

Bond Issuers Could Run Short of Cash

By [The Moscow Times](#)

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Corporate bond issuers in Russia and Turkey have insufficient cash cushions to weather a financial crisis lasting through 2013, according to Fitch Ratings.

Russian companies tracked by Fitch have \$35 billion of bonds and loans due annually and cash of 0.7 times that amount by 2013. Turkish borrowers owe \$2 billion to \$3 billion a year with 0.8 times cash cover, Fitch said in a report based on a survey of issuers it rates in 10 European countries. The most liquid issuers in the Netherlands would have cash cover of 6.7 times by 2013, Fitch said.

Emerging market companies have less access to committed bank financing, Fitch said in a report last week. European banks are cutting emerging market lending as they raise cash to meet losses on sovereign debt.

“Emerging market banks typically have less mature retail deposit bases and have not been such long-term lenders,” Raymond Hill, head of EMEA emerging markets at Fitch, said in an interview.

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