

Brazil's Eletrobrás Gets Green Light to Sell Stocks in New York

Contributed by Alana Gandra
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Eletrobrás, Brazil's state-owned power company was licensed last Friday, September 26, by the United States' Securities and Exchange Commission (SEC) to trade its shares in the New York Stock Exchange. According to the press office at the company, listing in the United States stock exchange should be made official on October 31st.

To the president of Eletrobrás, José Antonio Muniz, obtaining the license from the SEC was a victory. He stated that he does not fear that the international financial crisis may harm the company.

"Every crisis is synonym with opportunity. And this one is no different. Investors are turning to the real world, and this is the world of Eletrobrás," he said.

The state-owned company's shares are expected to appreciate in the medium term, as they are traded in the United States' stock exchange.

The director for Finance and Investor Relations at Eletrobrás, Astrogildo Fraguglia Quental, believes that the company's liquidity is going to increase as its shares gain value. "Eletrobrás will then be able to obtain lower interest rates."

The Eletrobrás System currently has an installed production capacity of 39,753 megawatts (MW), the equivalent to 39.6% of total national capacity. The company also owns 63% of the Brazilian transmission grid, which totals 56,789 kilometers.

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