

European Coal Trading 2011

This document includes a report summary, a table of contents, report format and price information, and an order form.

Report Summary

This 100 page report offers a comprehensive analysis of the European coal trading market. Coverage includes the global coal market context, market fundamentals inside Europe, the emissions policy factor, trading volumes, products and players, and more. It is based on wide-ranging research and interviews with leading players in all major European markets. The market's dimensions and trends are profiled in 30 tables and 42 charts. The report is structured as follows:

Chapter 1 – The Global Context: this chapter reviews the global coal market. Imports meet well over half of European requirements. This makes global trends important to Europe - they can drive imported coal prices sharply higher or lower. The chapter begins with a brief review of coal types. Next the immense surge in global demand since 2000, geographic shifts in the market, and coal's position in the world's energy mix are covered. A review of major producing countries and global reserves follows. Next the wild price volatility seen in recent years in coal, oil, freight and key foreign exchange markets is profiled. The chapter concludes with an assessment of the boom in the global seaborne trade of thermal coal.

Chapter 2 – European Supply and Demand: This chapter presents a review of European market fundamentals. First, it looks at consumption, identifying the major consumers of both thermal coal and lignite and profiling the roles these fuels play in national power industries. The next section covers the consumption of coal in power generation by country and provides an overview of the major coal-fired generators. Included here is a report on German and Dutch coal-fired power projects currently under construction. The EU emissions policy factor is also outlined. A profile of the import markets follows, looking at imports by country and major external suppliers. Next coal production in the EU is reviewed, including a ranking of leading producers. The chapter concludes with a summary of EU coal subsidy regimes and reforms.

Chapter 3 – The Trading Market: this chapter reviews the European physical and financial trading markets. It begins with a profile of the new thinking that has helped the physical market to grow. Next it covers important price indices, key routes to market, and major traders. Physical market coverage concludes with a detailed profile of globalCOAL, the OTC trading marketplace. In financial trading, the chapter covers producer views, the main products, trading volumes from 2002 to 2011, market structure, exchanges and brokers, and major players. The chapter ends with a detailed profile of the coal market operations of ICE Futures Europe.

The European financial coal trading business has remained dynamic in 2011, despite economic turmoil and ongoing credit concerns. We expect total trading volumes will dip only slightly, or 4% below estimated business levels in 2010.

Moreover, the core business in the Amsterdam-Rotterdam-Antwerp (ARA) market is faring well. We expect volumes in this sector will actually rise by around 12% year-on-year in 2011.

The small fall in total financial trading volumes can be attributed to a lacklustre performance in the Richards Bay market. Richards Bay is a South African port that is a key source of coal imports for Europe.

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About the Authors



We research and report on Europe's wholesale markets for power, natural gas, coal and emissions allowances. Our work covers topics such as trading volumes, marketplaces and leading players. We also assess the commercial framework of energy trading operations, from market fundamentals to regulatory developments.

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