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## Reader's Digest, 2 February - 2 March 2018

Swiss and Chinese Business Related News in Switzerland and China

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### BILATERAL RELATIONS

#### [Chinese Ambassador to Switzerland Meets The Former Ambassador of Switzerland to China](#)

Published by fmprc.gov.cn, 23rd February 2018

On 21 February, Mr. Geng Wenbing, Chinese Ambassador to Switzerland, met with Dr. Sigg, former Swiss Ambassador to China, at his residence. Ambassador Geng welcomed Dr. Sigg to visit his official residence and introduced briefly the brilliant achievements made in the bilateral relations between China and Switzerland during recent years. The Ambassador thanked Dr. Sigg for his constant concern for the engagement between the two countries and the continuous contribution to the development of Sino-Swiss relations. Dr. Sigg said that achievements in all fields in China have attracted worldwide attention. Although he has retired, he traveled to China many times every year and devoted himself to the cooperation in economy, trade, culture and the arts between the two countries. He is willing to continue to give full play in the future and promote the continuous development in Sino-Swiss relations.

### BUSINESS NEWS

#### [World's Largest Watch Show Shrinks on Weak Chinese Demand](#)

Published by asia.nikkei.com, 24th February 2018

Baselworld, the world's largest annual trade show of watches and jewelry in Switzerland, will shrink by half this year as companies, unsure about demand from Asia and in particular China, are unwilling to pay up to secure booths. The organizers say that exhibitors are expected to fall to 600-700, roughly half the number in 2017. The prestigious show

will only last six days from March 22, cut from eight last year. After falling sharply in 2015 and 2016, demand for luxury watches improved slightly in 2017. Figures from the Federation of the Swiss Watch Industry show that Swiss watch exports in 2017 rose 2.7% from a year ago to CHF 19.9 million (USD 21.2 million). But such a recovery is still weak. Exports to Hong Kong, the largest market for Swiss watches, rose 6% while those to China, third on the list, recorded a double-digit growth of 19%. Hong Kong and China absorb around 20% of Swiss watch exports.

#### [Swiss Gold Exports to China Hit Highest in More Than A Year](#)

Published by breccorder.com, 20th February 2018

Switzerland's gold exports to China hit their highest in more than a year in January, Swiss customs data showed on 20 February, while shipments to India slid to their lowest since September. Switzerland, a major trading, vaulting and refining centre for precious metals, said its net gold imports rose to their highest since August at 97.205 tonnes last month, as exports slipped to a five-month low while imports rose by a quarter. Shipments to major consumer China rose to 41.5 tonnes, up from 17.8 tonnes a year ago, making it the chief recipient of Swiss gold exports last month. Exports to India, which vies with China as the leading global consumer of physical gold, eased to 14.335 tonnes from 26.543 tonnes in January 2017. Exports to Hong Kong stood at 24.459 tonnes, against 20.899 tonnes a year before.

#### [Swiss Brands Tap into Chinese New Year](#)

Published by cnnmoney.ch, 17th February 2018

(VIDEO) This year, February 16th marks the first day of the Year of the Dog in Chinese astrology. Swiss companies ranging from Victorinox to Lindt, Bally or TAGHeuer have launched special edition products to celebrate the new Chinese year. Felix Sutter, President of the Swiss-Chinese Chamber of Commerce, shares his insight about how Swiss companies are tapping into China's ever-growing consumers' power.

#### [Switzerland Sets out Guidelines to Support Initial Coin Offerings](#)

Published by ft.com, 16th February 2018

Switzerland's financial supervisor has bucked the trend of global regulators cracking down on cryptocurrencies by announcing guidelines that should help local initial coin offerings, where start-up companies sell digital tokens to investors. The Finma financial authority hopes to support the ICO market and boost blockchain technologies by

clarifying when entrepreneurs will have to apply anti-money laundering and securities laws. Regulators around the world have taken an increasingly sceptical view of cryptocurrencies and China and South Korea have banned ICOs. But the Swiss government believes they could offer an economic opportunity. Johann Schneider-Ammann, economics minister, said last month that Switzerland wanted “to be the crypto nation”.

