
Recession reports - Cliff Natural remains cautious for H1

Sunday, 03 Jan, 2010

The Wall Street Journal reported that although the North American iron and steel business improved greatly in the second half of this year, but Cliffs Natural Resources Inc will continue to operate conservatively until it is clear the improvement will be sustained.

Mr Joseph A Carrabba chairman, president & CEO of Cliffs Natural Resources Inc said “We are pretty cautious going into the first half of 2010.”

He said that “By the second half, it should be clearer whether economic problems in North America and Europe have been totally sorted out.”

He added that “For the longer term, however, management is moving aggressively to expand and diversify, including purchase of additional iron ore assets, expanding coal mining capacity and launching a major mining venture to produce ferrochrome.”

He also said that “We are very optimistic about Asia. We did not see any slowdown in 2009” in Asian ore and coal sales and expect continued strong demand in 2010.”

Mr Carrabba said the company expects to sell 17.4 million tons of North American iron ore in 2009 and receive payment for an additional two million tons to be shipped next year. For 2010, the company expects to sell 23 million tons. The 2010 sales will include an additional 2.5 million tons from Wabush Mines, a Canadian ore mine and pellet-making facility.

(Sourced from The Wall Street Journal)

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