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Reader's Digest, 21 July – 3 August 2018

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BILATERAL RELATIONS

[Switzerland - Hong Kong: Return on 20 Years of Trade under Chinese Flag](#)

Published by [newsd.admin.ch](#), 26th July 2018

Hong Kong is Switzerland's leading business partner. Twenty years ago, from the status of British colony to the Special Administrative Region of the People's Republic of China, nothing changed this state of affairs. In 2017, Swiss exports reached 15.7 billion francs, two-thirds of which were precious metals. The trade balance showed a bilateral surplus of 6.5 billion francs. In 2017, Hong Kong became the 8th largest trading partner in Switzerland in both directions. In terms of goods, two categories dominate exchanges: precious metals on one side and jewelry and watchmaking on the other. In 2017, the former showed a 65% share of exports and 87% of import. The watch, jewelry industry accounted for a quarter of the exports for 11% of entries.

BUSINESS NEWS

[China's Demand for Swiss Machinery Booming](#)

Published by [swissinfo.ch](#), 26th July 2018

Swiss companies exported machinery product in the value of CHF 1.45 billion (USD 1.46 billion) to China and Hong Kong in the first six months of 2018, according to figures released by the Swiss Federal Customs Administration. This represents an increase of 10% compared to the first half of 2017. Nicolas Musy, founder of the Swiss Centers China, said the Asian country's thirst for automation has increased demand for high-quality machines from the Alpine nation. "Chinese manufacturers upgrade their equipment and automation becomes ever more important. Highest quality machines are in high demand – that is why China will remain a key market for Swiss machinery companies in the coming years," he said in a statement

published on Thursday. Since 2016, Swiss machinery exports to China and Hong Kong have been on the rise. The Chinese market (including Hong Kong) is the third biggest market for Swiss machinery products worldwide. The largest market remains Germany (CHF 4.1 billion), followed by the United States (CHF 1.8 billion). Switzerland exported CHF 8.9 billion in goods to China and Hong Kong in the first half of 2018, with imports amounting to CHF 7.4 billion, resulting in a trade surplus of CHF 1.5 billion. Swiss watches and precision instrument exports boomed in the first half of 2018 to a value of CHF 4 billion. That figure represents a 17.5% increase compared to the same period the previous year.

[Swiss Luxury Watch Industry on the Rise in U.S. and Asia](#)

Published by [barrons.com](#), 26th July 2018

Luxury Swiss watches have turned back the clock, raking in sales revenue in the first half of 2018 that hasn't been seen in years. According to NPD Group, a market research company with a watch retail tracking service, U.S. sales for watches ranging in price from USD 5,000 to USD 10,000 are up 14%, while sales for watches priced above USD 10,000 are up 16% year-to-date. This trend, however, is not limited to the United States. Of Switzerland's top 30 markets, 23 of them reported increases, with the seven markets reporting decreases all in Europe. The FH reported that Swiss watch exports between January and June of this year enjoyed the largest percentage bump since 2012. The Swatch Group — which owns watch brands including Harry Winston, Omega, and Blancpain — reported its “best first semester sales in the history of the group,” a 66.5% jump in net income to CHF 468 million (USD 468 million). According to FH, Asian markets were the primary driver of sales growth in the sector. Hong Kong, Switzerland's largest market, was up 29.5%, South Korea up 34.7%, Thailand up 28.0%, China up 13.4%, and Japan up 14.0%.

[Swiss Startup to Launch Crypto Token for Chinese Restaurant Loyalty Program](#)

Published by [cryptocomes.com](#), 19th July 2018

Foodchains is a recently founded startup with its own mobile app. Any customer who will install it on their phone will earn FAN coins whenever they are buying something in the venues taking part in the Foodchain program. To do that, clients just need to scan a QR-code or do other various similar actions to help advertise the community. Clement Lee, the CEO of Foodchains is optimistic about his business and the new collaboration with the Swiss partner Qiibee. He believes that small and middle-sized café chains frequently have difficulty with regular loyalty programs for attracting guests. These bounty programs are limited in payouts and are quite costly. Blockchain will help Foodchains to make their loyalty programs as transparent as possible and save costs to make it cheaper.