### [Swiss Businesses in China Upbeat after Record Export Year](#)

Published by swissinfo.ch, 13th February 2018

According to a survey, 72% of Swiss business leaders in China expect “higher” or “substantially higher” sales of goods from Switzerland to China and Hong Kong in 2018 than in 2017, when exports reached a record CHF16.7 billion (USD 17.9 billion). Just 5% of business leaders anticipated lower export figures this year, according to the preliminary results of the 2018 Swiss Business in China Survey. According to the Swiss Centers China press release, in 2017 Switzerland exported CHF16.7 billion worth of goods to China and Hong Kong, which is an increase of 13.8% on the previous year and represents a new record. China and Hong Kong bought CHF7.2 billion (USD 7.7 billion) worth of watches and precision instruments from the alpine nation in 2017, making China the largest world market for this category of Swiss products. “While Swiss exports in 2017 to key markets such as Germany, Italy and France did not yet rebound to their pre-crisis 2008 levels, exports to China and Hong Kong grew by 66%” from 2008 to 2017, said Swiss Centers China co-founder Nicolas Musy. After watches and precision instruments, the most important export sectors from Switzerland to China and Hong Kong in 2017 were pharmaceuticals and chemicals (+13% growth), as well as machinery (+12.8%).

## **CULTURE & SOCIETY**

### [Journey to Unknown Land: Sketch of Chinese Traditional Painters](#)

Published by JIEMO Art, 27th February 2018

Capturing the delicate reflections of a summit or capturing the crystalline beauty of the Swiss mountains with the traditional techniques of Chinese painting: this is essentially the spirit of the unpublished approach by five renowned Chinese artists. Famous in China and beyond for their talent, ZHOU Jingxin, LIU Yi, XUGang and LIANG Yu have traveled more than 8000 kilometers in order to immerse themselves in the beauty of the country. With their ancestral brush and ink technique, they, in the heart of our alpine lands, capture what they perceive from our grandiose landscape. Thanks to Mr. Wang Fei, professor of calligraphy at the University of Geneva, who maintains close ties with the traditional artistic circles of his country, this exhibition could be held in March 2018. Also, thanks to Mr. Heinz Häslar, Director of Gallery of Interlaken, as well as the Caran d'Ache, who made possible the realization of this unique experience, without forgetting the academic and tourist partners: Nanjing University, University of Geneva, Interlaken Tourisme and the Jungfrau Railways. The enthusiasm that brings this exhibition to life is undeniably the common values that unite these partners: creativity and the pursuit of excellence, modernity and tradition.

### ["Chinese Tourism Will Be A Driving Force for Swiss Ski Resorts."](#)

Published by cnnmoney.ch, 22nd February 2018

(VIDEO) Yong Chen, assistant professor in tourism economics at the Ecole hôtelière de Lausanne sees great growth potential for Swiss ski resorts if they manage to appeal to Chinese tourists. He tells CNNMoney Switzerland that promoting the ski culture is key, as well as offering other activities like hiking. Language is also one of the other challenges when it comes to attracting new customers. But Switzerland should benefit from Beijing's plan to eventually have 300 million skiers.

### [Roger Federer and Belinda Bencic Clinch Switzerland's Third Hopman Cup While Simona Halep Triumphs in China](#)

Published by independent.co.uk, 6th January 2018

Roger Federer and Belinda Bencic won the deciding Fast4 mixed doubles 4-3 (3), 4-2 on 6 January over Germany to give Switzerland its third Hopman Cup title. Meanwhile, the world No 1 Simona Halep and No 6 Elina Svitolina continued their build-up to the Australian Open with tournament victories. Halep battled though after losing the second set in the Shenzhen Open final in China to beat the reigning champion, Katerina Siniakova, 6-1, 2-6, 6-0, after Svitolina had earlier captured the Brisbane International title.

## **GENERAL INTEREST**

### [China Ease Past Switzerland 7-2 for Opening Win in Pyeongchang Games Women's Curling](#)

Published by xinhuanet.com, 14th February 2018

(PICTURE) China eased past Switzerland 7-2 here on 14 February for their opening win in the PyeongChang Winter Games women's curling competitions. The Chinese team led by Vancouver Games bronze medalists Wang Bingyu and Zhou Yan built a comfortable 4-1 lead after the fourth end before scoring three points in the eighth to earn their first victory in the round-robin preliminaries. Skipper Wang Bingyu was pleased with the surprisingly easy win over the 2016 world champions. "It's our first game in the Olympics, against Swiss. I know they are very strong," Wang said. "We just tried our best. I think they made some mistakes. It's just the first game. We will be patient and prepare for the next games." Manuela Siegrist of Switzerland admitted that China were the better team in their clash. "They were more precise than we were. Like they made a lot of pressure, and we didn't put hold on this pressure," she said. "They played great. Actually, this team has been very good since years, they have a lot of experience. I think we have to take out from this match what we have to improve and keep going."

