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## Reader's Digest, 3 - 16 March 2018

Swiss and Chinese Business Related News in Switzerland and China

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### BILATERAL RELATIONS

[The Vice Foreign Minister Holds Political Consultation with State Secretary, Vice-Minister of Federal Department of Foreign Affairs](#)

Published by fmprc.gov.cn, 12th March 2018

On 12 March, the Chinese Vice-Foreign Minister, Mr. Wang Chao, and the State Secretary, Vice-Minister of Federal Department of Foreign Affairs, Mrs. Pascale Baeriswyl, held a Sino-Swiss deputy foreign minister-level political consultation in Beijing. The two sides exchanged opinions mainly on bilateral relations, international and regional issues of common interest.

### BUSINESS NEWS

[Alastair McCaig: "A Cautious Observation of the Chinese Market Is Prudent"](#)

Published by cnnmoney.ch, 13th March 2018

(VIDEO) China is among the economies most at risk for a banking crisis. This according to indicators compiled by the Bank for International Settlements in Basel. In an interview with CNNMoney Switzerland, Alastair McCaig, director of investment management at Fern Wealth, agrees with the findings.

[China Banks to Open Further Swiss Branches?](#)

Published by finews.com, 9th March 2018

Two Chinese banks have opened branches in Zurich so far. The representatives of the French-speaking financial markets in Switzerland now hope to convince the managers in China to soon set foot in the traditional home of private banking as well. The Greater Geneva Bern Area (GGBa), a business promoter founded in 2010, has Chinese business as its prime target – with a special emphasis on the banking industry. The talks about the opening of

branches in Western Switzerland seem to be at an advanced stage. «I expect an opening in coming months, be it this year or in 2019» said Thomas Bohn, the director of GGBa, in an interview with «AWP» news agency (behind paywall). GGBa is in talks with several Chinese banks in connection with the opening of a branch, he added. Two Chinese banks have opened branches in Zurich so far. Industrial and Commercial Bank of China (ICBC) moved in last year, while China Construction Bank (CCB) had opened up shop in early 2016.

#### ["HNA Supports Swissport and Imposes Nothing on Us"](#)

Published by letemps.ch, 7th March 2018

Swissport Managing Director Eric Born details the relationship of the world's leading airport services company with its Chinese owner, HNA. And he confirms that the Swissport IPO is expected in the second quarter. In this interview, Swissport concluded on 7 March the acquisition of Aerocare, a major player in airport services in Australia and New Zealand. After this operation, the Swiss company will be active in 50 countries with about 68,000 employees. Swissport CEO Eric Born explains the reasons for the acquisition and describes his company's relationship with its owner, the opaque Chinese conglomerate HNA.

#### [China's HNA Group to Float Swiss Airline Caterer Gategroup](#)

Published by reuters.com, 6th March 2018

Chinese conglomerate HNA Group [HNAIRC.UL] is seeking a public listing for airline caterer Gategroup, the Swiss company said on Tuesday, raising funds to help tackle HNA's liquidity crunch. Reuters reported in November that HNA, which bought Gategroup in 2016, was considering an initial public offering (IPO). The move is the latest in the aviation-to-financial services conglomerate's drive to restructure its operations, while raising cash by selling equity and real estate assets. No valuation was given for the Gategroup flotation, although an issue of new shares will generate 350 million Swiss francs (USD 372 million) for Gategroup. HNA will raise money by selling a 65% stake. Gategroup Chief Executive Xavier Rossinyol said a valuation would be announced in the next few weeks, adding he believed it would be "significantly" higher than in the past. HNA paid USD 1.5 billion for Gategroup.

## **CULTURE & SOCIETY**

#### [Design Switzerland: Keep it Smart. Reliable. Unique](#)

Published by prohelvetia.cn, 14th March 2018

Ingeniously innovative Swiss Design. Pro Helvetia Shanghai, Swiss Arts Council supports the presentation of a diversified selection of the most outstanding young design professionals and talents with track proven records in product, furniture and interior design. Having transformed from a land of farmers to the globally leading nation in innovation, wealth and sustainability, Swiss design expertise is deeply rooted in our history. The Swiss way of working is precise, innovative, elegant, unique. The matter purpose is well defined and relating to real customer needs. Being an experienced export nation, our designers and brands understand to develop products that fit the international market.

#### [Geneva Motor Show to Highlight Rise of Electric Cars](#)

Published by thelocal.ch, 6th March 2018

The rise of electric cars heralds not only a major technology switch but also promises massive disruption to today's auto giants as Tesla and a group of powerful Chinese rivals take over the fast lane. The diesel scandal in 2015 in which Volkswagen admitted manipulating 11 million diesel vehicles worldwide to fool pollution tests only briefly dented the firm's profits. However industry insiders say it may have spurred the shift away from conventional internal combustion engines. "Dieselgate' is becoming a catastrophe because it has accelerated" the transition to electric motors and "that puts Chinese competitors into play", said one European automaker executive on condition of anonymity. "Clearly, an electric powertrain is much simpler" to manufacture, said Eric Kirstetter, an auto sector expert at the Roland Berger consulting firm. "The best indicator of market openness this is creating is what is happening in China at the moment," he added.

## **GENERAL INTEREST**

### [The Beijing Chapter Held Its Alumni Reception at the Swiss Embassy](#)

Published by graduateinstitute.ch, 14th March 2018

Philippe Burrin, Director of the Graduate Institute, addressed the Beijing Chapter during an alumni reception, hosted by the Embassy of Switzerland in China, on 7 March 2018. Attendees and Institute's friends were welcomed by our distinguish alumnus Ambassador Jean-Jacques de Dardel. Mr. Burrin took the opportunity to present the latest development of the Institute, such as academic partnerships with Chinese institutions and the construction of the KengoKuma Residence. This reception was also a great occasion for reuniting with friends, meeting other Graduate Institute alumni living in Beijing, new discoveries, nostalgia and networking.

