
Great Lakes iron ore shipment volume slowing down

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It is reported that iron ore shipments on the Great Lakes are slowing in response to a downturn in North American steel production.

Shipments in October 2008 fell to 5.66 million net tonnes from 5.72 million tonnes in October 2007, and from 5.77 million tonnes in the October 2008 five year average. The largest drop was in shipments from Canadian Seaway ports, off 32% on year.

United States ports outpaced year ago figure of 4.9 million net tonnes to 4.4 million tonnes, but shipments did start to fall off in the final week of October 2008. Canadian shipments in October totaled 710,460 tonnes against 1.04 million tonnes.

Till date, the Great Lakes iron ore trade is up 8% from the previous-year period, at 51.2 million tonnes. However, the capacity utilization rate in the steel industry has fallen to 65% and steel mill shipments are now below 2007 year to date level, so whether the increase in iron ore can be maintained remains to be seen.

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