

ArcelorMittal shares fall sharply after it warns of a widening loss

By [Andries Mahlangu](#)

21 Jul 2017

ArcelorMittal SA's share price on the JSE plummeted on Thursday, 20 July, after SA's biggest steel producer flagged a widening in its first-half headline loss.



© Oleksiy Holubenko – [123RF.com](#)

The share price dropped as much as 6% to below R5 a share after the company said its headline loss per share in the six months to June was expected to be between R1.43 and R1.52, a widening of between 218% and 238% from the corresponding period a year ago.

The South African unit of the Luxembourg-based ArcelorMittal blamed the poor performance on higher costs of raw materials, mostly coal and iron ore, as well as unspecified impairments and a stronger rand.

To help mitigate the situation, ArcelorMittal SA said it was exploring several initiatives, which included cutting costs and assessing the viability of various product lines.

The company's market cap is now at R5.8bn, from more than R35bn in 2010.

Source: *BDpro*

For more, visit: <https://www.bizcommunity.com>