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## Large steel trading company set up in Pearl River Delta

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It is reported that Guangzhou Iron & Steel Enterprises Group has set up a wholly funded international trading company against the backdrop of global financial storm that has swept trading business worldwide. Guangzhou International Trading Co Ltd was official launched recently.

Mr Zhang Ruosheng GM of Guangzhou Iron & Steel Enterprises Group disclosed that Guangzhou Iron & Steel Enterprises Group aims to cultivate a new growth point and promote the industry's structural transformation and upgrading. It's expected to built it the largest steel trading mill in the Pearl River Delta, make it march into the metallurgical logistics field in South China with a radiometric force covering the whole country and even Asia.

The trading company is a combination and consolidation of the previous sales company of Guangzhou Iron & Steel Enterprises Group and the general trade mill of Guangzhou Iron & Steel Co Ltd. Its logistics platform consists of four centers, namely, product sales center, steel trade center and delivery center and service center.

With a registered capital of CNY 100 million and arranged sales of flats, construction steel, pipes, billets, pig iron and non-ferrous metals, the company targets to have a trade volume of CNY 16 billion in 2009, CNY 18 billion in 2010 and some CNY 20 billion in the years followed. This will translate to CNY 150 million of profit of the group.

Despite the financial storm that heavily weighs on the trading and export business, Guangzhou Iron & Steel Enterprises Group set up the trading company pinning hope on the lately released favorable policies of cutting export rebate, the CNY 4 trillion stimulus packages as well as launch of steel futures.

(Source: Guangzhou Daily)

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