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## **Gerdau to benchmark dollar bonds in overseas markets**

*Friday, 13 Nov, 2009*

Bloomberg reported that Gerdau SA will sell benchmark dollar bonds in overseas markets after announcing plans to boost investment in its iron ore business.

As per report, Gerdau hired HSBC Holdings Plc, Banco Santander SA, Banco Itau, Bank of America Corporation, Citigroup Inc and JPMorgan Chase & Co to arrange the bond sale. It will begin marketing the offering to investors November 13th 2009. Benchmark typically means at least USD 500 million in size.

Gerdau said on November 5th 2009 that it plans to invest BRR 9.5 billion in the next 5 years as global demand rebounds. CEO Mr Andre Gerdau Johannpeter is stepping up spending amid forecasts that a demand rebound will continue into the fourth quarter and 2010.

He said that Gerdau will resume investments in a 1.5 million tonnes a year iron ore mine in Brazil that was delayed because of the global economic slowdown.

Gerdau is the latest Brazilian company to sell bonds abroad as a recovery in Latin America's biggest economy boosts demand for the securities. Last week, Vale SA sold USD 1 billion of 30 year bonds.

(Sourced from [www.bloomberg.net](http://www.bloomberg.net))

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