
Investor may buy big stake in Noble - Report

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Commodities firm Noble Group announced advanced talks with an unidentified investor for a major stake in the USD 5.5 billion company, potentially allowing access to a mix of hard assets and trading acumen.

While no likely buyers could be immediately identified, the deal may confirm a shift in the strategy of big emerging market governments and state companies to pursue resource firms that give them trading leverage in global markets as well as access to the raw materials they need to feed their economies.

As the only major global commodity trading house with a public listing, Noble may be even more attractive than bigger rivals like Glencore, to which it is often compared and has also been reportedly seeking to sell a small stake.

Mr Neel Gopalakrishnan credit analyst at Standard Chartered in Singapore said that "The potential equity infusion will help improve the company's liquidity as well as its capitalization."

Noble said in a statement to the Singapore stock exchange that it was in talks with investors who wanted to become its shareholders. It added that "Noble is engaged in detailed negotiations with one of these investors. The talks could lead to the purchase of a major shareholding by the unnamed investor. It was optimistic about current trading conditions."

(Sourced from www.reuters.com)

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