

Foxconn bullish on future of 8K displays

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Jacob Chen, vice-president of Foxconn

Electronics manufacturing giant Foxconn Technology Group has high hopes for its 8K display ecosystem, especially in the security, healthcare and manufacturing industries, according to a senior executive of the firm.

Foxconn launched 8K TVs last year, but its vice-president Jacob Chen said there is wider potential for application of the technology and the future market could be worth thousands of trillions of yuan.

The 8K TVs have a screen resolution ratio of 7,680 by 4,320 pixels — 4.3 times clearer than human eyesight and four times higher than the 4K ones, which are still hit products of most TV manufacturers in Chinese home appliance stores.

But the price of an 8K TV is more than four times higher than a 4K set. Chen told China Daily that Foxconn will release a new 8K TV this year at a price equivalent to 4K sets, or even cheaper.

After its acquisition of the Japanese electronics brand Sharp, Foxconn plans to take advantage of the technology in some other projects in addition to TVs. The executive indicated that Sharp is expanding its technology on displays on mobile phones, vehicles, computers and even larger exhibition screens.

Besides, Foxconn has also developed a 5 kg camera for 8K content and plans to set up several 8K content producing centers, and even open an 8K channel with a domestic TV station in the future.

However, it is more than just entertainment. Chen believes the large number of ultra high-definition video data it generates could improve work efficiency in the



An employee puts finishing touches to a television set in a facility of Foxconn in Guiyang, Guizhou province. PROVIDED TO CHINA DAILY

manufacturing industry. Foxconn already uses 8K technology in its own factory production lines.

“Industrial production, security and healthcare are the areas Foxconn has mostly applied the 8K technology so far,” he said.

Wang Cheng, senior vice-president of TCL Corp, agreed, saying the era of 8K is about to come, as chip, signal transmission and data storage technol-

ogy have significantly improved nowadays.

“The establishment of more and more new generations of production lines will largely cut the cost of 8K displays,” he said on Tuesday at the China Information Technology Expo in Shenzhen.

TCL’s Generation 11 display production line in Shenzhen is expected to come online next year, while Foxconn is building the world’s largest 8K-res-

olution panel factory in Guangzhou, the capital of Guangdong.

Qiao Yueshan, deputy director of the information technology department at the Ministry of Industry and Information Technology, on Sunday said at a meeting before the CITE that the total market size of ultra high-definition video technology, including 4K and 8K, is expected to reach \$2.2 trillion in 2022.

Dutch dairy giant plans big in China

FrieslandCampina to invest \$123.7m to expand production, sales channels

By ZHU WENQIAN
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Dutch global dairy giant Royal FrieslandCampina plans to invest 100 million euros (\$123.7 million) in the China market this year, its CEO Hein Schumacher said in Beijing.

The investment will be used to expand the production and sales channels of Friso, the company’s high-end infant and toddler formula brand, and further expand its sales in smaller Chinese cities, as it projected that about 50 percent of the future growth in China will come from third to sixth-tier cities, according to the company.

“We are bullish and committed to the long-term growth of the dairy market in China, and will continue to contribute significantly to Sino-Dutch bilateral trade. We will make additional smaller investments in the country in the next few years,” said Schumacher, who visited China this week along with the Dutch Prime Minister Mark Rutte.

“Meanwhile, we will use the investment to increase our efforts in the catering sector. Milk is playing an increasingly important role in the coffee and tea business, and that will be an important future growth point for us,” he said.

FrieslandCampina, one of the five largest global dairy firms, has been operating in the Chinese mainland for a decade, and now has business in more than 120 cities across China.

In 2017, the Dutch dairy producer sold between 20,000 and 30,000 metric tons of Friso and Friso Prestige infant and toddler formula in China. This year, it aims to sell more than 30,000 tons of the products, and it plans to launch more new consumer dairy products such as cheese.

In February, FrieslandCampina acquired all the remaining shares of Friesland Huishan Dairy, which was set up in 2015 as a joint venture for the production and sales of locally-sourced infant milk formula, tea creamers and coffee creamers.