### [China Loses to Switzerland in Mixed Doubles Curling Opener](#)

Published by xinhuanet.com, 8th February 2018

China's mixed doubles curling team lost to Switzerland 5-7 in their first match in the round robin session at the PyeongChang Winter Olympics here on 8 February. Wang Rui and Ba Dexin, bronze medalists in the World Mixed Doubles Championship in 2017 and silver medalists in 2016, took the lead in the first end but were leveled in the second by their Swiss opponents. The two teams were locked in a tie after a seesaw battle in seven ends and a controversial eighth end. In the ninth end, the Swiss earned two more points and sealed the match 7-5. "In the end, I was lucky," said Swiss player Martin Rios after the match. "I can not say that I have too many regrets, though both sides made a mistake in the eighth end by touching a little bit our stone," said Chinese player Ba. "The Swiss team is very strong. In fact, every team that can show up in the Olympics is strong... We just need to play our best in every match and show the world the spirit of the Chinese athletes. As for the final results, we will see in a week," said Ba. Chinese coach Zhang Zhipeng said that the performance of Wang and Ba were okay on the whole but they were not in their best form. "They were a little bit stressed in their first match," he said.

## **INDUSTRIES**

### **Engineering / Manufacturing**

#### [ABB and Yitai Group to Build Intelligent Coal Chemical Plants](#)

Published by abb.com.cn, 2nd February 2018

ABB recently signed a strategic cooperation framework agreement with Yitai Group in Inner Mongolia, a well-known Chinese coal production and further processing enterprise. The two parties plan to deepen the cooperation, jointly develop and implement established plants and newly-built intelligent plant demonstration projects of Yitai Group, as well as explore the intelligent plant business of coal chemical industry both at home and abroad. Under the agreement, ABB will provide intelligent plant-wide solutions for Yitai's upgrading of established plants and newly-built plant projects based on the integration of electrical, control, instrumentation and communications (ECIT). This will help Yitai break the "information silos" of plants to open up the data connection among various systems and also to leverage big data and collaborative operation to achieve the goals like improving productivity and profit, reducing investment and operation costs, and so on. In addition, ABB will also form a consortium with Yitai in the future to jointly develop the global intelligent market for coal chemical industry, with advantages of both parties in their respective fields. This is another important achievement for ABB to leverage its digital capabilities to create value for customers and work with customers in specific industries for win-win results.

### **Bank / Finance / Insurance**

#### [The Netflix of China: iQIYI Files for A USD 1.5 billion US IPO](#)

Published by nasdaq.com, 27th February 2018

iQIYI, a Chinese online television and movie portal owned by Baidu, filed on Tuesday with the SEC to raise up to \$1.5 billion in an initial public offering. The Beijing, China-based company was founded in 2010 and booked \$2.7 billion in sales for the 12 months ended December 31, 2017. It plans to list on the Nasdaq under the symbol IQ. It had been on our Private Company Watchlist \* since February 2014. Goldman Sachs (Asia), Credit Suisse, BofA Merrill Lynch, China Renaissance, Citi and UBS Investment Bank are the joint bookrunners on the deal. No pricing terms were disclosed.

#### [UBS Increases Asia Investment Banking Bonus Pool by 6%](#)

Published by bloomberg.com, 12th February 2018

UBS Group AG boosted the 2017 bonus pool for its investment bankers in the Asia-Pacific region by about 6%, reflecting a rebound in dealmaking and efforts to retain junior staff focusing on China, according to people familiar with the matter. Total compensation for junior bankers in the region rose by about 12% on average, the people said, asking not to be identified because the information is private. Some junior bankers focusing on China received raises of 15% to 20% as UBS seeks to reverse a series of defections to Chinese corporates and private equity firms, one of the people said. UBS, like many of its competitors, is increasingly tilting bonus payouts toward the biggest revenue generators and younger bankers who might otherwise defect for other industries. The larger bonuses in Asia mark a reversal from the previous year, when the regional investment banking payout pool was cut by about 15%.

### **Hospitality / Tourism / Retails**

#### [Five Swiss Watch Brands Driving Sales Recovery in China](#)

Published by jingdaily.com, 23rd February 2018

Swiss watch exports saw their strongest growth in more than five years during 2017 according to a report by the Federation of the Swiss Watch Industry. Hong Kong and mainland China were the top two markets for Swiss

watches, with sales in Hong Kong rising 21.3% to 15% of the market and mainland China sales skyrocketing by 44.3% to reach 10.9% of the market. According to Bloomberg, the 2012 crackdown on corruption that badly impacted the luxury watch market in China appears to have either played out or lost its teeth. Meanwhile, efforts by the Chinese government to bring luxury spending back to mainland China seem to be working. Independent of external factors, Swiss luxury watches remain hugely popular in China. A colloquialism illuminates how important they are to signaling success among Chinese elites. These are the five most popular Swiss luxury watch brands in China: Longines, Patek Philippe, Omega, Piaget, Rolex.

