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## **NYKK sees iron ore demand to help earnings**

*Sunday, 05 Jul, 2009*

Bloomberg reported that Nippon Yusen KK predicted profit at its capsize division for shipping iron ore will be higher than originally forecast this fiscal year on demand for the steel ingredient from China.

Mr Kazuo Ogasawara corporate officer in charge of capsize carriers said that the world' largest steelmaker may boost iron ore imports to 550 million tonnes this year, 25% more than last year's imports of 440 million tonnes.

Nippon Yusen is getting a boost as China's demand for iron ore has boosted the Baltic Dry Index, a measure of dry bulk shipping fees, almost fivefold this year amid the country's CNY 4 trillion stimulus plan. Iron ore imports in China have risen 26% this year, leading to record queues of ships waiting to discharge consignments of the raw material.

Nippon Yusen forecast in April that pretax profit at its bulk carrier division, which includes its commodity and car carrier sections, would be JPY 70 billion this fiscal year, more than covering losses at its container and air cargo divisions. The carrier's overall net income will probably fall 68% to JPY 18 billion this business year.

(Sourced from [www.bloomberg.net](http://www.bloomberg.net))

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