The company is now fully owned by FrieslandCampina. The Dutch firm said it is restructuring its business and plans to increase the capacity of the Friesland Huishan Dairy plant, which is located near Shenyang in Liaoning province, and it is confident in the growth potential of the company.

Annual per capita consumption of dairy products in China is around 36 kilograms a year, while the figure is around 50 kg in Japan and South Korea. Industry experts said China’s dairy market is expected to continue to grow significantly.

“Smaller cities and rural areas in China are far from the level of dairy consumption they should have. Their consumption of milk and other dairy products should keep growing and help to boost the total consumption,” said Zhang Liebing, associate professor at China Agricultural University.

M&A deals in Belt & Road economies increase by 81%

By JIANG XUEQING
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China’s overseas mergers and acquisitions in economies related to the Belt and Road Initiative achieved a record high of \$48.2 billion in 2017, up 81 percent year-on-year, according to an EY report issued on Wednesday.

Investments in B&R economies increased despite an overall drop in Chinese outbound direct investment last year by 32 percent from the previous year, in the context of the complex global investment environment and tightened domestic regulation on cross-border investment. Last year, Chinese compa-

nies made nonfinancial outbound direct investment of \$14.4 billion in 59 economies related to the Belt and Road Initiative, according to the report.

EY, a global accounting and consulting firm, noted that the Association of Southeast Asian Nations, as a regional hub of the Belt and Road Initiative, is critical for the connectivity between China and other countries and regions along the routes of the initiative.

“Besides its critical geographical position, ASEAN is attracting more attention from investors with its young population, ample labor force, abun-

\$14.4 billion
total value of the nonfinancial outbound direct investment by Chinese firms in 59 B&R economies in 2017

dant natural resources and huge opportunities to invest in its infrastructure sector,” said Andrew Choy, EY’s China international tax services leader.

Last year, the deal value of Chinese M&A in ASEAN surged to \$34.1 billion, rising by 268 percent year-on-year and repre-

senting 77 percent of the total value of Chinese M&A in Asia.

“ASEAN is becoming a key investment destination in Asia for Chinese companies with its geographic advantage as a trade hub under the Belt and Road Initiative, along with the investment opportunities in the infrastructure, technology, energy and mining sectors, ample human resources and vast market potential,” the EY report said.

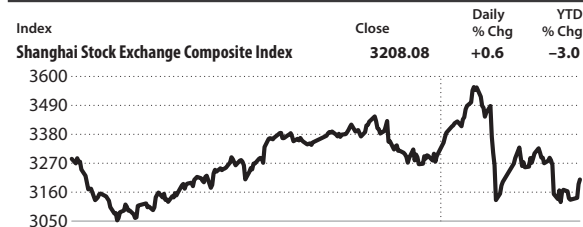
By deal volume, the technology, media and telecom sector took the lead with 148 deals last year, followed by diversified industrial products with 108 deals. Life sciences exceeded consumer products to rank

third with 78 deals, up 26 percent year-on-year.

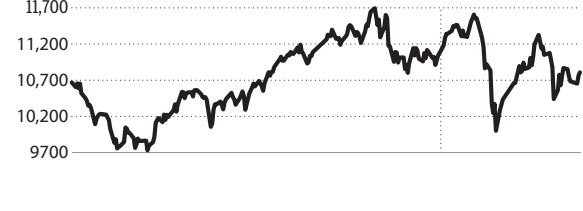
Boosted by thriving domestic demand and national strategies, Chinese overseas M&A deals in the life sciences sector have maintained an annual growth of more than 40 percent during the past three years. In 2017, disclosed value of Chinese overseas M&A in this sector increased 61 percent year-on-year to \$9.9 billion.

EY expects Chinese overseas investment in the life sciences sector to continue rapid growth, while innovative technologies and products and life sciences companies in economies along the routes of the initiative will still be Chinese investors’ targets.