### [The Art Basel and UBS Global Art Market Report: Return to Growth for Global Art Market, with China Overtaking the UK](#)

Published by prnewswire.com, 13th March 2018

UBS and Art Basel today published the Art Basel and UBS Global Art Market Report, authored by renowned cultural economist DrClare McAndrew, and integrating strands of research from UBS and its Chief Investment Office. A comprehensive and macro-level analysis of today's international art market, the report covers key trends in the market in the context of wider economic shifts. Paul Donovan, Chief Economist, Global Wealth Management, UBS said: "The performance of today's growing and globalized art market is a fascinating reflection of wider economic trends and highly correlated with GDP and HNW populations. Collecting is a passion that we share with many of our clients and alongside our own exclusive art services, this collaboration with DrClare McAndrew and Art Basel is a natural fit for our ongoing commitment to the research and analysis of markets and economic data for our clients."

## **INDUSTRIES**

### **Engineering / Manufacturing**

#### [Chinese Industrial Leader Calls for Int'l Cooperation in Technological Innovation](#)

Published by xinhuanet.com, 9th March 2018

A senior leader of the State Grid Corporation of China (SGCC) on Thursday called for international cooperation to improve the reliability and efficiency of the power grid. At the annual energy conference CERAWEEK organized by business company IHS Markit in Houston, Texas, SGCC's Executive Vice President Wang Min said that one way of making a breakthrough is to "encourage international cooperation or creative teamwork," so that researchers can share ideas and exchange information. Wang added that ABB, a multinational corporation headquartered in Zurich,

Switzerland, and a pioneering technology leader in electrification products and power grids, is a long-term partner of the Chinese company. Both of them have made a lot of efforts in technical cooperation. Claudio Facchin, head of the Power Grids division at ABB, told Xinhua on the sidelines of the CERAWEEK that the market is big in China and it demands innovation. "The technology that we have been developing in China, together with State Grid (Corporation of China), is now being deployed in other countries," Facchin said. ABB has been involved in the development of China's power grid for many years. "Every three years or so, the power grid advances to a new level in China," he said, adding that the development of China's power grid is being used as a launching point for other nations.

## **Bank / Finance / Insurance**

### [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**

### [Davos: The Chinese Are Skiing](#)

Published by rts.ch, 9th March 2018

(VIDEO) The prospect of the Olympics in 2022 and the emergence of a middle class eager for leisure create a craze for skiing.

### [The GGBa Announces Very Good Results for Western Switzerland and the Opening of a Second Office in China](#)

Published by ggba-switzerland.ch, 9th March 2018

Western Switzerland confirms its attractiveness with the establishment of 88 foreign companies in 2017. This positive result stems from the collaboration between the Greater Geneva Bern area (GGBa) and the economic development offices of its six member cantons. The investments coming from China and the United States experienced a record year. This outcome is the fruit of a long-term work of selective identification and prospection of potential targets that meet well-defined criteria, such as value added, jobs creation and innovation. Among the almost 240 companies that conducted assessment visits to the GGBa member cantons last year, some should get established in 2018 already. "Despite increased international competition, reinforced by the competition of the cities themselves, Western Switzerland did very well," says Pierre Maudet, State Councilor of Geneva and President of the GGBa for two years. "But our lead is shrinking and requires highly attractive framework conditions. Taxation is a major issue that Switzerland must now be able to address without any further delay." And a new office will soon be opened in Shenzhen, China.

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

### [More Women Are Actively Pursuing Their Career Goals Than Ever Before](#)

Published by pwccn.com, 8th March 2018

To mark International Women's Day (IWD) on 8 March 2018, PwC surveyed over 3,600 professional women (aged

28-40) to find out about their career development experiences and aspirations. The survey included respondents from employers across 27 industry sectors and from over 60 countries worldwide. The report – Time to talk: what has to change for women at work – reveals that women are confident, ambitious and ready for what's next, but many don't trust what their employers are telling them about career development and promotion; or what helps or hurts their career. Xing Zhou, PwC China and Hong Kong Diversity Leader, says: "China's aging population and shrinking workforce trends are important problems that will intensify economic, societal pressures and care giver responsibilities on women who are working professionals or stay-home mothers," said Xing Zhou,. "We recognize the challenges professional women face today is a juggling act of leading multiple roles and we have an opportunity to enhance our workplace creatively to be more women-friendly with care, flexibility while remaining unequivocal to their career ambitions."

[More Chinese Executives Believe Global Economic Growth Will Improve in 2018](#)

Published by pwccn.com, 1st March 2018

PwC launches the China report of the 21st Global CEO Survey: China firms seek growth through technology and trust. The survey found that a record 57% of chief executives believe the global economy will grow faster next year – up from 29% last year. But this optimism is outstripped by China's CEOs – 69% expect faster growth over the next 12 months, against 31% last year. "Looking at the global markets, our Survey results found that in the ranking of the US and China as being attractive markets for growth, the attractiveness of China is stable." says Frank Lyn, Markets Leader of PwC Mainland China and Hong Kong. "The executives in China told us that the US and Hong Kong continue to be the top two growth markets. And what is different this year is that Japan has replaced Germany as the other top market for growth." Indeed, the vast majority of Chinese respondents (81%) expect a world of regional trading blocs rather than a single global marketplace in the future. 60% also expect to see greater fragmentation as opposed to political union. Despite this, 70% of China's CEOs believe there will be greater harmonisation of global tax rules, compared to 41% for the global average. This may partly reflect the extensive tax reform process underway in China.

Looking for more news? Go to [SwissCham's Website](#).

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