
Baosteel and Sichuan Mingda ink ferrochrome supply pact

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Xinhua reported that Baosteel and Sichuan Mingda Group have signed long term cooperative agreement to jointly build ferrochrome strategic supply chain. Mr Zhu Junsheng vice GM of Baosteel and Mr Ge Junli GM of Sichuan Mingda Group were present at the signing ceremony.

According to the agreement, in the next 3 years, Sichuan Mingda will ensure Baosteel's supply in term of the monthly or bimonthly price relations way. In addition, the two sides will establish regular information communication mechanism to further explore processing by commission or exchange of iron ore cooperative modes.

Sichuan Mingda Group is a ferrochrome producer with hydropower, market scale advantage, technical advantage and quality advantage, the annual production is about 150,000 tonnes. Since the operation of Baosteel stainless steel project, Sichuan Mingda Group had supplied high carbon ferrochromium to Baosteel the two sides established a good cooperative relationship.

Ferrochrome is one of the main raw materials to produce stainless steel and is China's scarce mineral resources.

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