ILLINOIS BASIN

Prices climb

Illinois basin coal prices rose this week in response new transactions and ongoing demand.

Argus assessed third and fourth quarter shipments of Illinois basin coal with 11,500 Btu/lb 5lb SO_2/mmBtu at $50/short ton fob barge each, up by $2.80/st and $2.35/st, respectively from last week. The calendar year 2026 price rose by $2.85/st to $52/st.

Other Illinois basin coal assessments had the same increases as the 11,500 Btu/lb specification. The prompt quarter price for 11,800 Btu/lb 4.5lb SO_2/mmBtu coal rose to $50.65/st from $47.85/st. The first quarter 2026 assessment for that specification climbed by $2.75/st to $51.65/st.

Prices have been boosted by continuing demand from US utilities. Some buyers are seeking deliveries for as early as this year. There also continues to be interest in forward year deliveries.

Duke Energy is said to be seeking term coal deliveries for all of its coal-fired power plants and possibly some spot 2025 deliveries for the Crystal River generating station in Florida.

Generation in regions that burn Illinois basin coal fell early this week in response to milder weather.

Coal generation over the last five days fell in the Midcontinent Independent System Operator (MISO) as well as the PJM Interconnection. In MISO, generators dispatched 430,040 MW/d of coal power Sunday-Thursday, down by 0.7pc from a week earlier.

Coal power in PJM Sunday-Thursday decreased by 35pc on the week prior 228,592 MW/d.

Generators in both grids relied more heavily on natural gas power. Overall generation in PJM and MISO during the first five days of this week fell by 2.9pc and 1.6pc, respectively.

Natural gas futures prices slipped much of this week following forecasts for milder weather. Nymex gas futures for June delivery at the Henry Hub averaged $3.299/mmBtu, down by 19.7¢/mmBtu from last week. And the day-ahead price for natural gas at the Chicago Citygates — a benchmark for gas prices in the Midwest — this week averaged $2.818/mmBtu, 1.7pc lower compared with a week earlier.

Domestic demand continues to support Illinois basin coal production.

Output during the week ended on 17 May was an estimated 1.5mn st (1.3mn metric tonnes), up by 12pc compared with the same week in 2024, US Energy Information Administration data show. Year-to-date production was up by 2.8pc compared with a year earlier.

Output in the latest week was up across the region. Mines in Illinois — the most prolific state in the basin — produced 741,000st, up by 14pc from a year earlier. Production in Indiana and Illinois increased by 10pc each.

International demand persists but Illinois basin producers continue to bypass export sales opportunities, saying domestic pricing and demand are stronger.

Argus' assessment of the NAR 6,000 kcal/kg cif Amsterdam-Rotterdam-Antwerp (ARA) coal market averaged $96.19/t this week, up by $1.49/t compared with a week earlier. This was the fifth consecutive week that the weekly average for the European-delivered coal market was below $100/t.

PHYSICAL MARKET ASSESSMENTS

Illinois basin			$/st
	Timing	Price	±
West KY Ohio River barge 11,500 5.0			
3Q25	Prompt quarter	50.00	+2.80
4Q25	Prompt quarter +1	50.00	+2.35
1Q26	Prompt quarter +2	51.00	+2.75
2026	Prompt year	52.00	+2.85
2027	Prompt year +1	54.00	+3.60
Illinois/Indiana mine 11,500 5.0			
3Q25	Prompt quarter	48.00	+2.80
4Q25	Prompt quarter +1	48.00	+2.35
1Q26	Prompt quarter +2	49.00	+2.75
2026	Prompt year	50.00	+2.85
2027	Prompt year +1	52.00	+3.60
West KY Ohio River barge 11,800 4.5			
3Q25	Prompt quarter	50.65	+2.80
4Q25	Prompt quarter +1	50.65	+2.35
1Q26	Prompt quarter +2	51.65	+2.75
2026	Prompt year	52.65	+2.85
2027	Prompt year +1	54.65	+3.60
Illinois/Indiana mine 11,000 6.0			
3Q25	Prompt quarter	44.30	+2.80
4Q25	Prompt quarter +1	44.30	+2.35
1Q26	Prompt quarter +2	45.30	+2.75
2026	Prompt year	46.30	+2.85
2027	Prompt year +1	48.30	+3.60
West KY Ohio River barge 11,000 6.0			
3Q25	Prompt quarter	47.30	+2.80
4Q25	Prompt quarter +1	47.30	+2.35
1Q26	Prompt quarter +2	48.30	+2.75
2026	Prompt year	49.30	+2.85
2027	Prompt year +1	51.30	+3.60

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