

China News Digest

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Leite, Tosto e Barros
ADVOGADOS

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LATEST NEWS

China's Didi Chuxing buys control of Brazil's 99 ride-hailing app

<https://asia.nikkei.com/Business/Deals/China-s-Didi-Chuxing-buys-control-of-Brazil-s-99-ride-hailing-app>

4 January 2018, *Nikkei Asian Review*

Abstract:

China's ride-hailing application Didi Chuxing has agreed to acquire control of Brazil's 99, the companies said in a statement on Wednesday, potentially creating a formidable rival to Uber in Latin America's largest economy.

The companies did not disclose the stake acquired not the value, but an earlier report by Brazilian newspaper Valor Economico on Wednesday said the deal valued 99 at \$1 billion.

China's Latin American pivot should worry the US

<http://gulfnews.com/business/analysis/china-s-latin-american-pivot-should-worry-the-us-1.2151599>

4 January 2018, *Gulf News*

Abstract:

China's emergence as a global economic rival to the US is perhaps most obvious in Latin America. The US in recent years has lost its status to China as the top trading partner in parts of Latin America, such as copper-rich Chile and agriculture and mining powerhouse Brazil.

Now, all the uncertainty surrounding US President Donald Trump's plans – from building a southern border wall, to re-freezing Cuba relations and exiting the Paris climate change accord supported by Latin America – could give an opening for China to seize more ground in the region.

Trade between China and Portuguese-speaking countries grows 29.81% from January to October

<https://macauhub.com.mo/2017/12/29/pt-comercio-entre-a-china-e-os-paises-de-lingua-portuguesa-cresce-2981-de-janeiro-a-outubro/>

29 December 2017, *Macauhub*

Abstract:

Trade between China and the Portuguese-speaking countries grew 29.81% year-on-year from January to October to US\$97.99 billion, according to official Chinese figures issued on Thursday by Forum Macau.

In the first ten months of the year, China imported goods from the eight Portuguese-speaking countries in the amount of US\$68.38 billion (+32.21% year-on-year) and exported goods worth US\$29.61 billion to these countries, recording a trade deficit of US\$38.77 billion.

Emerging market ETF flows shift from China to Brazil and India

<https://www.bloombergquint.com/business/2017/12/27/emerging-market-etf-flows-shift-from-china-to-brazil-and-india>

27 December 2017, *Bloomberg Quint*

Abstract:

Inflows from emerging market exchange-traded funds rose to their highest in three years for Brazil and India at the expense of China.

Brazil led with \$3.2-billion inflows followed by India at \$1.6 billion. That compares with \$6-billion outflows from China, according to Bloomberg data. Emerging market ETFs' Brazil assets rose 29 percent followed by a 6 percent growth in India. Their Chinese investments shrank 6 percent.

RECENT BACKGROUND

Tariffs to be slashed as China-Chile free trade agreement kicks in

http://www.china.org.cn/business/2018-01/05/content_50194464.htm

5 January 2018, *China.org.cn*

Abstract:

Nearly 98 percent of products traded between China and Chile will have zero tariffs attached when the new China-Chile free trade agreement is implemented in 2018, according to the Guangdong Entry-Exit Inspection and Quarantine Bureau, reports Chinanews.com.

The China-Chile free trade agreement was the first of its kind between China and a Latin American country. Since the initial agreement came into effect in 2006, bilateral trading relations between the two countries have rapidly developed.

Trump steps up efforts to check China influence in Latin America

<https://www.bloomberg.com/news/articles/2018-01-04/trump-steps-up-efforts-to-check-china-influence-in-latin-america>

4 January 2018, *Bloomberg*

Abstract:

The Trump administration is pushing back against China's efforts to boost its economic ties with Latin America, as the rivalry intensifies between the world's two largest economies.

The U.S. Treasury Department took steps to check the Asian nation's growing influence in the region last month, when it raised questions about Beijing's overtures to Latin America's multilateral lender. The U.S. is the largest shareholder of the Inter-American Development Bank at 30 percent, whereas China's stake in the lender is a minuscule 0.004 percent.

China sees record tech funding in 2017

<https://www.techinasia.com/china-tech-funding-record-high-2017>

4 January 2018, *Tech In Asia*

Abstract:

China's startups and tech giants pulled in a record US\$58.8 billion from investors in 2017, according to the Tech in Asia database. That's up a few billion from 2016's tally.