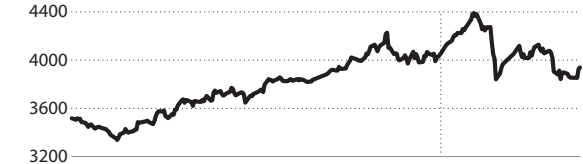
Daily Stock Market Performance



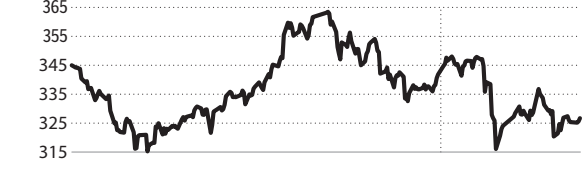
Shenzhen Stock Exchange Component Index



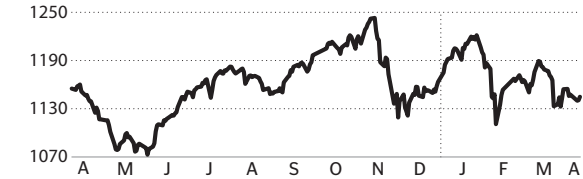
Shanghai Shenzhen CSI 300 Index



Shanghai B-Share Stock Price Index



Shenzhen B-Share Stock Price Index



Gainers and Losers

GAINERS			LOSERS		
Close	Daily % Chg	Close	Daily % Chg		
Shanghai Stock Exchange					
BaoshengSci&TechInvt	5.02 10.09	Zhejiang Ausun Pharma	22.77 -7.17		
Xinjiang Youhao Group	5.58 10.06	Lanpec Technologies	7.87 -6.09		
ChinaSciPublishing&Mda	11.30 10.03	XinjingWnkTmsDprmtStr	13.24 -5.90		
DuzhePublishing&Media	7.90 10.03	Raisecom Technology Co	22.39 -5.77		
ShanghaiShine-Link Log	23.27 10.02	Shaanxi Kanghui Pharma	27.98 -5.54		
Yibin Paper Industry	21.41 10.02	Lawton Development Co	8.74 -5.10		
ZhejiangZomaxTransmssn	16.04 10.01	Shanghai Fosun Pharma	42.82 -5.01		
Deppon Logistics Co	26.37 10.01	JiangsuProtrulyVisnTch	1.72 -4.97		
ShanghaiWondertek Sftw	17.58 10.01	HNA Innovation Co Ltd	4.48 -4.68		
ZhejiangJinghuaLasrTch	44.50 10.01	Fujian Funeng Co Ltd	8.03 -4.29		
Shenzhen Stock Exchange					
ShandongHumon Smelting	11.84 10.04	Tangshan Jidong Cement	12.91 -5.35		
Muyuan Foodstuff Co	51.26 9.06	WuhShnrngSnqIntrctEntN	15.18 -5.01		
Perfect World Co Ltd	34.99 6.81	BeijingBDStarNavigatin	32.80 -4.32		
KingentaEcological Eng	9.63 6.06	Chengdu CORPRO Tech	17.52 -3.84		
Tahoe Group Co Ltd	29.60 5.41	Netposa Technologies	16.80 -3.84		
Lens Technology Co Ltd	22.10 5.19	ChinaNatAccordMedicins	58.57 -3.67		
Guangdong Electronic Co	11.35 4.90	GuangdongJANUSIntllgnt	6.16 -3.60		
Digital China Info Svc	16.40 4.79	Meinian Onehealth Hlth	26.12 -2.90		
Focus Media Info Tech	12.41 4.73	BeijingOriginwaterTech	17.43 -2.90		
SuzhouNewSeaUnnlTcmTch	6.03 4.51	XinjiangMchRsrlnsttte	9.76 -2.89		
Hang Seng					
AIA Group Ltd	71.60 4.68	Sunny Optical Tech	152.90 -3.35		
CNOOC Ltd	12.02 4.16	AAC Technologies	144.30 -2.30		
PetroChina Co Ltd	5.53 3.75	Power Assets Holdings	59.20 -2.07		
China Resources Land	29.90 1.53	WH Group Ltd	8.49 -1.96		
HongKongExchangs&Clrng	264.60 1.46	Hengan International	80.00 -1.84		

