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## Reader's Digest, 15 - 28 February 2014

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### BILATERAL RELATIONS

#### [Chinese Community in Switzerland Continues to Rise](#)

Published by SinOptic, 24th February 2014

The Chinese community in Switzerland continues to rise; the number of visas issued exceeds 100'000 in 2013. The number of Chinese permanent resident population has reached 11'531 at the end of 2013, number which is steadily increasing since 2006. The number of visas for Switzerland issued in 2013 in the PRC reached 107'571, an increase of 10'000 over the previous year.

### BUSINESS NEWS

#### [Switzerland Sent 80% of Bullion Exports to Asia in January](#)

Published by mineweb.com, 22th February 2014

Switzerland sent more than 80% of its gold and silver bullion and coin exports to Asia last month, the Swiss Federal Customs Administration said today in an e-mailed report. It imported most from the U.K. Hong Kong was the top destination at 44% on a value basis, with India at 14%, the Bern-based customs agency said in its first breakdown of the gold trade data since 1980. Singapore accounted for 8.6% of exports, the United Arab Emirates 7.9% and China 6.3%. Gold slumped 28% last year and silver plunged 36%, both the biggest annual declines since 1981, as some investors lost faith in the metals as a store of value. As holdings in gold-backed funds that are mostly listed in the U.S. and Europe declined, lower prices boosted demand from Asia in a sign of bullion flowing from the west to east. China overtook India as the largest gold buyer last year, the London-based World Gold Council said in a report this week.

#### [JinkoSolar to Supply Photovoltaic Modules to Swiss Embassy in Tokyo](#)

Published by prnewswire.com, 20th February 2014

JinkoSolar Holding Co., Ltd. ("JinkoSolar") a leading global solar PV power product manufacturer, today announced that it has entered into an agreement with Premium Energy Co. Ltd ("Premium Energy") to supply 60-cell Mono 270W photovoltaic modules to the Swiss Embassy in Tokyo, Japan. This will be the first clean energy project constructed on the Swiss Embassy in Japan. JinkoSolar is a global leader in the solar PV industry with production operations in Jiangxi and Zhejiang Provinces in China and sales and marketing offices among others in Shanghai and Beijing, China, as well as in Zug, Switzerland.

#### [Chinese Bid for Glencore Mine is Delayed](#)

Published by wsj.com, 20th February 2014

Talks between Glencore Xstrata and the Chinese buyers of its Las Bambas copper mine in Peru have hit a snag over the price. It was unclear how much a consortium led by state-controlled China Minmetals Corp. was willing to pay, but a person familiar with the matter said Glencore's reserve price is "much higher" than USD 5.5 billion. While the Minmetals group still may strike a deal, the agreement has taken longer to conclude than expected, people familiar with the matter said. There is no dialogue between the two sides at the moment and Minmetals is considering its options, two people familiar with the matter said. A March 4 internal deadline to announce the deal is unlikely to be met, they said. Glencore International PLC had agreed to sell Las Bambas to gain Beijing's approval for the company's multibillion-dollar merger with Xstrata PLC last year.

#### [Chinese Magnesium Producer Moves to Zug](#)

Published by greaterzuricharea.ch, 14th February 2014

A leading Chinese metallurgy producer has opened its European Trading Hub under the name Crown Metals Trading AG in Zug. The company is one of the leading Chinese producers of magnesium ingots and alloys, and non-ferrous metals. Crown Metals Trading's core business is the trade in metals of all kinds, especially in magnesium ingots and alloys, and other non-ferrous metals. The Chinese holding company has already built up a European client base. By establishing the new company in Zug, market access and service for European clients can be done more efficiently. The market potential in Europe is great and can be optimally served out of Zug. The Greater Zurich Area actively assisted the company since early July 2013. After a visit to Zug at the end of July 2013, Crown Metals Trading was quickly convinced by the location and the company was founded in mid-November 2013 with the support of the Canton of Zug Economic Promotion team. Preparations have been underway since then in Zug, so that three employees will be able to begin working in January 2014 as planned. According to the business plan, up to 15 additional jobs will be created in Zug over the next six years.

## **CULTURE & SOCIETY**

#### [Online and Mobile Luxury Spending on the Rise in China](#)

Published by kpmg.com, 25th February 2014

Online and mobile shopping for luxury products has exploded in China, while smartphone penetration continues to grow at a rapid pace, according to a recent survey of 10,200 consumers in China. KPMG has launched a new ecommerce survey of online spending in China, in partnership with Glamour Sales and Mogujie. The joint survey – China's Connected Consumers – analyses responses from 10,200 luxury consumers in China on their online spending patterns. It highlights the rise of online transactions, as well as the increasingly important roles of social media and mobile devices. Amongst the key findings, 70% of respondents said they use their desktop everyday in order to purchase items or search for information on luxury products, while 60% said they use their smartphones every day for this. The average amount spent by respondents on their last item was RMB 1,515 while 17% said they

had last purchased an item online of at least RMB 2,000.

