
Chongqing to build delivery warehouse for aluminum futures

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It is reported that Chongqing Municipality is preparing to establish a delivery warehouse for aluminum futures in Chongqing Xipeng Aluminum Industrial Park, where an aluminum processing base is planned.

The director of the industrial park surnamed Mr Liu said "Preparations for the warehouse started two years ago. It is scheduled to be complete by the end of next year. It will require a total investment of CNY 200 million."

He said that "The development of the Chongqing Xipeng Aluminum Industrial Park, which will host the new alumina and aluminum processing facilities of Chinalco's Southwest Aluminum, as well as other aluminum smelters and processors, makes it necessary to build our own warehouse to facilitate the hedging operations of local producers."

Mr Liu added that "The Shanghai Futures Exchange currently has a total of 11 delivery warehouses for aluminum futures around the country; however, none of them are located in the southwestern region. As a result, Chongqing's aluminum producers and processors usually resort to the delivery warehouse in eastern China's Shanghai Municipality."

He said that "In addition, we also plan to open a market for spot trading, with completion scheduled for the end of this year."

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