[Pauline Houli: Education is the most Powerful Tool and Weapon for Women](#)

Published by [huanqiu.com](#), 7th July 2018

On 6 July, the forum “Women Leaders in Ecology & Development” was successfully held at the 10th edition of Eco Forum Global Conference in Guiyang. China has become an important participant, contributor in the global endeavour for eco-civilization. Further to the USA withdrawn from Paris agreement, China has a key role to play in the energy transition with ambitious targets already defined and needing the engagement of all the people sharing the same concerns. It is the first time since its inception the Eco-Forum highlights the influence of women in ecology and development. The Forum was organized by Pauline Houli, General Secretary of Swiss Chamber of Commerce Beijing and founder of Club Generation CEO. The theme of forum is how to unite women's forces and cope with global climate change issues.

Pauline Houll brought a group of women leaders from Europe very active in the ecology and energy transition to come to this forum with their concrete ideas on to save the environment and planet.

CULTURE & SOCIETY

[China's New International Taekwondo Complex Opens in Wuxi](#)

Published by [cgtn.com](#), 27th July 2018

The world governing body for taekwondo has unveiled its newest international complex in the eastern Chinese city of Wuxi. The grand opening marked the first time that a sports organization affiliated with the International Olympic Committee has located a center in China. The venue is hosting its maiden competition over the next three days – the first ever Taekwondo World Cup Team Championships. It will serve as World Taekwondo's third bureau after its headquarters in Seoul and liaison facility in the Swiss city of Lausanne. "China now has a say in World Taekwondo and we can set our 'Wuxi standards' while helping establish the rules for international taekwondo competitions," said China Taekwondo Association President Guan Jianmin said. "This is a tremendous improvement, and will greatly push forward the development of the sport here in China." The World Cup Team Championships will feature 22 teams from 10 countries and regions battling it out in men's, women's, and mixed divisions. China has two men's and women's squads taking part, as well as a mixed side, with Olympic gold medalists Zhao Shuai and Zheng Shuyin among the notable participants.

GENERAL INTEREST

[Surreal Art, Music, Award-Winning Drama](#)

Published by [chinadaily.com.cn](#), 27th July 2018

August is knocking on the door and, as usual, the guide team has prepared a wonderful events list to help you cool down in the summer heat. It includes some thought-provoking exhibitions, amazing musical performances and award-winning drama. Joan Zheng and Carol Chen guide. A solo exhibition, entitled "Zigzagging My Way Home," by Chinese-Swiss artist Franklin Chow will be open next month. Nearly 40 pieces of his installations, drawings, visual artworks and wash painting diaries will be displayed to Chinese viewers for the first time. The artist promises to take local art enthusiasts on an authentic art journey by discussing his hometown, identity, roots and other social topics this time.

INDUSTRIES

[Engineering / Manufacturing](#)

[First CIIE Creates Excitement in Global Business Community](#)

Published by [chinadaily.com.cn](#), 27th July 2018

The international community has high expectation from the first China International Import Expo (CIIE) and the business opportunities it presents, as the 100-day countdown of the event begins. "CIIE will bring a very strong exposure to our company, by having high-level government officials, influential trade professionals, including lots of existing and potential customers, and hopefully also the general public which can bring us recruiting opportunities," Laurent Castella, Head of Marketing Region Asia, GF Machining Solutions, said in Shanghai on Thursday. Founded by Gorge Fisher in 1820, during the first

industrial revolution, the Swiss company GF is an industrial leader in three main areas: the safe transport of liquids and gases, lightweight casting components in vehicles, and high-precision manufacturing technologies. With rapid technological development, especially digitalization transformation, also called IOT or industrial 4.0, the game will change. The machines will talk to machines and the data collected from the machines will move to the clouds. Artificial intelligence will look at the data and make decisions that human cannot make. GF is also behind this digital transformation, creating a new manufacturing world for tomorrow and the company is working with key universities in the world to develop more intelligent products and more intelligent process and it will bring all these leading technologies into China, Castella said.

