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Reader's Digest, 17 – 31 March 2018

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Culture & Society

General Interest

Industries

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BILATERAL RELATIONS

[Swiss Foreign Minister to Visit China](#)

Published by ecns.cn, 29th March 2018

Swiss Federal Councillor and Foreign Minister Ignazio Cassis will visit China from 2 to 4 April, at the invitation of Chinese State Councilor and Foreign Minister WANG Yi, Chinese Foreign Ministry spokesperson LU Kang said. While in Beijing, the Councillor Cassis will hold the first round of foreign ministerial strategic talks between China and Switzerland, LU said.

[Ambassador GENG Wenbing Held a Business Lunch with Media Representatives from the French-speaking Part of Switzerland](#)

Published by ch.china-embassy.org, 23th March 2018

The Ambassador GENG Wenbing held a business lunch with Swiss media representatives such as Mr. Pierre Ruetschi, chief editor of *La Tribune de Genève*, Ms. Myret Zaki, chief editor of the magazine, *Bilan*, Mr. Sylvain Besson, deputy chief editor of *Le Temps*, Mr. Marc Allgöwer, chief editor of *Tamedia AG* International division and so on. The Ambassador GENG focused on the core ideas of the 19th National Congress of the Communist Party of China and the contents of the National People's Congress and the Chinese Political Consultative Conference (NPC&CPPCC). With the development of the bilateral relationship, China played an important role in world politics and international affairs. Therefore, Swiss media took great interest in China's growing and wanted to maintain close contact with Chinese Embassy in order to better understand China.

[Switzerland to Participate in China International Import Exposition](#)

Published by ecns.cn, 21st March 2018

The Swiss government has decided to take part in the first China International Import Exposition (CIIE) later this year, as a move to further enrich and strengthen Sino-Swiss economic and trade relations. The first CIIE will be held in Shanghai in November, which is expected to bring together thousands of enterprises from more than 120 countries and regions. More than 150,000 buyers from home and abroad are expected at the event, Chinese Commerce Minister ZHONG Shan said on 11 March. At a CIIE promotion event in Zurich, Christine Busser, head of Bilateral Economic Relations Asia/Oceania under Switzerland's State Secretariat for Economic Affairs, said the Swiss government is honored and delighted to be present at the CIIE, and is planning to send a high-ranking official delegation to the event. So far, a number of renowned Swiss brands have confirmed their participation in the CIIE, including Nestlé, Migros, ABB and Victorinox.

BUSINESS NEWS

[China's HNA Calls Off Swiss Listing of Airline Caterer Gategroup at Last Minute](#)

Published by reuters.com, 26th March 2018

HNA Group scrapped its planned listing of Swiss-based airline caterer Gategroup at the 11th hour on 25 March, dealing a blow to the cash-strapped Chinese conglomerate's efforts to reduce its debt mountain. Gategroup, which announced in a statement that the IPO had been canceled, due to start trading in Switzerland, with the IPO valuing the whole company at as much as USD 2.8 billion. A source close to the IPO process said HNA abandoned the listing because it had a clear idea of Gategroup's value and was concerned it might not be reached. HNA expected to raise as much as CHF 1.29 billion (USD 1.4 billion) from selling a stake of up to 65% in Gategroup - funds needed as the Chinese company battles a liquidity crunch following USD 50 billion in acquisitions. The Chinese aviation-to-financial services group plans to float its Swissport ground services and cargo handling business later this year, and is also offloading more than USD 6 billion in prime real estate in Australia, New York and Hong Kong.

[Swiss Watchmakers Make Up for Lost Time as China Sales Tick Higher](#)

Published by euronews.com, 22nd March 2018

Swiss watchmakers expect further sales growth this year, driven by demand from China where a younger generation of shoppers discovers its appetite for watches, executives stated. The industry is slowly emerging from a severe downturn caused by a Chinese crackdown on gifts for favours, a massive overstock in its top market Hong Kong and the flight of tourists from European shopping capitals due to militant attacks. "The recovery is there," Jean-Claude Biver, head of French luxury giant LVMH's watch business, said in an interview at the Baselworld trade show. Swiss watch exports, the industry's best measure for market growth, were up 12.8% in the first two months of the year, with Hong Kong and China both rising around 30%. Biver said younger Chinese were now taking an interest in Swiss timepieces, often preferring wacky and striking designs or sporty models, to the small, discreet watches their parents favoured, and benefiting LVMH brands like Hublot for instance.

