

Gunvor Secures \$500 Million in Credit

By [The Moscow Times](#)

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Oil trader Gunvor, co-owned by billionaire Gennady Timchenko, has concluded an agreement with Unicredit Bank and Deutsche Bank to open a \$500 million line of credit.

The money will be used for the company's oil refinery in Ingolstadt, Germany. Gunvor also owns a refinery in Antwerp, Belgium and a 10-percent stake in trans-Alpine pipeline TAL.

Three Gunvor subsidiaries — Gunvor S.A., Gunvor Middle East and Gunvor Singapore — have also completed syndication of a \$400 million credit line provided by ABN Amro Bank, Vedomosti reported.

The funds will be used for oil product purchases, securing hedging transactions and financing the company's transactions in the Middle East, Gunvor's representative said.

The trader, which sells all major Russian oil producers' exports, has been known for its propensity for borrowing.

In December 2012 Gunvor opened a revolving credit line for \$1.16 billion and in May the company sold corporate bonds worth \$500 million.

On Tuesday, Bloomberg reported that the company had reached a deal to sell its Ingolstadt refinery receivables to GE Capital. The process, known as factoring, is uncommon for commodities traders.

In 2012 Gunvor had \$93.1 billion in revenue but posted a net profit of \$301.1 million. According to company materials its total debt at the end of last year was \$4.7 billion.

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