[ABB Ability™ Supports China's First 'Smart Parking and Charging' Pilot](#)

Published by abb.com.cn, 27th July 2018

Since 24 Oct 2017, ABB has been working with Heshun Electric Vehicle Industry Services Company on the first 'Smart Parking and Charging' pilot in Shenzhen, China. With the help of ABB Ability™, ABB's comprehensive cross-divisional digital offering, the unmanned roadside DC fast chargers provide public access to vehicle charging 24/7. DONG ZhiHua, the local sales and marketing manager for Electric Vehicle Infrastructure at ABB explains: "We have delivered the first four 60kW DC fast chargers to run this pilot. ABB Ability™ makes backend integration with operation systems very simple and self-service charging safe and reliable." ABB Ability™ represents a complete portfolio of digital solutions. This includes an installed base of more than 70 million connected devices, 70,000 digital control systems and 6,000 enterprise software solutions. Roadside charging is quite a challenge because you need safe public access to very high voltages. ABB Ability™ delivers web-enabled connectivity that allows e-mobility charging network operators to perform remote monitoring, remote diagnosis, remote upgrade, online payment and energy management, while ensuring high levels of safety and availability of the charging service.

[China-Owned Syngenta Plots Growth in Challenging Home Market](#)

Published by uk.reuters.com, 24th July 2018

A year on from Syngenta's USD 43 billion purchase by ChemChina, the seed and chemical giant is leveraging its new status as a Chinese company to grow its tiny share of the highly fragmented China market. The former Swiss firm is targeting growth through acquisitions in the USD 17 billion Chinese seed market, where access is restricted for foreign players, as well as new products and collaborations in technology. It hopes its edge in the world's second-biggest farm inputs market will help it catch bigger global rivals in seeds, Monsanto and DowDuPont in the wake of a round of consolidation in the agricultural products sector. "Over time, we want to challenge into being in the number two position [in seeds]," Andrew Guthrie, Syngenta's regional director for China told Reuters in an interview, with the firm currently a "distant number three" in seed sales globally.

Bank / Finance / Insurance

[China's Online Extracurricular Education Market to Expand Significantly: UBS](#)

Published by ecns.cn, 29th July 2018

China's online extracurricular education market is expected to have grown markedly by 2025, a report from UBS said. The market is forecast to expand from RMB 29 billion (about USD 4.3 billion) in 2017 to 714 billion yuan in 2025, according to the report. Edwin Chen, UBS analyst, said the internet penetration rate of the education industry in China is much lower compared with other sectors such as e-commerce, news

and wealth management, leaving it room to grow. The acceptance and experience of training sessions online will improve due to an increasing number of computer-savvy parents and the application of technology including data analysis, virtual reality and facial recognition. In China, education is always high on families' agendas. To make their children competitive enough to be admitted into universities, Chinese parents usually expect their children to take extra lessons after school.

Hospitality / Tourism / Retails

[Nestlé Sales Growth Sweetened by Performance in US and China](#)

Published by ft.com, 26th July 2018

Shares in Switzerland's Nestlé rose on Thursday after better sales in the US and China helped chief executive Mark Schneider pep up the performance of the world's largest food and drinks group. The company behind brands such as KitKat, Perrier water and Nescafé coffee reported total sales in the first six months of 2018 had increased 2.8% on an organic, or like-for-like, basis compared with 2.3 % in the same period a year earlier. The pick-up would have been almost 3% without the impact of a protracted truckers' strike in Brazil. Analysts had expected 2.5% growth. Nestlé's growth fell in 2017 to the slowest in more than two decades amid shifting consumer trends, slow global economic growth and deflationary price pressures. Adding to the pressure on Mr. Schneider, Third Point — the US activist hedge fund founded by Daniel Loeb — invested USD 3.5 billion in a 1.25% stake in the Swiss group. Earlier this month, Third Point complained Nestlé still had a "muddled strategic approach" and remained "insular, complacent and bureaucratic". However, Mr. Schneider said the first-half results showed that "our strategic initiatives and rigorous execution are clearly paying off . . . In particular, the US and China markets showed a meaningful improvement".