### [Swiss Hotels Hosted more Sleepovers in 2013](#)

Published by swissinfo.ch, 24th February 2014

Last year was a good one for Swiss hotels, with 35.6 million overnight stays – a 2.5% increase over 2012. Guests from China and the Middle East are helping to boost the numbers, according to statistics released on Monday. Although 2013's figures are weaker than the boom years of 2010 and 2008 – with 36 and 37 million overnight stays – the numbers are still considered strong for the past two decades. The nice summer was a help; June, July and August were particularly good months. Most of the hotel guests came from Switzerland; in 2013 they accounted for 15.8 million overnight stays – 1.3% more than in 2012. There were also light increases in the number of visitors from Britain (1.6 million total), France (1.3 million) and Italy (980,646) in 2013. In comparison, the numbers of Chinese and Middle Eastern visitors continued to grow – with about a 20% increase for both groups over the previous year. However, they came in smaller numbers than some of their peers. For example, in 2013 the Chinese accounted for 894,316 overnight stays – falling between the Italians and the Dutch (709,937).

## **GENERAL INTEREST**

### [Limited-Edition Watch to Mark Year of the Horse Released](#)

Published by thestar.com, 26th February 2014

Swiss watchmaker Epos recently released its limited-edition Horse Watch, a collectors' item for connoisseurs of fine watches. Created in celebration of the Year of the Horse, only 168 pieces of the limited edition Horse LE is available worldwide. ATG Watch chief executive officer Tham Onn Chuan, the sole distributor of Epos (pronounced air-pos) watches in Malaysia, Singapore, Brunei, Indonesia and Laos said the Swiss watch brand's decision to commemorate the Year of the Horse with a watch was a sign of its popularity in the Asian market. Epos is among the finest watchmakers in Switzerland, having started out in 1925 as a manufacturer of watches for private labels.

### [Awareness of Cyber Criminals: Hacked E-Mail Account Leads to Bank Fraud](#)

Published by s-ge.com, 16th February 2014

Whether you are running a small or large company, attacks from hackers can have a devastating effect on your business. An email address that is used for business purposes can be highly valuable for cyber criminals. The Swiss Business Hub China has recently witnessed a typical cyber-attack on the business of a Swiss SME. Since years this Swiss SME was purchasing goods from China. Its partner - a Chinese SME was using a Gmail account for daily business purposes. Both sides were satisfied with the cooperation and had trust in each other. The hacker used the Gmail account to communicate with all the partners of the Chinese company and requested money to be transferred to a new bank account opened at a new bank in England. Nowadays hackers are using more and more sophisticated methods to attack businesses and other organizations. The financial costs of being hacked can vary greatly, depending on the severity of the attack, the size of the company and other factors. The attack may also result in loss of important information, including client database. It needs to protect your company against a cyber-attack targeting your Chinese partner.

## **INDUSTRIES**

### [Engineering / Manufacturing](#)

### [Mercuria Said in Talks with China's SDIC to Sell Up to 20% Stake](#)

Published by swissinfo.ch, 20th February 2014

Mercuria Energy Group Ltd. is in talks to sell as much as a 20% stake to China's State Development & Investment Corp., according to two people familiar with the matter. The people, who asked not to be identified discussing private negotiations, didn't say how much Mercuria would raise through the sale. Chief Executive Officer Marco Dunand said last month a deal worth as much as USD 1 billion could be completed by the end of March, without naming the buyer. Mercuria, which was founded in 2004 and is now the fourth-largest independent commodity trader, has been seeking a strategic partner to buy a stake of 10% to 20% for more than a year. Introducing SDIC as an investor would bring Mercuria connections in China, the world's largest commodity consumer. Beijing-based SDIC had assets of RMB 311.5 billion (USD 51.4 billion) at the end of 2012, according to its website. The state-owned enterprise, which holds investments in power, coal, food and agriculture, posted operating revenue of RMB 89.1 billion for that year.

### [Clariant Reports 2013 Profit Growth](#)

Published by plasticsnews.com, 19th February 2014

Swiss specialty chemicals and plastics giant Clariant International Ltd. saw its profit from continuing operations grow almost 60% in 2013, even as the firm's overall sales were essentially flat. Continuing operations profit for 2013 checked in at CHF 323 million (USD 363.7 million) on sales of almost CHF 6.1 billion (USD 6.8 billion). Muttenz-based Clariant sold off several businesses during 2013, including emulsions and leather services. Including those businesses in 2013 results lowers the firm's overall profit to CHF 5 million (USD 5.6 million). Plastics and Coatings sales for 2013 were flat with 2012, but the unit's pretax profit fell almost 13% to CHF 256 million (USD 287.9 million). In the release, Clariant officials said that fourth-quarter 2013 masterbatch sales increased in all regions except North America. Latin America, Greater China and India contributed to fourth-quarter masterbatch growth, while the business environment in Europe improved slightly.

