

Waiting for the boom

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Despite the crisis in the German chemical industry, the weekly “Euro am Sonntag” recommends the purchase of LANXESS bonds. While the specialty-chemicals producer is partially affected by the crisis, it is thought to be positive that LANXESS already managed to realize about EUR 130 million of the planned EUR 250 million in savings in 2009. At the same time, the net debt burden decreased by EUR 120 million to EUR 744 million in the first quarter of 2009. Furthermore, the company received fresh capital by issuing a bond in April 2009. The LANXESS bond is particularly interesting, as the company is positioned astoundingly well for a possible, unexpected recovery, which could be triggered by higher demand for chemical products destined in the construction and automotive industries. A bond is thus mainly interesting for those investors that are prepared to take risks in the composition of their deposits.