

Edgar Filing: Companhia Vale do Rio Doce - Form 6-K

Companhia Vale do Rio Doce
Form 6-K
May 23, 2006

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United States
Securities and Exchange Commission
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
of the

Securities Exchange Act of 1934

For the month of

May 2006

Companhia Vale do Rio Doce

Avenida Graça Aranha, No. 26
20030-900 Rio de Janeiro, RJ, Brazil

(Address of principal executive office)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

(Check One) Form 20-F Form 40-F

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1))

(Check One) Yes No

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7))

(Check One) Yes No

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

(Check One) Yes No

(If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b). 82-_____.)

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Press Release

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Press Release

CVRD credit rating raised to BBB+ by S&P

Rio de Janeiro, May 22, 2006 Companhia Vale do Rio Doce (CVRD) informs that Standard and Poor's Ratings Services (S&P) raised today its rating to BBB+ from BBB.

Therefore, current CVRD's credit rating is two notches above the initial investment grade-rating, BBB-, in the S&P rating scale.

According to S&P, strong fundamentals for iron ore, favorable growth and diversification prospects, solid profitability and a sound financial profile based on robust liquidity and prudent debt management support the Company's rating. Simultaneously, S&P understands that macroeconomic stability in Brazil, where CVRD generates most of its cash flow, further improve its already strong access to the global capital market, implying positive impacts on its cost of debt, debt structure and liquidity in the medium term.

The upgrading obtained by CVRD is an outcome of continuous efforts to create value supported by financial excellence, contributing to obtain significant reductions in its cost of capital.

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This press release may contain statements that express management's expectations about future events or results rather than historical facts. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected in forward-looking statements, and CVRD cannot give assurance that such statements will prove correct. These risks and uncertainties include factors: relating to the Brazilian economy and securities markets, which exhibit volatility and can be adversely affected by developments in other countries; relating to the iron ore business and its dependence on the global steel industry, which is cyclical in nature; and relating to the highly competitive industries in which CVRD operates. For additional information on factors that could cause CVRD's actual results to differ from expectations reflected in forward-looking statements, please see CVRD's reports filed with the Brazilian Comissão de Valores Mobiliários and the U.S. Securities and Exchange Commission.

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Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COMPANHIA VALE DO RIO DOCE
(Registrant)

Date: May 23, 2006

By: /s/ Roberto Castello Branco
Roberto Castello Branco
Director of Investor Relations