[Switzerland Ranked Highly for International Patents in 2017](#)

Published by swissinfo.ch, 21st March 2018

Switzerland moved up the World Intellectual Property Organization (WIPO) 2017 ranking by one place with a total of 4,491 international patent applications (+2.8%). It nonetheless remains well behind first-placed United States (56,624), China (48,882; +36%) and Japan (48,208). The top filers of patent

applications at WIPO in 2017 were Chinese technology companies Huawei and ZTE Corp, followed by US-based Intel Corp, Japan's Mitsubishi Electric Corp and the US company Qualcomm Inc. At current rates, China will overtake the US to become the biggest source of international patent applications in the WIPO system within three years, WIPO said. Swiss firms included the engineering giant ABB, which was behind 328 international patent applications, Philip Morris (268) and Nestec – Nestlé's research centre in Lausanne. In Switzerland, medical technologies were the leading industrial sector for patent applications, ahead of packaging, transport and delivery companies and electric machinery.

[Chinese Control of Cobalt Supply is Risk for Car Industry](#)

Published by reuters.com, 20th March 2018

The automotive industry is waking up too late because it has never had a supply chain problem before, Glencore Chief Executive Mr. Ivan Glasenberg told the FT Commodities Global Summit in Lausanne, Switzerland. Glasenberg said he was nevertheless prepared to sell cobalt mines in the Democratic Republic of Congo to China if the price was good. He added that the company was not changing its production plans in the DRC. More than 60% of global cobalt production comes from the DRC. Glencore, the world's biggest producer, agreed last week to sell a third of its output to China's GEM. GEM and its subsidiaries will buy 13,800 tonnes of cobalt from Glencore this year, 18,000 tonnes next year and 21,000 tonnes in 2020. Reuters reported last year that Chinese battery maker Contemporary Amperex Technology Co Ltd. (CATL) had agreed a deal late in 2016 to buy large amounts of cobalt from Glencore.

CULTURE & SOCIETY

[Chopard Tops Word of Mouth Index for Luxury Watches in China](#)

Published by jingdaily.com, 27th March 2018

The watch industry is more reliant on digital than ever before as Chinese consumers take to their phones to research their wristwear. Digital Luxury Group released a tool that measures brands' traction on Chinese social media just in time for Swiss watch show Baselworld 2018. The rankings on DLG's "China Word of Mouth Index" are updated daily to reflect a watch brand's word-of-mouth performance on WeChat, Weibo, and Baidu. The score is calculated based on the percentage of posts about luxury watches that mention the brand. Chopard, ranked number one, took more than 16% of the "share of voice" across the three platforms during the opening day of Baselworld. On WeChat alone, Rolex was ahead, with more than 25% of posts about luxury watches referencing the brand. Longines and Omega came second and third in the WeChat rankings, with 13% and 11% respectively. While social media plays a major factor in watch brand marketing in China, Swiss watchmakers are also seeing a major shift in the composition of traffic coming to their official websites. Chinese consumers have surpassed those from the United States as the largest group of visitors, making up 21% of the total traffic.

GENERAL INTEREST

[Collectors and Dealers Descend on Hong Kong for Annual Art Base!](#)

Published by swissinfo.ch, 27th March 2018

Art dealers, collectors and gallery owners gather in Hong Kong for the annual Art Basel exhibition this week at a time when fairs are increasingly driving growth in the sector and collectors from across Asia are flocking to the financial hub. Asia, which accounts for 23% of global art sales and 15% of private dealer

sales, continues to rely heavily on mainland Chinese demand although collectors from South Korea, Japan and Southeast Asia are helping to spur growth. Chinese buyers have been a huge boon to the global art market, with sales reaching USD 13.2 billion in 2017, up 13% from USD 11.5 billion a year earlier, according to a report by UBS and Art Basel.