There was no sign of the giant bubble that some dreaded in 2016 after an explosion of local tech funds poured new - and very inexperienced - cash sources into the market.

"I think there are always ups, downs, and bubbles for specific verticals and sectors of funding. That was the case for bike-sharing and autonomous cars in 2017," said Edith Yeung, partner and China boss at US-based 500 Startups. "Investors are hopeful they would see a Didi for bike-sharing," she added, referencing China's dominant ride-hailing app.

As America withdraws from Latin America, China steps in

<https://thediplomat.com/2018/01/as-america-withdraws-from-latin-america-china-steps-in/>

4 January 2018, *The Diplomat*

Abstract:

In May 2017, Chinese president Xi Jinping welcomed Argentina's President Mauricio Macri in Beijing by proclaiming that "Latin America is the natural extension of the 21st century Maritime Silk Road" while applauding Argentina's support and participation in the Belt and Road Initiative (BRI). The Sino-Argentine meeting underscored the fact that, four years after it was revealed, the BRI is rapidly being expanded to Latin America and paying dividends for China and its partners. It is also evident that the United States appears content to withdraw from the region and cede leadership to China, a startling state of affairs considering that Latin America had long been considered to be part of the U.S. geostrategic backyard.

Editor's overview: China is coming – faster than you think

<https://www.globalcapital.com/article/b16bcf0zbl3pxy/editor39s-overview-china-is-coming-faster-than-you-think>

3 January 2018, *GlobalCapital*

Abstract:

China has established itself as a key investor in Asia, Africa and parts of Latin America over the past 10 years, opening up markets for its construction companies and manufacturers, securing oil, minerals and metals, pushing its political influence and testing its international ambitions. What we have seen so far is likely but a taste of what is to come.

Interview: UN official says LatAm values China's leadership in defending multilateralism

http://www.xinhuanet.com/english/2017-12/31/c_136862818.htm

31 December 2017, *Xinhuanet*

Abstract:

In an international context marked by great uncertainty, Latin American and Caribbean countries value the leadership China has taken on this year in defending multilateral cooperation, said a UN official.

Sebastian Herreros, an expert in economic affairs at the United Nations Economic Commission for Latin America and the Caribbean (ECLAC), said the year of 2017 saw the revival of protectionism, especially in the United States, a development that irked Latin American and Caribbean countries banking on the free flow of trade to drive economic growth.

Yearender: Latin America sees economic recovery in 2017, trend to hold in 2018

http://www.xinhuanet.com/english/2017-12/30/c_136861346.htm

30 December 2017, *Xinhuanet*

Abstract:

After two years of negative growth and four years of a slowdown, Latin America's economy expanded in 2017 and experts predict the upward trend will hold in 2018.

Regional gross domestic product (GDP) shrank 1.2 percent in 2016, but financial institutions, such as Banco Bilbao Vizcaya Argentaria, are forecasting a 1.1-percent expansion in 2017 and a 1.6-percent growth the year after.

Barcelona-based FocusEconomics, which provides economic forecasts and analyses for 127 countries, has a much more optimistic take on future regional growth, expecting a 2.4-percent expansion in GDP in 2018 and 2.7 percent in 2019.

Railway diplomacy: how 'China is building routes in all possible directions'

<https://sputniknews.com/analysis/201712291060418377-china-railway-diplomacy/>

29 December 2017, *Sputnik International*

Abstract:

China continues to push ahead with a “railway diplomacy,” implementing its high-speed train technologies simultaneously in Asia, Africa, Latin America and Europe, analysts told Sputnik, comparing Beijing’s worldwide transport projects with the Suez and Panama Canals in terms of strategic importance.

Chinese, Venezuelan Foreign Ministers Meet to Boost Ties

<http://www.laht.com/article.asp?ArticleId=2448064&CategoryId=10717>

25 December 2017, *Latin American Herald Tribune*

Abstract:

China's Foreign Minister Wang Yi met on Friday his Venezuelan counterpart Jorge Arreaza for a bilateral meeting and said every country has the right to choose its own development path.

Wang said such choices should be respected, according to foreign ministry spokesperson Hua Chunying.

Venezuela has been steeped in serious political and economic crisis for months and last week the opposition claimed the National Constituent Assembly was threatening to disqualify opposition parties.