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NLMK, RusAl: Business in Brief

By The Moscow Times

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NLMK Cancels Plans for $400 Million Syndicated Loan

NLMK, one of Russia's largest steelmakers, has cancelled its request for a syndicated loan of about $400 million, bankers said.

The continuing decline in the Russian economy and the political fallout between Russia and the West after Russia's annexation of the Crimea in March has led the company to reconsider its plans, the bankers said.

"NLMK decided it did not need the funds. Companies across the board in Russia are cutting capex [capital expenditure] plans as they realize they will not be able to get the revenues to justify them," one of the bankers said.

The additional sanctions clauses now required by banks in the loan documentation as a result of U.S. and EU sanctions imposed on Russia also played its part in NMLK's decision to walk away, the banker said. *(Reuters)*

Jamaica Sells Stake in Bauxite Operation to RusAl

Jamaica is selling its 7 percent stake in a bauxite refinery operation, the island's energy minister announced.

Energy Minister Phillip Paulwell told parliament last week that the government will sell its $11 million stake in the West Indies Alumina Company, referred to as Windalco. It is located in the central Jamaican parish of Manchester.

The money will go to Windalco's parent company, Russian aluminum giant UC RusAl. The $11 million sale will roughly halve a $21.5 million debt to the Russian company. A debt of $10.5 million remains.

Jamaica's once-flourishing bauxite industry has fallen on hard times in recent years. Globally, high levels of aluminum supplies have led to lower prices. *(AP)*

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