
Hoa Phat seeks VND 637 billion loan to build a steel mill

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Bloomberg reported that Hoa Phat Group Joint Stock Co plans to borrow VND 637.5 billion from Bank for Investment & Development of Vietnam to build a steel plant.

Hoa Phat said that the lender would charge around 3% above its deposit rates for the three and a half year loan.

The plant, to be based in the northern province of Hai Duong, will require an investment of VND 2.2 trillion and have a capacity of 320,000 tonnes a year.

The State Bank of Vietnam on January 23rd 2009 cut its benchmark interest rate for the sixth time since October 2008, reducing it to 7% from 8.5% and asked banks to spur lending in an attempt to avert an economic slowdown.

BIDV, Vietnam's second biggest bank, lent Hoa Phat VND 510 billion in 2008.

(Sourced from www.hoaphat.com.vn)

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