
BHPB CEO gives cautious views on global economy

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Bloomberg reported that the world's largest mining company BHP Billiton Ltd remains cautious on the global economy in the short to medium term.

Mr Marius Kloppers CEO of BHPB in a recent speech to the Lowy Institute in Sydney said that "Restocking in developed economies has been somewhat slow to start and has actually been quite lethargic to date."

Mr Kloppers said "US industrial production rose less than economists forecast in October, restrained by reductions in the making of autos and business equipment."

He said that long term commodity growth will be driven by China and India. He said "We have seen strong demand recovery in our sector, driven mainly by China. The Asian nation this year has had surprisingly strong commodity purchasing activity. Part of the rebound was because of restocking."

He however added that "Notwithstanding the short term uncertainty in markets, the long term growth prospects for resources are strong with demand growth driven by developing countries, in particular China and India."

(Sourced from Bloomberg)

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