
EIA ups forecast of 2010 rebound in US coal exports

Friday, 12 Jun, 2009

Reuters reported that US Energy Information Administration sharply raised its forecast of US coal exports next year to 24% more than 2009 exports.

The change in the forecast translates into 2010 US exports of 81 million short tonnes, using EIA tonnage figures. That is near the 81.5 million tonnes exported in the boom year of 2008.

The adjustment came in the agency's short term forecast for June, which raised the expected 2010 jump in coal exports by 9 percentage points from the 15% increase forecast for 2010 in the previous short term forecast for May.

The agency also increased its predictions of decline in exports this year, to 20% from 14% in the May short term forecast. That translates into 65.2 million tonnes for 2009.

US coal exports soared by 38% in 2008 as a result of strong demand in a booming world economy and delivery problems in key exporting countries. But US coal exports have slowed sharply this year amid the economic recession.

Spot prices for US coal soared to USD 150 tonnes of 2008 due to strong domestic and export demand but are currently around USD 50, with mining companies struggling to cut production enough to stay in line with sagging demand.

(Sourced from Reuters)

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