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Reader's Digest, March 16th - 29th

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BILATERAL RELATIONS

[China and Switzerland Hold Political Consultation Between the Two Foreign Ministries at Director-General Level](#)

Published by fmprc.gov.cn, March 18th 2019

On March 15th, 2019, Director-General of the Department of European Affairs of the Foreign Ministry Chen Xu and Head of the Asia and Pacific Division of the Federal Department of Foreign Affairs Raphael Nägeli of Switzerland held the political consultation between the two foreign ministries at director-general level. The two sides exchanged views on China-Switzerland relations, recent high-level exchanges between the two countries, and international and regional issues of common concern.

BUSINESS NEWS

[Swiss Watchmakers Firm on Increasing Sales in China](#)

Published by devdiscourse.com, March 22nd 2019

Swiss watchmakers are confident they can grow sales this year even in the face of a cooling Chinese economy, executives told Reuters at an industry fair on Thursday, as demand strengthens in other markets like the United States and Britain. Switzerland's watch industry, which relies heavily on Chinese customers, has seen exports - the best available indicator for demand - rise only 2.1% in the first two months of the year, following a 6.3% increase last year. However, some are confident they will do much better this year. "We're aiming for double-digit growth in our watch business this year," Jean-Christophe Babin, chief executive of LVMH's jeweller Bulgari, said in an interview at the Baselworld show. His comments were echoed by independent watchmaker Oris, also banking on a double-digit increase, while LVMH stablemate Hublot said it had an exceptional year in 2018 and was counting on 7-8% growth this year from a high basis. Oris said sales in the United States, its biggest market, were growing strongly. That trend was confirmed by retailer Watches of Switzerland, which also reported firm UK demand, particularly for Rolex, Patek Philippe and Audemars Piguet products.

[On Asian Billionaires' Shopping List: A Swiss Private Bank](#)

Published by finews.com, March 18th 2019

Apart from new cars and old masters, Asian billionaires are increasingly interested in acquiring Swiss private banks, Chinese academic Nick Xiao tells finews.com in an exclusive interview. The interest is a result of two trends: Many Swiss - as well as Liechtenstein- and German-based - private banks have remained sub-scale for a long time. With rising complexity and increased costs, caused by all the industry changes since 2008, these banks begin to weigh all options for the future, including a sale or equity participation by external investors. Sometimes, a family-owned private bank may see mergers-and-acquisitions as an opportunity to implement succession plans and simultaneously refresh entrepreneurial vigor. Meanwhile, Asian billionaires, long-time users of the services of European private banks, begin to explore acquiring one, for various reasons.

[Swiss Exports React to China's Economy](#)

Published by credit-suisse.com, March 19th 2019

Exports to China are dependent on China's economic growth. Should Chinese growth slow, Switzerland would see, above all, indirect consequences. And, the industries - besides the watch industry - that are particularly sensitive to changes in China's economic situation. China, the world's second largest national economy, is losing momentum. The International Monetary Fund expects that the country will experience a decline in its growth rate from 10% to 6% in the next few years. One reason for the economic setback could be the trade conflict China is having with the US. However, demographic change and high debt are also negatively impacting China's economy. This development also indirectly affects the Swiss economy. Last year, 5% of Swiss exports went to China. That's not much when compared to Germany, where the export volume to China was four times greater. Still, some Swiss industries are heavily dependent on China's economy.

[New Chinese Law Promises No Quick Win for Swiss Firms, Says LGT](#)

Published by cnnmoney.ch, March 16th 2019

Thomas Wille, head of investment strategy at LGT Bank, warns that the regulation China just passed to facilitate foreign investment will take time to be implemented, if ever. Small Swiss companies will need to wait to see a difference, while large firms, such as Nestlé and ABB, probably won't notice any change.

CULTURE & SOCIETY

[Women Take the Lead in China's Wealth Management Industry](#)

Published by finews.asia, March 28th 2019

Hong Kong sees more women in leadership roles within wealth management as compared to other parts of Asia and Europe. In Hong Kong, 50% of private bankers with a managing director title are women, says executive-recruiting firm Korn Ferry. In the rest of Asia, the ratio is below 30%. These ratios supersede those in Europe, where private banking originated. There, women hold only about 10% of the top roles. "Women taking leadership roles didn't happen overnight; we have been seeing an accelerating number of women rising over the past 10 years," said Amy Lo, Co-Head of Wealth

Management Asia Pacific at UBS, who was quoted in a Bloomberg article. At the Swiss banking giant, more than 40% of Asia-based wealth management staff -- with a managing director title and higher -- are women. Chinese clients, especially Chinese women clients, say they are more comfortable with women bankers due to their attention to detail and ability to relate to themselves. "We also understand more about the challenges the female clients are facing, like how to balance between work, family, and life," explained Lo.