Cross Currency Rates

	USD	EUR	CNY	HKD	GBP	KRW	BRL	RUB	JPY	INR	CAD
USD		1.238	0.159	0.127	1.419	0.001	0.293	0.016	0.009	0.015	0.793
EUR	0.808		0.129	0.103	1.147	0.001	0.237	0.013	0.008	0.012	0.641
CNY	6.286	7.780		0.801	8.923	0.006	1.844	0.099	0.059	0.096	4.985
HKD	7.850	9.715	1.249		11.142	0.007	2.303	0.123	0.073	0.120	6.225
GBP	0.705	0.872	0.112	0.090		0.001	0.207	0.011	0.007	0.011	0.559
KRW	1066.380	1319.330	169.820	135.844	1515.910		313.237	16.735	9.976	16.351	846.870
BRL	3.410	4.215	0.542	0.434	4.838	0.003		0.053	0.032	0.052	2.703
RUB	63.815	78.987	10.152	8.130	90.577	0.060	18.720		0.597	0.971	50.607
JPY	106.980	132.400	17.018	13.628	151.836	0.100	31.379	1.676		1.640	84.832
INR	65.219	80.720	10.375	8.308	92.565	0.061	19.131	1.022	0.610		51.717
CAD	1.261	1.561	0.201	0.161	1.790	0.001	0.370	0.020	0.012	0.019	

Data provided by Bloomberg

International Stock Markets

Index	Close	Daily % Chg	YTD % Chg
Hang Seng Index	30,897.71	0.5	
Hang Seng China Ent Index	12,324.68	0.0	
TAIEX Taiwan Stock Index	10,974.02	0.4	
Nikkei 225	21,687.10	-0.5	
Sensex	33,970.16	0.3	
KOSPI	2,444.22	-0.3	
S&P/ASX 200	5,828.68	-0.5	
New Zealand 50 Gross Index	8,453.72	-0.2	
Straits Times Index STI	3,483.44	0.5	
Bangkok SET Index	1,762.49	0.1	
Bursa Malaysia KLCI Index	1,870.99	0.5	
VN-Index	1,167.11	-2.6	
Dow Jones	24,408.00	1.8	

Commodities

Commodity	Close	Daily % Chg	YTD % Chg
Brent Crude Oil (USD/bbl.)	70.64	-0.6	
Gold (USD/t oz.)	1345.90	0.4	
Silver (USD/t oz.)	16.60	0.4	
Copper (USD/lb.)	3.14	1.9	
Aluminum (USD/MT)	2208.25	2.7	
Corn (USD/bu.)	3.98	-0.3	
Wheat (USD/bu.)	5.09	0.5	
Soybeans (USD/bu.)	10.60	0.3	
Coffee (USD/lb.)	1.19	-0.1	
Sugar #11 (USD/lb.)	0.12	-0.7	
Palm Oil (MYR/MT)	2425.00	-0.3	

ETFs

EQUITY ETFs	Ticker	Close	Daily % Change
China 50	510050	2.78	0.00
China AMC CSI 300 Index	510330	4.25	0.14
China CSI 500	510500	6.39	0.17
China SME	159902	3.55	0.51
China Universal CSI Consumer Staples Index	159928	2.22	0.32
E Fund ChiNext Price Index	159915	1.73	-0.17
E Fund CSI 300	510310	1.67	0.24
E Fund CSI 300 Financials ex Banks Index	512070	1.93	0.00
E Fund Hang Seng China Enterprises Index	510900	1.25	-0.32
E FUND SZSE100 INDEX FUND	159901	4.85	0.41
Fortune SGAM Xianjin Tianyi Money Market	511990	100.02	-0.01
Guangfa CSI 500	510510	1.69	0.30
Guotai Shanghai Stock Exchange 180 Financial Index	510230	6.16	0.29
Harvest CSI 300 Index	159919	4.29	0.30
Huatai-Pinebridge CSI 300	510300	3.93	0.13
Shanghai SSE180	510180	3.36	0.21
SSE Pledge Urban Investment Bond	511220	93.78	0.16
Yinhua Traded Money Market Fund	511880	101.31	-0.03