INDUSTRIES

Engineering / Manufacturing

[Novartis CEO Aims to Double China Sales on Faster Drug Approvals](#)

Published by bloomberg.com, 26th March 2018

New Novartis AG Chief Executive Officer Vas Narasimhan aims to more than double the pharmaceutical giant's sales in China over the next five years and gain faster reimbursement for cutting-edge cancer drugs as the country speeds up approvals. Novartis hopes to win a "couple of" approvals for new medicines in 2018, Mr. Narasimhan said in a Bloomberg Television interview in Beijing. That follows agreements in China to pay for eight of its drugs. Talks with the Chinese regulator show the company's ambition to accelerate the introduction of new technologies, such as CAR-T treatments for cancer. Global drug makers like Basel, Switzerland-based Novartis have benefited from a Chinese regulatory overhaul that has opened the market to a range of breakthrough therapies. Novartis is including China now in all late-stage trials on the back of regulatory changes that allow the company to get drugs to the market faster, Mr. Narasimhan said. The Swiss drugmaker last year filed for approval for 15 new products in China, which now accounts for about USD 2 billion in annual sales, he said.

[Bühler Opens Battery Lab in China](#)

Published by s-ge.com, 26th March 2018

Bühler opened a new battery lab in China, where it will produce high-performing electrode slurries. The new laboratory will also offer customers the opportunity to conduct concept trials. Located in Wuxi, not far from Shanghai, the new laboratory covers 400 square metres and features a large dry room, making it possible to process and study battery raw materials that are susceptible to moisture. The heart of the lab is a Bühler continuous twin-screw mixer. "China is the hotspot for battery production," said Cornel Mender, head of the Grinding & Dispersion business at Bühler. "Today, the country has a capacity of around three giga factories, with more to come." Bühler has been working together with the Chinese battery manufacturer Lishen, developing a novel process for the continuous mixing of electrode slurries to better meet the requirements of the lithium-ion battery industry.

[Upgrading China's Manufacturing in the Age of Artificial Intelligence](#)

Published by abb.com.cn, 25th March 2018

ABB CEO Dr. Ulrich Spiesshofer on 25 March attended the China Development Forum 2018 in Beijing, and shared his insights on how to upgrade China's manufacturing through the deployment of advanced automation and AI technologies in a white paper titled Manufacturing in the age of artificial intelligence. This is the 5th consecutive year that Mr. Spiesshofer has attended the annual CDF conference to contribute advice on China's sustainable growth based on ABB's pioneering technology leadership, domain expertise and strong customer relationships. China is one of the countries taking the lead in AI development. Over the past few years, the Chinese government has rolled out a series of forward-looking

policies, demonstrating its commitment to comprehensively upgrade its industrial base through the deployment of advanced automation and intelligent technologies. To support China's ambitions, ABB is helping China's utilities, industry and transport & infrastructure customers to lay the foundations for the coming AI era.

Bank / Finance / Insurance

[UBS CEO Eyes China Boast](#)

Published by finews.asia, 26th March 2018

UBS seeks to secure its position through takeovers, but focuses primarily on organic growth. UBS CEO Sergio Ermotti emphasized this in an interview with *Bloomberg* at a conference in Beijing. The head of UBS has an eye on China in particular. Switzerland's largest bank wants to strengthen its presence in the rapidly growing country and is considering taking a majority stake in Chinese joint venture companies. The timing might be favourable for UBS as China also wants to allow foreign companies to acquire a maximum of 51% of the shares in joint ventures and to lift this limit altogether over the next three years. At the end of the current year, UBS plans to employ around 1,200 people in China. This would be ahead of schedule announced in 2016 to double the workforce within five years.

[Credit Suisse to Replicate Asia Business Model Eventually after Integration Almost Tripled Income](#)

Published by scmp.com, 20th March 2018

CEO Tidjane Thiam sees unicorns from Asia - particularly China - as the group's focus, with growing wealth creation from Asian entrepreneurs. "Asia is the region with 70% of the world population," the bank's chief executive Tidjane Thiam said in an interview with the *South China Morning Post* during the start of its four-day Asian Investment Conference in Hong Kong. Asia, particular the explosive growth in mainland China, will continue to be the driver of new wealth creation by entrepreneurs, Mr. Thiam said. The unique region-focused model in Asia could be replicated in the wealth management businesses outside Asia and Switzerland, which is the other region-focused, independent unit of the group. Given the rising importance of Chinese technology companies, a country that produced four of the top 10 unicorns – start-ups valued at over USD 1 billion – Mr. Thiam said he could see bigger pipelines for merger and acquisition from Asian companies, including those from China, over the next three years. "We rejoice at the success of the unicorns, as we believe they can do a lot for the Chinese and the world economies, we want to support that in every way we can," he said.