[Swiss Cities Near Top Expensiveness Ranking](#)

Published by lenews.ch, March 20th 2019

In this year's Economist Intelligence Unit (EIU) survey, Paris, Hong Kong and Singapore tied for the position of the most expensive. The survey looks at 160 items including food, drink, rent, transport and utility bills, in 133 cities. New York, the base city, came in 7th, alongside Seoul and Copenhagen. Zurich and Geneva were 4th and 5th. The ten most expensive cities were: Singapore (Singapore), Paris (France), Hong Kong (China), Zurich (Switzerland), Geneva (Switzerland), Osaka (Japan), Seoul (South Korea), Copenhagen (Denmark), New York (US), Tel Aviv (Israel), Los Angeles (US). In the EIU survey, Zurich and Geneva, along with Tel Aviv, are the only cities in the top 10 that manage to be both small and expensive. All three have populations below 500,000. In Tel Aviv, currency appreciation played a part in its rise, but Tel Aviv also has some specific costs that drive up prices, notably those of buying, insuring and maintaining a car, all of which push transport costs 64% above New York prices. Seoul has the most expensive bread (USD 15.59 per kg), Zurich the most expensive beer (USD 3.25 for 330 ml) and New York the most expensive two-piece men's suit (USD 2,729.77) and women's haircuts (USD 210.00). High cost is not without its benefits. The most expensive also tend to be the most livable. A recent survey by Mercer, ranked Zurich and Geneva the 2nd and 9th most livable cities globally.

GENERAL INTEREST

[Art Basel Hong Kong 2019: Everything You Need to Know](#)

Published by scmp.com, March 27th 2019

Art Basel is back for its seventh edition in Hong Kong. Open to the public from Friday to Sunday at the Hong Kong Convention and Exhibition Centre, the event will feature 242 leading international galleries from 36 countries and territories across Asia, Europe, North and South America, the Middle East and Africa. Some 21 galleries from around the world will be taking part in the fair for the first time, so there will be plenty of new additions to this year's event. According to the organisers, over half of the galleries with exhibition spaces hail from Asia, and as many as 25 will be from Hong Kong. As usual, Art Basel will be divided into several sectors, each with its own features. The main sector of the show features 196 leading galleries from around the world. According to the organisers, the sector will have several solo presentations.

[Hélène Binet: Dialoghi . Works from 1988 to 2018](#)

Published by powerstationofart.com, March 20th 2019

In April, PSA will present French-Swiss photographer Hélène Binet's first solo institutional exhibition in China. The exhibition brings together several iconic career highlights and offers a comprehensive overview of Binet's 30-year professional career, as well as featuring her new Suzhou Gardens series commissioned for this exhibition, presenting over one hundred works in total. Marking a new direction of PSA's "Architecture & City" exhibition and research program, Dialoghi (Dialogue) will open up a new standpoint for viewers to approach architecture through the abstract emotion of photography.

INDUSTRIES

ENGINEERING / MANUFACTURING

[ABB Wins Contract to Power the First Chinese-Built Cruise Vessel](#)

Published by businesswire.com, March 26th 2019

ABB has been awarded a contract to supply an integrated package, including two Azipod® steerable propulsion systems, for the construction of China's first ever home-grown cruise ship. ABB's deep domain knowledge in cruise technology coupled with its local expertise makes it the perfect partner to support this significant milestone in the evolution of China's shipbuilding industry. The 323-meter vessel, due for delivery in 2023, can accommodate 5,000 passengers and is designed to suit the tastes of Chinese cruise travelers whose numbers are expected to rise to 8-10 million annually by 2025, according to industry body Cruise Lines International Association (CLIA). "With this project, China is making great strides in cruise shipbuilding. We believe the key to success is in working closely with experienced stakeholders, and our selection of ABB is based on their unparalleled know-how of the cruise market, as well as capabilities and understanding of running projects locally in China. I'm looking forward to seeing the close cooperation between ABB and the shipyard to provide high level solutions and services for the first cruise vessel built in China," said Mr. Gang Chen, General Manager of Shanghai Waogaoqiao Shipbuilding Co., Ltd.

[Firmenich Opens its Largest Flavors Plant Worldwide in China to Support Growing Customer Demand](#)

Published by firmenich.com, March 15th 2019

Firmenich, the world's largest privately-owned perfume and taste company, today opened its largest flavor manufacturing plant in the world in the Zhangjiagang Free Trade Zone in China. Operating with digitally-advanced manufacturing systems and the highest Quality, Health, Safety, Security and Environmental standards, this state-of-art plant is designed to best meet growing customer demand in China, with increased speed, operational excellence and traceability. "This significant investment in Zhangjiagang reinforces our long-term commitment to China, our second largest market worldwide," said Gilbert Ghostine, Firmenich CEO. "This world-class plant massively scales-up our capacity to meet our customers' demand for innovative and fast-to-market taste solutions. I look forward to seeing the Zhangjiagang plant play a central role in our growth journey."

