
BHP Billiton to maintain iron ore production

Monday, 01 Dec, 2008

It is reported that Billiton has maintained that it had no plans to cut iron ore production despite warning that recent Chinese steel production was down 17% YoY. BHP said it was in better shape than all of its rivals to deal with the volatile and challenging global conditions.

Mr Marius Kloppers CEO of BHP said that “We have not seen that impact yet on our shift volumes but if that situation persists we cannot expect to escape free.”

He added that BHP would inform the stock exchange immediately if there were any reduction in volumes of a material nature.

Mr Don Argus chairman of BHP said that he believed demand for metals, driven by the growth fundamentals from emerging economies, would be robust in the long term. He was quoted as saying that “We have not changed our view of the basic industrial logic of the combination with Rio, or of the longer term prospects for natural resource demand growth driven by emerging economies, particularly China.”

It may be noted that Vale of Brazil, Rio and a number of other smaller iron ore miners in Australia have cut production by 10% or more in response to the sharp downturn in demand from steelmaking customers in China and elsewhere.

For more news visit at www.steelguru.com