
ArcelorMittal rating cuts to 'sell' from 'hold' at Citigroup

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Bloomberg reported that ArcelorMittal was cut to 'sell' from 'hold' at Citigroup Inc, which said the shares trade at a premium to their long term value.

Citigroup analyst Mr Johan Rode said that the biggest risk faced by ArcelorMittal is the destruction of its so called book value and forced closure of production capacity. He added that "Risks to the near term numbers remain high. The cash raising reduces the risk of breaching covenants, but the debt burden is high and flexibility to finance growth low."

(Sourced from www.bloomberg.net)

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