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## Glencore and China CIC in cooperation pact - Report

*Sunday, 20 Sep, 2009*

Reuters quoted two sources familiar with the matter said China USD 200 billion sovereign wealth fund has added privately held commodities trader Glencore International AG to its roster of approved investment partners as it deepens its access to global raw material markets.

A source familiar with China Investment Corp strategy said Glencore and CIC's fixed income department recently concluded a preliminary commodities product investment agreement. The source was not able to offer any additional details.

A manager at a trading and investment firm in Asia which is a client of Glencore, said top management from Glencore visited CIC in Beijing in August and signed a memorandum of understanding in which CIC agreed to invest in Glencore products or bonds.

A CIC spokesman declined to comment when contacted by Reuters.

It was not immediately clear how CIC would work with Glencore, the world's biggest commodities trader which typically trades its own book. But Glencore also has a derivatives trading venture with Credit Suisse which has an expanding business offering commodity investment products to customers.

A source familiar with CIC investment strategy said the state fund so far has less than 10 investment professionals specializing in commodities so the sovereign fund has to rely on external managers for investments in commodities area.

(Sourced from Reuters)

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