



## PRESS RELEASE

### **gC ICE Newcastle Coal Futures to be Introduced on ICE Futures Europe Tomorrow**

**LONDON, UK - 4th December 2008**

Beginning Friday, December 5, the gC ICE Newcastle Coal futures contract (NEWC futures) will begin trading on ICE Futures Europe. The market opens at 01.00 London local time. This new futures contract, developed jointly by IntercontinentalExchange (NYSE: ICE) and globalCOAL, will be financially-settled against the globalCOAL NEWC Index, the leading price benchmark for seaborne thermal coal in the Asia-Pacific region.

ICE Clear Europe, which will clear the NEWC futures contract, announced the scanning range and tiering (initial margin rates) that will be applicable to the new contract:

Month 1: US\$10,400  
Month 2: US\$13,000  
Months 3-12: US\$13,000  
Months 13 +: US\$11,960

ICE Clear Europe also confirmed that substantial initial margin offsets will be offered for inter-commodity spread transactions between the three coal futures contracts listed on ICE: Rotterdam (settled against API#2), Richards Bay (API#4) and Newcastle. The offsets are designed to increase efficiencies for market participants by reducing capital requirements and will vary depending on the contracts' period (ranging from 45% to 80%).

globalCOAL Chief Executive Officer Eoghan Cunningham said of the launch: "We are optimistic that the gC ICE Newcastle coal contract will gain traction in the near-term. Some traders have been deferring business in the swap market in anticipation of the futures launch, whilst others have struggled with over-the-counter liquidity and credit issues. We also look forward to building open interest in the contract as traders clear historical swap positions through the Exchange of Futures for Swaps mechanism."

The gC ICE NEWC contract will be traded directly on the ICE platform, as well as through Exchange of Futures for Swaps (EFS), Exchange of Futures for Physical (EFP) and Block Trade mechanisms. ICE is offering a month-long fee holiday for the EFS/EFP/Block Trade transaction of Rotterdam/NEWC and Richards Bay/NEWC futures spreads from the date of the NEWC contract launch.

About globalCOAL®

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globalCOAL was founded by leading members of the world coal industry to promote screen trading of standardised coal products. The company has developed the world's leading electronic marketplace for thermal coal, as well as a range of standardised coal quality specifications, a Standard Coal Trading Agreement (SCoTA®), and robust methodology for coal price index calculation. globalCOAL is also cooperating with leading energy exchange ICE Futures Europe to develop the coal Futures market. For more information, please visit [www.globalcoal.com](http://www.globalcoal.com)

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