### [BDNT, ABB to Roll out World's Largest EV Fast Charger Network in China](#)

Published by onlinetes.com, 18th February 2014

ABB announced a strategic collaboration with Shenzhen BYD Daimler New Technology (BDNT) to supply direct current fast chargers over the next six years for DENZA. China will become the global leader for electric vehicle fast charging. The wall-mounted chargers will have a number of innovations designed for user convenience and safety, such as a mobile app that allows remote monitoring and control of charging sessions, with the option of charging status change notifications. First deliveries are expected in mid-2014. The charging solution will be sold through DENZA dealerships along with the vehicle. EVs are one of China's seven emerging strategic industries. ABB and DENZA will work together to help support China's efforts to increase sustainable mobility.

### [Can Electrical Products Also be Purchased Online?](#)

Published by abb.com.cn, 13th February 2014

As the leading global enterprise in power and automation technology, ABB opened its flagship stores at Tmall (formerly Taobao mall) and Alibaba a few years ago. At the recently held Alibaba Industrial Product Supplier Conference 2013, ABB was awarded "The Best Branded Cooperative Store of Alibaba 2013" and was also the only store to receive such honor. With over a century of electrical experience, ABB is now selling quality power distribution products for the home direct-to-consumers through its Tmall flagship store, including the more user-friendly five-hole socket and LED corner lamp with infrared detection. And ABB's flagship store at Alibaba focuses on "industrial consumer goods" and caters to professional users, providing various types of medium and low voltage electrical products, such as the controllable contactors, diversified breakers and handy industrial plugs and sockets. ABB's

technical experts are available for both online stores to provide guidance so that consumers make the proper choice—ensuring safe power consumption for all families and industries.

## **Bank / Finance / Insurance**

### **[UBS Enters China's Financial Futures Market](#)**

Published by [financeasia.com](#), 18th February 2014

UBS Securities has agreed to buy a controlling stake in Shanghai Pumin Futures Brokerage in a move that will give the Swiss bank access to China's burgeoning financial futures market. The UBS affiliate said it had regulatory approval to acquire a 95.42% stake in the firm and to invest RMB 90 million (USD 14.8 million) in the Chinese futures broker, underlining its commitment to the business. "We hope to make available a financial futures brokerage service to our clients in the future and this complements our current offerings, including domestic equity advisory, QFII and RQFII brokerage, electronic trading strategy & execution and OTC derivative," said Xia Yang, head of equities of UBS Securities. Shanghai Pumin will continue to operate under its own name, a source familiar with the situation said.

## **Hospitality / Tourism / Retails**

### **[China Infant and Young Child Formula Milk Powder Market Research Report](#)**

Published by [international.to](#), 25th February 2014

ReportsnReports.com adds report Research Report on Infant and Young Child Formula Milk Powder Market in China to its store. Each year, China has 16~18 million new born babies, among which only 67% of 6 month old babies are breast fed, and the number of birth to 3 year old babies is over 70 million. The sales volume of infant and young child formula milk powder has been increasing by over 10% annually in China. China has replaced the US and become the biggest infant and young child formula milk powder (hereinafter referred to as infant milk powder) consumer in the world. The "Melamine Incident" in 2008 resulted in a big change in brand market shares of the Chinese infant milk powder market. Many foreign brands like Nestle, Wyeth, Dumex and Mead Johnson successively set up plants in China. Presently, foreign brands cover over 60% of infant milk powder market share and over 80% of high-end infant milk powder market share in China.

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

### **[Switzerland-China Half Day: Invest and Export to China](#)**

Published by [cn.swisscham.org](#), 26th February 2014

In collaboration with the Executive Education HEC Lausanne, the University of Lausanne (UNIL) is organizing a conference about the Free Trade Agreement signed in July 2013 between Switzerland and China. The Conference aims to provide participants with an introduction to the FTA and an overview of the key legal, fiscal and cultural issues relevant to investment and exports of Swiss companies in China. Many experts including Ambassador Etter who led the negotiations for Switzerland will be present.

### **[A Budget Requiring Society to Indicate its Choice](#)**

Published by [ey.com](#), 25th February 2014

Agnes Chan, Managing Partner for Hong Kong and Macau, EY, said: "Based on different assumptions and scenarios, the Working Group on Long-Term Fiscal Planning set up by the Financial Secretary warned that a structural deficit could surface in Hong Kong within 7 years. However, given that the Group forecasts that the projected government

revenue for 2041/42 would be 19.8% of Hong Kong's GDP, the dreaded structural deficit could be avoided if Hong Kong adheres to its long tried-and-tested policy of pursuing fiscal discipline. One key plank of Hong Kong's fiscal discipline has been to maintain public expenditure within 20% of GDP. If for whatever reason future public expenditure exceeds 20% of GDP on an annual basis Hong Kong society as a whole will face a painful and difficult choice, namely whether to reduce public expenditure, increase revenue by taxation within the framework of the Basic Law, or run the risk of a structural deficit.”

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