

CLM Top Stories
HD **BHP Billiton Boosts Iron-Ore Production Outlook**
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SYDNEY--BHP Billiton Ltd. (BHP) boosted its outlook for **iron-ore** production for the second time this fiscal year, saying it expected to produce more of the steelmaking ingredient than expected thanks to a strong performance from a new Australian mine and productivity improvements across its **operations**.

The world's biggest **mining company** said Wednesday it expected to produce 217 **million** metric tons of **iron ore** from its Australian mines in the year through June, up from previous guidance of 212 **million** metric tons and an initial estimate for the year of 207 **million** tons. The lift in output signals confidence **China's** rapid industrialization will continue to lift demand for the raw material used for building everything from cars to skyscrapers. BHP produced 187 **million** metric tons of **iron ore** from its Australian mines last financial year.

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A key factor in the higher guidance figures--which include the share of output of minority venture partners--has been improvements to its supply chain, as well as the start of production at a new mine, Jimblebar, ahead of schedule. BHP also said it had only seen limited disruptions from bad weather in Australia's northwest in recent months.

In a quarterly report, the group said its independent share of **iron-ore** production increased by 23% to 49.6 **million** tons in the three months through March compared with a year earlier.

BHP also reported a 28% rise in production of metallurgical **coal**, used in steelmaking, and an 11% lift in thermal **coal**, used to generate electricity. It increased its full-year guidance for metallurgical **coal** production by 2.5 **million** tons, to 43.5 **million** tons.

Quarterly petroleum output totaled 60.9 **million** barrels of **oil** equivalent, up 10% on year, largely because of a lift in production from its Atlantis oilfield in the Gulf of Mexico. The **company** trimmed its full-year estimates by 2% following the **sale** of its Liverpool Bay oilfield in the U.K. and on expectations of lower gas production in the Hawkville area of the Eagle Ford.

The miner's aluminum business, meanwhile, continued to struggle.

"Challenging conditions in the aluminium industry continue to persist," the **company** said as it announced it would cut its capacity at the Alumar refinery in Brazil by 58,000 tons in the current quarter through June. It had already cut output there in 2013 and said total group aluminum production fell 6% on-year last quarter to 286,000 tons.

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