**Embassy of India**

**Beijing**

**{Trade & Commerce Wing}**

**\*\*\***

**CHINA-COMMERCIAL SNAPSHOT: 04- 10 Jan 2016**

**Summary:**

1. **External**

* **“China to accelerate FTA talks in 2016”: Official Spokesperson of Chinese Ministry of Commerce**
* **Contracts signed under China-Singapore trade project in Chongqing on 08 January 2015**

1. **Internal**

* **Renminbi depreciates to its lowest level since March 2011**
* **China’s State Council lays out plan for expansion of cross border e-commerce**
* **World Bank forecasts China’s GDP growth at 6.7% in 2016**

1. **Industry and Companies**

* [**Ctrip.com**](http://ctrip.com) **invests USD 180 million in Indian online travel agency MakeMyTrip**
* **China-Africa industrial capacity cooperation fund starts operation**

1. **Statistics and Figures**

* **CPI increases by 1.6% in December 2015**
* **China’s forex reserves fall by USD 108 billion in December 2015 to USD 3.33 trillion**
* **China is Asia’s no.1 exporter of high-tech goods for the year 2014- ADB report**

**--------------**

**I) External**

**“China to accelerate FTA talks in 2016”: Official Spokesperson of Chinese Ministry of Commerce**

China will accelerate FTA talks in 2016, which would include trilateral trade talks with Japan and Republic of Korea, and negotiations with Sri Lanka, Maldives, Pakistan, Israel and Gulf Cooperation Council, according to remarks made by Shen Danyang, official spokesperson of Chinese Ministry of Commerce on 06 January 2015. With regard to RCEP (Regional Comprehensive Economic Partnership) Shen Danyang said that China would work with various parties to strive for its early conclusion in 2016.

**Contracts signed under China-Singapore trade project in Chongqing on 08 January 2015**

Chinese and Singaporean companies signed contracts worth USD 6.56 billion at a ceremony in Chongqing on 08 January 2015 inaugurating a government-to-government (G-to-G) trade project. The signed deals include setting up a center in Chongqing to offer cross-border financial settlements and financing, opening more air routes between Chongqing and Singapore, and establishing a warehouse base.

1. **Internal**

**Renminbi depreciates to its lowest level since March 2011**

Renminbi’s central parity rate lost 332 basis points to 6.5646 against the US dollar on January 07, 2015, its lowest level since March 18, 2011. The depreciation followed the sharp plunge in Chinese stock market on 04 January 2015 that lead to a halt in trading in equities and index futures. Moreover, China’s central bank on January 05 pumped USD 20 billion into the financial system through reverse-repo mechanism in an effort to ease liquidity strain.

**China’s State Council lays out plan for expansion of cross border e-commerce**

China’s State Council in its executive meeting of Jan 06, 2015 has decided to expand the scope of policies related to cross border e-commerce by leveraging the experience garnered from the pilot project implemented in Hangzhou. Cities in East, Central and West China with higher volume of e-commerce and foreign trade shall be prioritized for the new projects in future.

**World Bank forecasts China’s GDP growth at 6.7% in 2016**

World Bank has projected China's GDP growth at 6.7% in 2016, lower than 6.9% estimated for 2015. In June 2015, World Bank had estimated GDP growth of 7% for 2016.

1. **Industry and Companies**

[**Ctrip.com**](http://ctrip.com) **invests USD 180 million in Indian online travel agency MakeMyTrip**

China’s leading travel website Ctrip.com has invested USD 180 million in Indian online travel agency MakeMyTrip.

**China-Africa industrial capacity cooperation fund starts operation**

According to a statement by China’s central bank-People’s Bank of China, the China -Africa industrial capacity cooperation has become active. The fund, with an initial capital of USD 10 billion will mainly invest in sectors like manufacturing, hi-tech, agriculture, energy, infrastructure construction and finance in African countries.

**IV) Statistics and Figures**

**CPI increases by 1.6% in December 2015**

China’s Consumer Price Index (CPI) grew by 1.6% year on year in December 2015, marginally higher than 1.5% reported in November last month.

**China’s forex reserves fall by USD 108 billion to USD 3.33 trillion in December 2015**

China’s forex reserves fell by USD 108 billion to USD 3.33 trillion in December 2015. Forex reserves had dropped by USD 87.2 billion in November 2015.

**China is Asia’s no.1 exporter of high-tech goods for the year 2014- ADB report**

China has surpassed Japan and South Korea as Asia's no. 1 exporter of high-tech goods in 2014, according to the 2015 Asian Economic Integration report released by Asian Development Bank (ADB). China's share of Asia's exports of high-tech goods rose to 43.7% in 2014 from 9.4% in 2000.

**(Md. Sharique Badr)**

**Third Secretary (LT)**

**11.01.2016**

**\*\*\***