#### [Dalí in The Room: Beijing's Hotel Éclat Brings Swiss Style to China](#)

Published by cnmoney.ch, 8th February 2018

(VIDEO) Swiss hoteliers are flying high in China. One of them is Dany Luetzel, the General Manager of Hotel Éclat, one of the most luxurious boutique hotels in Beijing. He talks to Martina Fuchs about his top tips for the business traveller to China, explains his "Art in Luxury, Luxury in Art" hospitality, and bemoans the impact of smog on tourist numbers.

#### [Swissness Expands Its Boundary: Shining Night of Swissflex](#)

Published by jia360.com, 6th February 2018

On 2 February, "Swissflex Night" was jointly hosted by Beijing Eurohome Trading Co., Ltd. and the Embassy of Switzerland in China at the Embassy. The Swiss Ambassador to China, Dr. Jean-Jacques de Dardel, the president of Beijing Eurohome, Mr. Ye Dayong, the vice president of Beijing Eurohome, Mr. Lin Xianfeng, the business manager of RECTICEL & Swissflex, Mr. Frutig and the technical director of Swissflex, Mr. Zollerbe attended this magnificent event and gave the speech. For customers all around the world, the "Swissness" equals the outstanding quality. Swissflex is a perfect example of the "Swissness". For decades, Swissflex has been known for its products with carefully selected material, high quality, sophisticated manufacturing process, reliability and the native Swiss engineers who never stop to innovate. In 2011, Beijing Eurohome became the exclusive strategic partner of Swissflex in China, and has been dedicated to bring Swissflex sleeping system to the Chinese customers.

### **Legal / Trade / Consulting / Services**

#### [Vitargent Forms Strategic Alliance With PwC to Accelerate The Application of Product Safety Testing Technology in Mainland China, Hong Kong And Southeast Asian Markets](#)

Published by pwccn.com, 2nd February 2018

PwC China and Hong Kong ("PwC") are delighted to announce that Vitargent (International) Biotechnology Limited ("Vitargent") has become a strategic partner with PwC. Leveraging PwC's extensive global network and Vitargent's expertise, the strategic alliance will help both companies enter new geographic markets, as well as the food supply and integrity segments in Mainland China, Hong Kong and Southeast Asia. "Enhancing trust in food safety is a growing concern in a climate where public confidence in food producers, processors and sellers have been heavily disrupted in recent years. Despite the overall improvement of food safety and standards in many countries including China, the quality of many large-scale food companies remains unstable," says Samie Wan, PwC Food Supply and Integrity Services Leader. "To address growing needs in this area, PwC Food Supply and Integrity Services was established in 2015. We believe our strategic alliance with Vitargent, leveraging their innovative testing technology, can provide our clients with a holistic one-stop solution."

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<p><b>SwissCham Beijing</b>  中国瑞士商会 - 北京  Room 213, Building 19 Xinyuanli West,  Chaoyang District  Beijing 100027, China  中国北京市朝阳区  新源里西 19 号 213 室  邮编: 100027  Tel / 电话: +86 10 8468 3982  Email / 邮件: <a href="mailto:info@bei.swisscham.org">info@bei.swisscham.org</a></p>	<p><b>SwissCham Shanghai</b>  中国瑞士商会 - 上海  1133, 11F Carlton Building  21 Huanghe Road  Shanghai 200001, China  上海市黄河路 21 号  鸿翔大厦 1133 室  邮编: 200001  Tel / 电话: +86 21 5368 1270  Email / 邮件: <a href="mailto:info@sha.swisscham.org">info@sha.swisscham.org</a></p>	<p><b>SwissCham Guangzhou</b>  中国瑞士商会 - 广州  27th Floor, Grand Tower  228 Tianhe Lu, Tianhe District  Guangzhou 510620, China  广州市天河区天河路 228 号  广晟大厦 27 楼  邮编: 510620  Tel / 电话: +86 760 8858 1020  Email / 邮件: <a href="mailto:info@swisscham-gz.org">info@swisscham-gz.org</a></p>
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