

## Derivatives bourse gets nod in Singapore

The Asia-Pacific Exchange (APEX), set up by a consortium of Chinese companies, has received final consent from the Monetary Authority of Singapore, making it the first Chinese-backed derivatives exchange to be launched in an overseas market.

APEX, which has about 60 employees, plans to start trading in the second quarter of this year. The exchange will offer futures and options contracts covering commodity and financial derivatives products, including agriculture, energy, petrochemicals, metals, interest rates and stock indices. Its first contract is for US dollar-denominated physically delivered palm olein futures.

It has also obtained a license to operate a clearing house.

APEX was founded by Chinese futures market veteran Eugene Zhu Yuchen. Other major shareholders include Chinese energy and financial services conglomerate CEFC China Energy, Chinese futures brokerage and investment consulting firm Xinhua Group and other international investment funds.

## Tencent leads funding in Indian startup

Tencent Holdings is making a fresh bet in expanding its music portfolio and footprint by leading an investment in an Indian music streaming service.

The Internet giant is leading a \$115 million funding round, together with Times Internet, a local media and technology firm that incubated Gamma Gaana, the companies said on Feb 28.

The Indian startup will use the capital to further invest in technology to use artificial intelligence to personalize music experiences and further develop its subscription product for paying users.

Gaana basically serves the Indian market, offering free access to Hindi, Bollywood, English and regional music to its 60 million users.

## Cuban premium cigar sales increase 33%

Sales of Cuban premium cigars increased in China by 33 percent last year compared with 2016, showing China has become the main emerging market for Habanos, the company that commercializes the exclusive Cuban cigars.

Jose Maria Lopez, vice-president of Habanos, said that China is currently the third-largest market worldwide for the company, which saw sales of \$500 million last year, or 12 percent growth.

"China is today our biggest emerging market with a potential for growth that is already material-



Customers select lanterns at the Yiwu International Trade City, the biggest smallware market in the world, in Jinhua, East China's Zhejiang province, on Feb 27. The Lantern Festival fell on March 2 this year. GONG XIANMING / XINHUA

izing year after year. It is a market that is opening up to our products and in which we have placed high hopes of future growth," he said shortly after the opening of the 20th Habanos Festival on Feb 26.

## Anta sees profit rise on sporting boom

Anta Sports, the mainland's largest sportswear retailer by market value, posted record annual profits for a third year in a row as its multi-brand strategy paid off and the company gained from the rising demand for sportswear and sporting goods in the country.

The company said revenue for the period ending Dec 31, 2017, surged 25 percent to 16.69 billion yuan (\$2.65 billion), while its gross profit margin rose 1 percentage point to 49.4 percent.

Net profit for the period jumped 29.4 percent to 3.09 billion yuan.

Retail sales of Anta-branded products in the fourth quarter increased by 20 to 25 percent. Other brands — excluding brands newly added to the group since Oct 1, 2016 — grew 85 percent to 90 percent year-on-year.

## Nine Dragons Paper to hike product prices

Nine Dragons Paper, the largest container board producer in China, said on Feb 27 that higher raw material costs would force the company to increase product prices.

Due to the Chinese government's stringent efforts to reduce recovered paper imports (the raw material of the recovered paper has been rising, said Cheung Yan, chairwoman of Nine Dragons Paper.

"The average selling price of fin-

ished goods in the paper industry has increased by 50 to 100 yuan (\$7.90 to \$15.80) per metric ton before the Spring Festival, and was up another 200 yuan per ton after that," said Zhang Chengfei, executive director of Nine Dragons, adding that the average selling price is currently between 2,400 and 2,500 yuan per ton.

## Geely mulls Daimler links to extend reach

Hong Kong-listed Geely Automobile said on Feb 26 it may cooperate with Mercedes-Benz owner Daimler, as its sibling Geely Group has become the largest shareholder in the German carmaker with a 9.69 percent stake.

"We do not exclude the possibility of seeking cooperation with Zhejiang Geely Holding Group and Daimler AG considering the benefits to us and our shareholders," said the carmaker, which produces Geely-branded cars, in a statement.

Both Geely Automobile and Geely Group are subsidiaries of Zhejiang Geely Holding Group owned by Li Shufu.

"The investment will be meaningless if there is not cooperation," Chinese business news portal cnstock.com quoted Li as saying on Feb 25. "Of course, any unilateral ideas will not work out. Our investment must be in favor of Daimler's development. Only win-win projects have future and vitality," he said.

## COMAC gets orders for 30 more C919 jets

The C919, China's first home-built large passenger plane, gained another 30 orders on Feb 25 from China Huarong Financial Leasing

Co, the subsidiary of China's largest financial asset management firm, lifting its total orders to 815.

Commercial Aircraft Corp of China (COMAC), the manufacturer of the C919, signed an agreement with Huarong Leasing in Beijing. So far, the C919 has netted orders from 28 Chinese and overseas customers.

Meanwhile, Huarong Leasing reached a deal with COMAC to purchase 20 ARJ21 aircraft, China's first homemade regional jetliner. The ARJ21 model has been put in commercial use for more than two years, and it has received 453 orders so far.

COMAC earlier said it would send six C919 aircraft on test flights, and complete more than 1,000 compliance tests.

## Xiaomi and Microsoft plan AI cooperation

Xiaomi inked a deal with Microsoft on Feb 23 to deepen cooperation in artificial intelligence (AI), cloud computing and laptops, as part of the Chinese smartphone vendor's going-global efforts this year.

The move came after Xiaomi turned in a stellar performance in overseas markets in 2017 and is an extension of the close ties between the two tech heavyweights in patents, and technology as well as products.

Under the new memorandum of understanding, Microsoft will leverage its prowess in AI and cloud services to combine with Xiaomi's strength in smart devices, to create better products and help the latter in its global efforts.

The two sides are exploring ways of using Microsoft's cloud platform Azure to help Xiaomi's overseas users store data.

## Quotable

**"Millennials have become the biggest group in the Chinese labor market."**

**HUANG LEI**, public relations manager of LinkedIn China. In a report last month, the professional networking website and app found that more than half of what it defines as "decision-makers" among its Chinese users are millennials, people aged 18 to 38.

**"Our customers have rising demand for high-quality products from Australia and New Zealand, and this move is a major step toward meeting that demand."**

**LIU QIANGDONG**, chairman and CEO of JD, China's second-largest e-commerce site, following the official opening of its Australia and New Zealand headquarters in Melbourne, Australia.

**"We see the prospects in China as a great growth opportunity, and it continues to be the same."**



**BOB BUTTERMORE**, president of Rockwell Automation China, a provider of control and information technologies, on the company's expansion in China since its entry in 1988.