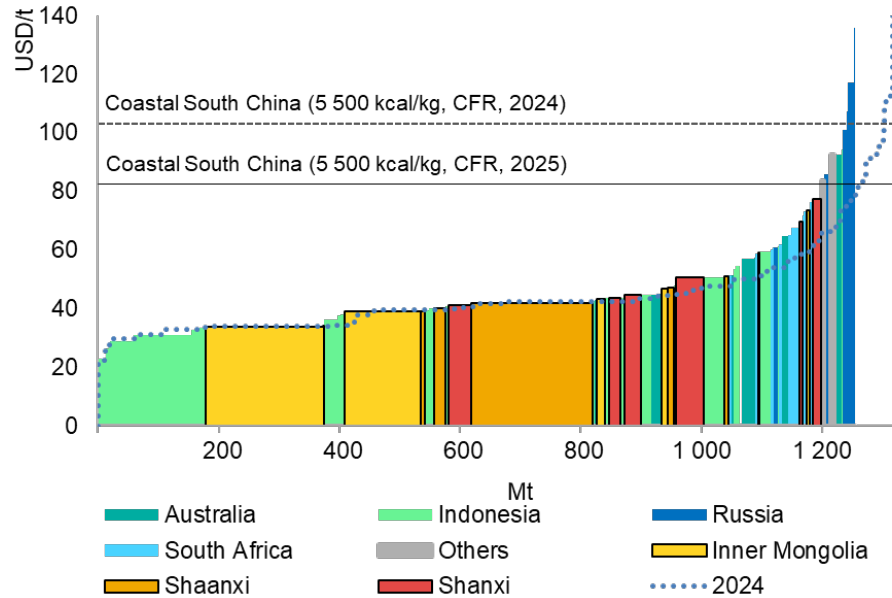
Trade Flows, Thermal Coal, 2023



Whereas Russia, United States, South Africa or Colombia continue to be among the largest exporters, imports are increasingly concentrated in Asia

The big arbitrage in coastal China

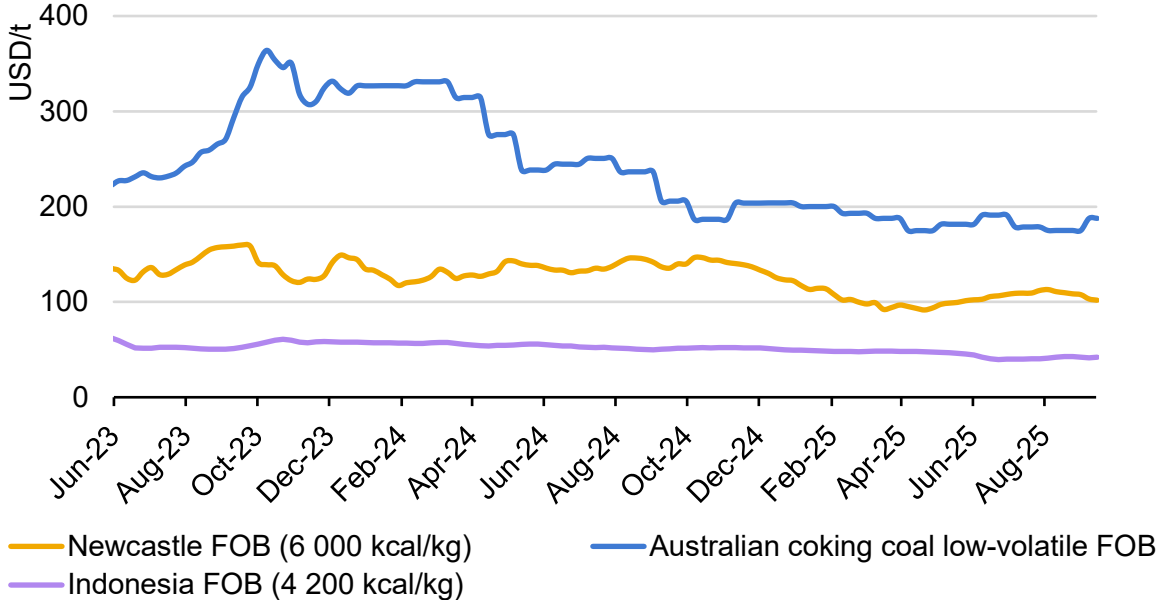
Supply cost curve of domestic and imported coal into coastal China



The volume of domestic coal transported from the north-western provinces to the coastal region is comparable with the volume of global trade

Difference between coal grades

Price marker for different qualities of coal, 2023-2025



After the unprecedented levels in 2021 and 2022, coal prices have returned to levels closer to supply costs

- For the second year in a row, global coal demand, production, power generation and coal trade volumes reached all-time highs in 2024.
- Global coal demand is expected to plateau through to 2027, with stable demand in electricity and industry sectors. Renewables are expanding rapidly. However, strong electricity demand growth makes room for coal-fired power generation.
- Global coal production reached a new record in 2024 surpassing 9 bt, led by the three largest producers, China, India and Indonesia, which all reached new records. We expect a new record in 2025, driven by China and India
- Coal trade keeps shifting to Asia. China (as importer) and Indonesia (as exporter), set new records above 500 mt in 2024. We expect coal trade to shrink in 2025 and probably in 2026, which would mark the first time to decline two years in a row this century.
- After years of oversupply building coal stocks - in particular in China - prices for thermal coal in 2025 have returned to 2021 levels. Some producers are struggling at those prices.

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