

TSI Iron Ore Fines Index to Form Basis of New CME Futures Contract

Iron Ore 58% Fe, Low Alumina, CFR China (TSI) Futures to Launch December 8

PR Newswire
NEW YORK and SINGAPORE

NEW YORK and SINGAPORE, Dec. 7, 2014 /PRNewswire/ -- The [CME Group](#) is utilizing [The Steel Index \(TSI\)](#)'s daily iron ore price index published by Platts, a leading global provider of energy, petrochemicals, metals and agriculture information, as the settlement basis for its new iron ore futures contract launching December 8.

"Platts and TSI operate rigorous and time-tested price discovery processes in the physical metals markets," said Steven Randall, TSI managing director. "We're pleased that exchanges, such as CME, recognize the benchmark value of our price indices. The new futures contract responds to the growing appetite to manage lower grade iron ore price risk in the physical markets, which continue to evolve from long-term contracts to short-term trading."

The futures contract, *Iron Ore 58% Fe, Low Alumina, CFR China (TSI) Futures*, will reflect the value of "58% Fe fines", or fine ore powder containing 58% iron content, as delivered to China's Qingdao port on a cost and freight (CFR) basis. The contract listing will be on the CME Globex electronic trading platform, the New York Mercantile Exchange (NYMEX) trading floor and available for clearing on CME ClearPort.

In a November 23 [press release](#) announcing the contract and the choice of TSI as the basis for settlement, CME Group said it is aiming to "improve price discovery" alongside market expansion. Settlement prices reflect the averages of TSI's reference prices published in the expiring month.

TSI, a unit of Platts since 2011, is a leading source of impartial steel, scrap, iron ore and coking coal price information based on spot prices determined between buyers and sellers in the open markets. Find details of the methodology underpinning TSI's iron ore price indices at this link: <https://www.thesteelindex.com/en/procedures-methodology/>.

In addition to CME, other exchanges list Platts and TSI-based iron ore, coking coal, steel and scrap derivatives contracts: Singapore Exchange (SGX), LCH.Clearnet, NASDAQ ONX and the Intercontinental Exchange (ICE). The new CME 58% Fe futures contract will complement the existing TSI-based 62% Fe fines iron ore futures contracts which have seen trading volumes globally more than double each year since 2009 to reach approximately 600 million tonnes this year.

Published on a daily basis, the TSI iron ore indices appear in email price reports and online within the [TSI Price Analyzer](#) via [subscription](#) to TSI's Global and Iron Ore Services.

For more information on TSI, visit <https://www.thesteelindex.com>.

**Platts and its TSI unit do not sponsor, endorse, promote or sell CME contracts.*

About Platts: Founded in 1909, Platts is a leading global provider of energy, petrochemicals, metals and agriculture information and a premier source of benchmark prices for the physical and futures markets. Platts' news, pricing, analytics, commentary and conferences help customers make better-informed trading and business decisions and help the markets operate with greater transparency and efficiency. Customers in more than 150 countries benefit from Platts' coverage of the biofuels, carbon emissions, coal, electricity, oil, natural gas, metals, nuclear power, petrochemical, shipping and sugar markets. A division of McGraw Hill Financial (NYSE: MHFI), Platts is based in London with more than 1000 employees in more than 15 offices worldwide. Additional information is available at www.platts.com.

About McGraw Hill Financial: McGraw Hill Financial, a financial intelligence company, is a leader in credit ratings, benchmarks and analytics for the global capital and commodity markets. Iconic brands include: Standard & Poor's Ratings Services, S&P Capital IQ, S&P Dow Jones Indices, Platts, CRISIL, J.D. Power and McGraw Hill Construction. The Company has approximately 18,000 employees in 30 countries. Additional information is available at www.mhfi.com.

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