BANK / FINANCE / INSURANCE

[UBS to Name Tsang as Asia Tech Head, Replacing Gelber](#)

Published by bloomberg.com, March 26th 2019

UBS Group AG has named Patrick Tsang as head of telecommunications, media and technology investment banking for Asia Pacific, according to people with knowledge of the matter. Tsang, a Hong Kong-based managing director for the Swiss bank, is replacing Randy Gelber, who is leaving to pursue other opportunities, the people said, asking not to be identified because the matter is private. Gelber joined UBS from SMBC Nikko in 2017. Tsang has been with UBS since 2004, according to his LinkedIn profile. A representative for UBS declined to comment. The volume of deals involving TMT companies in the Asia Pacific region has declined 7% in the past 12 months, compared with a year earlier, according to data compiled by Bloomberg. UBS reduced the 2018 bonus pool for its investment bankers in Asia by about 8% after a slump in equity offerings last quarter hurt fees, with managing directors being the hardest hit, people familiar with the matter said last month. That came as the bank confronted one of its worst first quarters in recent history, with Chief Executive Officer Sergio Ermotti saying hiring will slow down and cost cuts will deepen by about USD 300 million.

[Swiss Re-Backed FWD in Talks for Biggest-Ever Southeast Asian Insurance Deal](#)

Published by insurancejournal.com, March 22nd 2019

FWD Group, backed by billionaire Richard Li, has revived talks about a potential acquisition of the life insurance operations of Thailand's Siam Commercial Bank Pcl after a two-year hiatus. Siam Commercial reached a preliminary pact with FWD on a potential life-insurance partnership, the lender said in a Bangkok exchange filing Friday, confirming an earlier Bloomberg News report. A deal would see FWD acquire Siam Commercial's life insurance unit and sign a long-term distribution agreement with the lender, according to the filing. FWD, which manages more than USD 28 billion of assets and is backed by Swiss Re AG, had over 3 million customers spread across eight Asian markets, according to its website. Li, the son of Hong Kong's richest man, formed the company after spending USD 2.1 billion to buy ING Groep NV's insurance and pension units in Hong Kong, Macau and Thailand in 2013.

HOSPITALITY / TOURISM / RETAILS

[Nestlé Boosts Trend-Based Innovation in China](#)

Published by chinadaily.com.cn, March 26th 2019

Nestlé China on unveiled a new research & development center in Beijing and a system technology hub in Shenzhen to accelerate its trend-based innovation in the country, aiming to get closer to consumers and get products quicker to market. The new R&D center in Beijing focuses on creating new food and beverage products primarily for Chinese and Asian consumers. Nestlé CEO Mark Schneider said: "We are strengthening our local R&D capacities so that our team can work faster and more efficiently to turn great ideas into the latest must-have products for consumers in China." Stefan Palzer, executive vice-president and chief technology officer of Nestlé, said globally Nestlé rolls out 1,500 new products each year. About one-third of them are updated each year and the speed is increasing. "In the old days, it took us about two to three years to develop a new product. Now it takes a couple of months or even weeks," he said. Nestlé last year invested about CHF 1.7 billion (USD 1.7 billion) in R&D. It has about 30 R&D centers worldwide. Its R&D expenditures in China have seen changes in the types of investments being made. It has invested in how to get products developed and tested quickly in the Chinese market by locating its facilities in the proximity of markets, top universities, local entrepreneurs and startup environments, as well as suppliers.

[Rosewood Hong Kong Opens its Doors](#)

Published by hotelnewsresource.com, March 21st 2019

Rosewood Hong Kong opens as a magnificent new ultra-luxury property in the heart of the Victoria Dockside district on the shores of Victoria Harbour. Situated on one of Hong Kong's most significant waterfront locations in Tsim Sha Tsui -- Kowloon's dynamic, culturally compelling heart - the property is set to become a grand icon for the city, celebrating the area's role as Hong Kong's new creative and cultural epicentre. The opening of Rosewood Hong Kong is a defining milestone for the group, solidifying its stature as one of the world's most dynamic hotel brands and a leader in global style. This showpiece of the brand's highest aspirations epitomizes Rosewood's essence and represents the complete manifestation of a differentiated and modern expression of ultra-luxury hospitality. From the brand's inception 40 years ago as a fine private home that opened its doors to guests, each Rosewood hotel continues to be guided by A Sense of Place® philosophy and the concept of the hotel as a living canvas celebrating artistry in all its forms. This spirit reaches its zenith at Rosewood Hong Kong.

LEGAL / TAX / CONSULTING / SERVICES

[What are the Business Implications from China's Two Sessions?](#)

Published by pwccn.com, March 20th 2019

The second session of the 13th National People's Congress (NPC) and the second session of the 13th National Committee of the Chinese People's Political Consultative Conference (CPPCC) - referred to as "Two Sessions" or "Lianghui" took place in Beijing from March 3rd – 15th 2019. During the Two Sessions, a draft plan for national economic and social development and 2019 draft budgets were reviewed. Resolutions on the government work report were approved which will have an impact on economy and business in the future. The Two Sessions of NPC and CPPCC provides us with a unique opportunity to comprehensively observe and study China's economic policies, government administration, legislation and also politics. PwC has developed an in-depth review of this year's Two Sessions, summarising the significance and business implications for the economy and business.

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