Asian and European iron ore demand climbing off bottom - FMG

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Fortescue Metals Group Ltd said that demand for the steelmaking ingredient is increasing in Asia and Europe as the global financial crisis wanes.

Mr Russell Scrimshaw Executive Director of FMG told reporters that “The good news is Japan, Korea and Taiwan and to some degree, Europe and their steel industries have been climbing off the bottom. There have been very encouraging volumes out of Japan and Korea in the last few months.”

Mr Scrimshaw said that “China has recovered very quickly from the global financial crisis. China is looking at 600 million tonnes of steel being produced this year. So they’re about 20% up on where they were last year. All of that is adding to the pressure of demand.”

Mr Andrew Forrest earlier said that it was in talks to sell to Japanese and Korean mills for the first time as it seeks to take market share from Rio Tinto Group and BHP Billiton Ltd.

According to China Iron & Steel Association, steel output in China may jump to 565 million tonnes this year more than a forecast 550 million tonne.

(Sourced from Bloomberg.net)

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