
CHALCO sees larger copper and rare earth business

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Xinhua reported that the Aluminum Corporation of China Limited will push for its multi metal strategy to further develop its copper and rare earth segment as it continues to withstand risks.

Mr Xiong Weiping chairman of CHALCO said that the country's largest aluminum producer by output expects to post profits in the Q3 and Q4 through optimal production and cost reduction.

CHALCO has been facing severe challenges as it incurs loss of CNY 7.25 billion in 2009, the worst among China's state-owned enterprises based on the latest statistics from the State-owned Assets Supervision and Administration Commission.

The company suffered CNY 97 million losses in the Q2 of 2010, the fourth loss in 6 quarters. Mr Chen Jihua CFO of CHALCO said recently that we are confident Chalco will post profits in the Q3 and from now on based on current prices.

Mr Xiong expressed the company's strategy to expand businesses in China and overseas market and overcome its sole dependence on alumina and electrolytic aluminum production. So far, CHALCO has outlined its 7 major business units, namely aluminum, copper, rare earth, engineering, mineral resources, overseas market and foreign trade.

He said that with the forming of Chinalco Shanghai Copper Company Limited, CHALCO has been eyeing on the copper business as critical to its multi metal strategy. It produced 294,100 tonnes of copper in 2009, making it one of the top 5 in the industry. The company will focus on exploitation of the upstream copper mine in the following 3 years.

(Sourced from Xinhua)

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