Iron Ore Prices Fall as Chinese Consumers Defer Coal and Iron Ore Shipments

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The Paragon Report Provides Stock Research on BHP Billiton and Labrador Iron Mines

NEW YORK, NY -- (Marketwire) -- 05/23/12 -- Iron ore producers have been preparing for a downturn in Chinese demand this year as a result of growing concerns of China's slowdown in economic growth. Iron ore prices dropped to multi-month lows Monday as Chinese consumers deferred or have defaulted on coal and iron ore shipments. The Paragon Report examines investing opportunities in Iron Ore Industry and provides equity research on BHP Billiton Limited (NYSE: BHP) and Labrador Iron Mines Holdings Limited (TSE: LIM.TO).

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"We ourselves have had one of our buyers default on us after just a few hours. We sold the cargo to an end-user in China and a few hours later the buyer came back, saying 'the market's falling too fast we want a lower price,'" said a Singapore-based iron ore trader in a recent Reuters article.

"It's quite normal for traders to seek deferrals during such times," said Zhu Mingyuan, steel analyst for Orient Futures. "Iron ore stocks are very high and downstream demand is conspicuously weak." According to data from Mysteel consultancy iron ore stocks are currently around 96.7 million tons, just below the record highs in April exceeding 100 million tons.

Paragon Report releases regular market updates on the Iron Ore Industry so investors can stay ahead of the crowd and make the best investment decisions to maximize their returns. Take a few minutes to register with us free at www.ParagonReport.com and get exclusive access to our numerous stock reports and industry newsletters.

BHP Billiton Limited is among the world's largest producers of major commodities, including aluminum, copper, energy coal, iron ore, manganese, metallurgical coal, nickel, silver and titanium minerals, and uranium along with substantial interests in oil and gas. The company last month announced Western Australia Iron Ore achieved record production for the nine months ended March 2012, a 22% increase on the prior corresponding period.

Labrador Iron Mines Holdings Limited last month reported that its 2012 mining season commenced at the James Mine on April 2, 2012 and full scale mining operations are now underway. On April 4, 2012 the first loaded iron ore train departed Silver Yards for the Port of Sept-Iles travelling over the TSH and QNS&L railways. Ore mining operations at the James Mine commenced on April 2, 2012 and will continue throughout 2012, with planned total ore mined of between 2.5 to 3.0 million tons, together with approximately 3.5 million tons of waste.

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