

China News Digest

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Leite, Tosto e Barros
A D V O G A D O S

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LATEST NEWS

China's CMG in talks for Advent's Brazil port stake -report

13 April 2017, *Reuters*

Abstract:

China Merchants Group Ltd is in advanced talks to buy Advent International Corp's 50 percent stake in TCP Terminal de Contêineres de Paranaguá SA, Brazil's second-busiest container port, *O Estado de S. Paulo* newspaper said on Thursday.

According to *O Estado*, which cited unnamed sources familiar with the transaction, talks with the Chinese state-run company known as CMG gained momentum after Advent's negotiations with Dubai-based DP World Ltd hit a snag.

Latin America: Steel imports from China reach 1.3 million tons during Jan/Feb 2017

<http://www.hellenicshippingnews.com/latin-america-steel-imports-from-china-reach-1-3-million-tons-during-janfeb-2017/>

11 April 2017, *Hellenic Shipping News*

Abstract:

Between January/February 2017, the total exports of steel from China to the world -including finished (long steel, flat steel and seamless pipes) and steel-derivatives products (wire products and welded tubes)- decreased 27% versus Jan/Feb 2016, reaching 12.8 million tons (Mt). Of this volume, 12.0 Mt were finished steel and 829 thousand tons were steel-derivatives products. Latin America accounted for 9.9% of total global exports, increasing its participation in 3.0 percentage points versus Jan/Feb 2016 (6.9%) and standing at third place as China's preferred destination.

Brazil's Petrobras sells company to consortium including China's sovereign fund

<http://macauhub.com.mo/2017/04/07/brasileira-petrobras-vende-empresa-consorcio-que-inclui-o-fundo-soberano-da-china/>

7 April 2017, *Macauhub*

Abstract:

Brazil's Petrobras has completed the sale, announced on 23 September, 2016, of a 90% stake in the Nova Transportadora do Sudeste (NTS) transport company to Nova Infra-estrutura Fundo de Investimentos em Participações (FIP), the oil company said in a statement issued on Tuesday.

The transaction was completed with the payment of US\$4.23 billion and Petrobras will continue to use the natural gas transportation facilities of NTS, under existing contracts, without any impact on its operations and gas delivery to distributors and other customers.

China looking to buy Brazilian construction firms, railway concessions

<http://www.globalconstructionreview.com/news/china-looking-buy-brazilian-construction-firms/>

6 April 2017, *Global Construction Review*

Abstract:

Major Chinese contractors are shopping for Brazilian engineering firms and commercial railway operations as a deep recession grips the country and domestic companies are crippled by an unprecedented corruption scandal, the head of the Brazil-China Chamber of Commerce has said.

The Chinese firms are also willing to finance projects, which gives them a powerful advantage over local groups hamstrung by tight local financing conditions, Charles Tang told Reuters yesterday.

Brazil's oil exports set to jump this year, weakening OPEC curbs

<http://www.reuters.com/article/us-brazil-oil-exports-analysis-idUSKBN1722IW>

31 March 2017, *Reuters*

Abstract:

Brazil is poised to sharply increase oil exports this year as heavy investments spur new output and demand for its lighter crudes win more buyers, especially in China and India.

Production is projected to rise 210,000 barrels per day (bpd) in 2017, second only in the size of additional supply to the United States among non-OPEC producers. Higher output from the U.S. and Brazil are among the factors impeding an OPEC-led effort to lift crude prices through production cuts.

RECENT BACKGROUND

Latin American petro-states struggle with China debts, need new solutions

<http://dialogochino.net/latin-american-petro-states-struggle-with-china-debts-need-new-solutions/>

12 April 2017, *Dialogo Chino*

Abstract:

As Chinese loans continue to pour into Latin American countries, concerns over how this money is being spent and how will it ever be repaid are growing on both sides of the bargaining table. Of most immediate concern for Chinese authorities is the ability of economically unstable governments, most notably Venezuela, to pay back multi-billion dollar oil-backed loans amid the falling price of crude, globally.

How Will Trump Deal with China's Rise in Latin America?

<http://americasquarterly.org/content/how-will-trump-deal-chinas-rise-latin-america>

11 April 2017, *Americas Quarterly*

Abstract:

While the Pentagon and President Donald Trump were planning a cruise missile attack on Syria last week, another member of the U.S. military command was calmly appearing before the Senate Armed Services Committee. Although the commander of the U.S. Southern Command rarely receives much public attention, Admiral Kurt W Tidd's remarks are worth noting for three insights into the Trump administration's still-evolving policy toward Latin America.

The takeaway for Latin America is somewhat more sophisticated, and a direct response to the rising regional presence of China. In a sense, Tidd was asking the region to forgive the U.S. its past sins and join forces in a real partnership. The unstated, but implicit, alternative was that Latin American countries could turn to Beijing and risk starting a new relationship of dependency with the Chinese dragon.

Corruption and crisis in Latin America open door for more Chinese investment

<http://dialogochino.net/corruption-and-crisis-in-latin-america-open-door-for-more-chinese-investment/>

10 April 2017, *Dialogo Chino*

Abstract:

The wave of corruption that has swept across Latin America – combined with its economic crises – has created an opportunity for Chinese companies with long-held designs on major projects in the region to take a more aggressive stance towards acquiring them. Chinese companies will invest US\$500 billion in Latin America over the next 10 years, according to President Xi Jinping.

These interests encompass areas such as agriculture and livestock, as well as the energy sector and major infrastructure projects. However, investors are focusing on some countries in particular because they have large-scale projects in development. One of these is Brazil, which will receive US\$20 billion of Chinese investment over the next year, according to Charles Tang, president of the Brazil-China Chamber of Commerce and Industry (BCCCI).

WEF official: China 'important investor' in Latin America

http://www.chinadaily.com.cn/business/2017-04/08/content_28843937.htm

8 April 2017, *China Daily*

Abstract:

China's influence to and its relations with Latin America are growing stronger, especially as an important investor, Marisol Argueta de Barillas, senior director and head of Latin America at the World Economic Forum (WEF), said Friday.

"China's influence to and its ties with Latin America are increasingly stronger. China is no longer just a buyer of raw materials, it has become an important investor in Latin America," Argueta told Xinhua on the sidelines of this year's World Economic Forum on Latin America held in the Argentine capital over the past three days.

China-LatAm relationship to grow rapidly in coming years: bank chief

<http://www.ecns.cn/business/2017/04-07/252477.shtml>

7 April 2017, *China News Service*

Abstract:

Ties between China and Latin America are hugely mutually beneficial and are sure to get stronger, James Li, executive president of E. J. McKay, an investment bank in Shanghai, said Thursday. During an interview with Xinhua on the sidelines of the World Economic Forum on Latin America here in the Argentine capital, Li said: “China benefits tremendously from the relationship with Latin America.”

“For the past 10 years, China has imported large quantities of natural resources, raw materials and agricultural products from Latin American countries,” he said. In his opinion, Latin America played an indispensable role in China’s rapid economic growth.