



INSIDE

- Xiamen attracts high-tech talent > p14
- Global success for Xiaomi > p15

ADB raises economic growth forecast

The Asian Development Bank (ADB) on Sept 26 raised China's growth forecast for 2017 and 2018, supported by the strong services sector, fiscal expansion and export recovery.

The bank now expects China's economy to expand by 6.7 percent in 2017, up from a previous projection of 6.5 percent in April. Growth in 2018 is expected to reach 6.4 percent compared to 6.2 percent in its previous forecast.

Jurgen Conrad, head of the economics unit at the ADB China Resident Mission, said some promising signs, such as the recovery of exports, had appeared in the first half, which had not been anticipated in April.

China's economy grew at a faster-than-expected rate of 6.9 percent in the first half.

Conrad said he expects the positive signs to continue to support growth in the coming months.

Boeing, COMAC sign completion center JV

Boeing and the Commercial Aircraft Corporation of China (COMAC) on Sept 26 signed an agreement and unveiled Boeing's first overseas completion and delivery center.

The joint venture is located in Zhoushan, East China's Zhejiang province, with registered capital of \$55 million. Boeing has invested \$33 million and takes a 60 percent share, while COMAC invested \$22 million and has a 40 percent holding.

Construction of the center, which will consist of a completion center under a joint venture between Boeing and COMAC, and a delivery center owned by Boeing, got under way in early May. It will be capable of tasks including cabin installation, painting, flight testing and aircraft maintenance.

Sovereign fund to raise international stakes

China Investment Corporation (CIC), the world's second-largest sovereign wealth fund, is ready to target more overseas alternative assets and direct investment in the next decade, as its strategy shifts amid tightening global liquidity.

Guo Xiangjun, CIC executive vice-president, said that alternative asset investment, including hedge funds, private equity and real assets, will surpass public equity and account for more than 50 percent of the fund's portfolio during the next 10 years.

This is an indication that, after a decade of operation, the nation's sovereign wealth fund is altering its investment strategy.

"Overall asset income will face



Workers at a seed company dry corn stalks on Sept 25 in Zhangye city, in Northwest China's Gansu province, which enjoys a corn harvest of 1 million mu (66,667 hectares). WANG JIANG / FOR CHINA DAILY

huge headwinds, as the world's major central banks start to tighten their monetary policy amid global economic recovery. That will drive down asset prices when liquidity is being squeezed," said Guo.

Startups struggle to survive first 4 years

Chinese startups, especially those in hardware, education and real estate sectors, struggle to survive their first four years, according to a survey report.

The *World INS Conference* report, compiled by UrWork and the Standard Ranking City Institute, sampled 150 enterprises that went bankrupt this year.

Some 70 of the 150 firms, or nearly 47 percent, were set up in 2013; 17 percent were set up in 2012; and almost 13 percent in 2014.

"Because of the fierce competition, most of the failed startups are in the sectors of hardware, education, properties, O2O (online-to-offline) and automobiles," said Xie Liangbing, president of the Standard Ranking City Institute.

"As those areas are the most attractive business sectors for investors, they take a big slice in the sample for the research."

Chinese unicorns take second spot globally

China has the largest number of unicorn startups outside the United States, with four Chinese companies — Didi Chuxing, Xiaomi, Lu.com and Meituan-Dianping — in the top 10 globally in terms of valuation, a report said.

According to global consulting firm CB Insights, China is home to 55 unicorns — private companies valued at more than \$1 billion each

— among 214 unicorns worldwide.

The United States accounts for more than half of total unicorns globally, while China and India follow as second and third, making up 25 percent and 4 percent of the total, respectively.

US-based ride-hailing platform Uber tops the list with a valuation of \$68 billion, while Chinese rival Didi Chuxing follows with a valuation of \$50 billion. Xiaomi, the Chinese smartphone maker, is the world's third-largest unicorn (\$46 billion).

Industrial firms show pickup in profit growth

China's major industrial firms posted faster profit growth in the first eight months of this year, the National Bureau of Statistics (NBS) said on Sept 27.

Industrial companies with annual revenue of more than 20 million yuan (\$3 million) reported profits of 4.92 trillion yuan in the first eight months, an increase of 21.6 percent from a year earlier, the NBS said in a statement.

The strong growth marks a pickup from the 21.2 percent in the January-July period.

In August alone, profits of major industrial firms rose 24 percent year-on-year, much faster than the 16.5 percent growth in July, the NBS said.

Among the 41 industries surveyed, 39 posted year-on-year profit growth during the first eight months.

Thousands compete for 23 vacancies in Xiongan

The first open recruitment for positions in Xiongan New Area in North China's Hebei province has attracted thousands of applicants,

making the area a hot destination for senior talent.

Twenty-three positions received 4,123 applications, equivalent to around 179 for each post, according to the area's official WeChat account.

However, the proportion was much smaller than that for the national civil service examination, which is one of the fiercest competitions for jobs in the nation.

According to the State Administration of Civil Service, the application-to-recruitment ratio of candidates who participated in the exam last year was 36:1.

Xiongan announced on Aug 31 it was seeking 23 professional and technical personnel at mid or advanced levels for its newly founded construction company, China Xiongan Construction and Investment Group Co.

Fuselage for passenger jet to be made in China

China will design and make the fuselage of the C929 wide-body passenger aircraft, while Russia will design its wings, the Commercial Aircraft Corp of China (COMAC) said on Sept 22.

The Chinese plane maker, which will build the new aircraft with Russia's United Aircraft Corp, disclosed fresh details about the bilateral project at Aviation Expo China 2017 in Beijing.

Although the main design center is in Russia, Shanghai will also have its own design office. COMAC said the C929 is being developed by China-Russia Commercial Aircraft International Co, a joint venture.

The jet, with a range of up to 12,000 kilometers, is expected to be delivered in 10 years.

Quotable

"S&P Global Ratings' decision focused only on China's leverage level but overlooked the possibilities of risk control in a different financing structure."

PAN GUANGWEI, executive vice-president of the China Banking Association. Pan spoke out on Sept 25 against S&P Global Ratings' downgrading of China's sovereign credit rating, saying the move lacked credibility and neglected the reality of the nation's financing structure and overall quality of its banking industry.

"We are focusing more on the Chinese market. I have given orders to add Chinese language to all direction signs on roads and tourist sites across Luxor."

MOHAMED BADR, governor of Egypt's Luxor governorate, saying Egypt is pinning its hopes on China to revive its tourism sector.

"One distinctive trend is the shift in focus of the country's healthcare sector toward technical and service innovations."



LIU JIE, vice-president of US-based Carestream Health, a provider of medical imaging systems and IT solutions, saying there are many areas in China that allow the company to maintain robust growth.