Hospitality / Tourism / Retails

[Mercuria Earnings Jump 50% to USD 450 Million despite Tough Oil Market](#)

Published by ft.com, 20th March 2018

Mercuria, one of the world's biggest independent energy traders, hailed a strong performance in 2017 as it reported a near 50% increase in earnings, overcoming tough market conditions in its core oil business. The Geneva-based group, which has stood out for its strategy of combining pure trading with complex financing deals since buying JPMorgan's physical commodity business four years ago, posted around USD 450 million in net income, up from USD 302 million a year earlier. "This is one of the first years we have reached cruising speed in terms of return and performance," said Mercuria's chief financial officer

Guillaume Vermersch. Mercuria, which in 2016 sold a 12% stake to a consortium led by state-owned China National Chemical Corporation, also paid out a bumper dividend despite margin pressure in its main oil business.

[Global Army Knives Sales Market Research Report](#)

Published by tokenfolks.com, 19th March 2018

Questale has just released a comprehensive market research report for Global Army Knives Sales Market. This report focuses on top players in global market, with production, price, revenue and market share for each manufacturer, covering Victorinox, WENGER and BUCK. This research report for Global Army Knives Sales Market explores different topics such as product scope, product market by end users or application, product market by region, market size for the specific product, sales and revenue by region, manufacturing cost analysis, industrial chain, sourcing strategy and downstream buyers, market effect factors analysis, market size forecast, and more. The research gives a forecast for the Global Army Knives Sales industry till the year 2022. The latest report for Global Army Knives Sales Market study the status of development and future trends in China, Japan, South Korea, Taiwan, India, Southeast Asia & Australia. The report also splits the products by applications and by type to deeply and fully research and disclose the market situation and future prediction.

[Legal / Trade / Consulting / Services](#)

[Chinese Companies Respond to Global Cyber Threats by Increasing Spending on Cybersecurity](#)

Published by ey.com, 27th March 2018

Ernst & Young has officially released its 20th Global Information Security Survey (GISS): *Cybersecurity regained: preparing to face cyber attacks*. For the 20th consecutive year, the annual survey examines the most important cybersecurity issues facing organizations today. This year, the report shows that: organizations are increasingly hyper-connected and this connectivity has exposed them to a high risk of cyber attacks. Innovative organizations able to be imaginative about the nature of potential future threats can build agility into their cybersecurity so that they can move fast when the time comes. In addition to dealing with various types of attacks and threats, Chinese organizations must follow up with the increasingly stringent regulatory requirements and pay close attention to compliance risks.

[China Legal Report](#)

Published by wenfei.com, 23rd March 2018

Wenfei Attorneys-at-Law Ltd released new China Legal Report in March on the topic of Amendment of PRC Constitution. The 13th National People's Congress (hereinafter "NPC") deliberated as to the amendment of the Chinese Constitution upon suggestion from the Communist Party of China, the content of which had been made public on 25 February 2018. The amendment was adopted at the first session of the 13th NPC with an "overwhelming majority", the previous constitutional amendment dating from 2004. These constitutional amendments, of which Xi Jinping stressed the crucial importance, are aimed at developing China into a "great modern socialist country" and consist of dispositions that emphasize the strong socialistic ideology as well as constitutional modifications that will have very concrete consequences on the Chinese political system.

[ETH MAS MTEC Delegation Visits Swiss Center Shanghai](#)

Published by swisscenters.org, 21st March 2018

The delegation from the ETH Zurich Master of Arts in Management, Technology and Economics (MAS MTEC) program visited Swiss Center Shanghai. Mr. Joe LIU, Managing Director of FRAISA China shared insights on the development of a Swiss SME in China. Founded in 1934, FRAISA offers a comprehensive range of metal cutting tools: milling tools, drills, taps, indexable inserts and many more. Characterized by high performance, precision and quality, FRAISA products also offer an excellent price and performance ratio.

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