[Swissôtel to Host Swiss Food Festival](#)

Published by globaltimes.cn, 19th July 2018

The first thing that might come to mind when talking about Switzerland is the Alps, Lake Geneva or Swiss watches and army knives. But there is much more to offer in this small European country. To mark Swiss National Day on 1 August, Swissôtel will host special events, local tributes and other festive celebrations throughout August. Swissôtel Beijing will also be hosting a special Swiss Food Festival from 30 July 30 to 1 August. Swiss cuisine is a combination of many regional influences, including French, German and Italian cuisine, and features many dishes specific to Switzerland. Historically, Switzerland is a country of farmers, so traditional Swiss dishes tend to be made from simple ingredients, such as potatoes and cheese. The hotel promises a whole new dining experience with Swiss delicacies. During the Swiss Food Festival at Swissôtel Beijing, Café Swiss will prepare various authentic Swiss dishes for guests to savor, such as Swiss sausage with potato and Zurich-style raclette with veal.

Legal / Trade / Consulting / Services

[EY Growth Barometer 2018: China's Middle Market Companies Are Expected to Lead Their Global Peers in Growth And IPO Pursuit](#)

Published by ey.com, 24th July 2018

China's middle market companies are expected to lead their global peers in growth and IPO pursuit as well as the adoption of Artificial Intelligence (AI), underpinned by Belt and Road Initiative (BRI) and China's

regulatory policies, according to the 2018 EY Growth Barometer released on 24 July. More than 4 out of 10 (43%) of China's C-Suite expect to grow by more than 10% in the next 12 months, compared with 24% in the rest of the world. BRI continues to boost the confidence of Chinese companies in overseas expansion amid the uncertainties in international trade. The survey found more than one-third (35%) see entry into new international markets as their strategic growth priority, with over one-quarter (27%) citing overseas expansion as central to evaluating new business ventures. EY Growth Barometer 2018: China's middle market companies are expected to lead their global peers in growth and IPO pursuit. Meanwhile, 40% of Chinese respondents see regulation as the prime driver of innovation compared with 24% of respondents elsewhere. And although China's burgeoning business strength follows its shift from a controlled economy to freer markets, 28% believe that more regulation would be the best government action to boost growth. More than three-quarters (78%) are planning IPOs, almost twice that for the rest of the world (42%) – a further sign of the middle market's bullishness.

[AI and Robotics: Discerning between Hype and Reality](#)

Published by alumni.ethz.ch, 19th July 2018

On June 26, 2018 swissnex China invited the world-renowned roboticist and futurist, Dr. Rolf Pfeifer, to share his profound insights in the field of artificial intelligence, robotics and automation. Dr. Pfeifer is currently Visiting Chair Professor at Shanghai Jiao Tong University, China, and he is a scientific consultant for "Living with Robots" Ltd. Moreover, he is co-founder of the National Robotics Center in Switzerland. CEO Dr. Felix Moesner opened the lecture by warmly welcoming Dr. Pfeifer and a full-house audience, which included representatives from top academic institutions, blue-chip companies and venture capitalists. Dr. Pfeifer took the stage and underlined the importance of bridging the gap between the academia and the public, especially with the rampant "Robotic Hype" in public media. The sheer scale of AI and Robotics-related projects has been astounding, backed up by substantial investments from leading institutions, organizations and nations.

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