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## Slowdown signs - NYKK cuts fleet plans and widens loss forecast

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Bloomberg reported that Nippon Yusen KK cut fleet spending plans by half and widened its loss forecast fivefold as the global recession and overcapacity hammered container rates.

As per report, NYKK will spend JPY 830 billion on ships in the 3 years ending March 2014 and is increasing its loss forecast for the current fiscal year to JPY 27 billion from JPY 5 billion. Mitsui OSK Lines Limited lowered its profit forecast by 93% to JPY 2 billion.

Both shipping lines have pared their container fleets this year as European and US consumers buy fewer Asian made goods because of the global recession. At the same time, shipyards are set to deliver vessels with a combined capacity equal to 37% of the existing fleet after a surge in orders during a trade boom that ended last year.

Kawasaki Kisen Kaisha Limited also widened its loss forecast for the year ending in March to JPY 79 billion from JPY 31 billion as it books a one time loss on its container division.

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

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