
Coking coal price index to launch - Mr Steven Doyle

Thursday, 29 Oct, 2009

Reuters cited Mr Steven Doyle coal consultant as saying that a monthly coking coal spot price index is to be launched this year by Tennessee-based Energy Publishing.

He said that "The market will eventually embrace the trading of coking coal. Thermal coal, freight, carbon, power, gas trade against each other each component is trading."

Mr Steven Doyle said "To trade the blast furnace spread, you need coking coal, iron ore and freight trading against the price of steel. Coking coal is the only component not yet lassoed by the trading community."

He said that BHP Billiton has been trying to wean term customers onto quarterly fixed contracts from the annual benchmarks. This reflects the shift change in the market.

Mr Doyle said his role has been to make sure the coking coal index created was one which would trade. He said that "We've built a mousetrap that will work and had buyed from coking coal producers and are in dialogue with steel companies."

(Sourced from Reuters)

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