

TOP NEWS

Artificial nests for endangered birds' breeding

Four Oriental storks perch on an artificial nest at a national nature reserve in Fujin, Heilongjiang province, on Sunday. The Oriental stork is classified as endangered on the International Union for Conservation of Nature Red List and is placed under top State-level protection in China. The birds usually breed in Northeast China. More than 70 baby Oriental storks have hatched at the 20 artificial nests set up at the nature reserve this year.

QU YUBAO / XINHUA



Sovereign wealth funds ramping up allocation to Chinese assets

Attractive returns, openness to foreign investors spurring interest, study shows

By **SHI JING** in Shanghai
shijing@chinadaily.com.cn

Foreign financial institutions are showing growing confidence in China's economic prospects by increasing their exposure to Chinese assets, as the country's innovation-driven development and structural growth opportunities gain global recognition.

The optimism is supported by China's accommodative macroeconomic policies and its accelerating transformation in key sectors, such as advanced manufacturing, clean technology and digital innovation. These trends signal that China is positioning itself at the forefront of the next wave of global economic growth — a shift that international asset owners are increasingly unwilling to ignore.

According to the Global Sovereign Asset Management Study 2025, released on Monday by United States-based investment management company Invesco, 59 percent of the 83 surveyed sovereign wealth funds will increase their allocation to Chinese assets over the next five years.

While sovereign wealth funds based in the Asia-Pacific region are leading the rise, with 88 percent of them ready to increase their exposure to Chinese assets, about 73 percent of North American funds have also shown high willingness to engage, “demonstrating a readiness to look

beyond current political tensions and focus on long-term structural opportunities”, Invesco experts said.

Attractive local returns, diversification benefits and higher openness to foreign investors are the major drivers for sovereign wealth funds' rising interest in Chinese assets, according to the report.

Digital technology and software, advanced manufacturing and automation, and clean and green technology are the top three sectors in China that have the maximum appeal among sovereign wealth funds. Meanwhile, 78 percent of the surveyed funds believe that China's technology and innovation sectors will become globally competitive.

This reflects both a structural belief in China's innovation momentum and a strategic desire not to be left behind as a new global technological leadership emerges, Invesco experts said.

Other global financial institutions have stepped up their reach in the Chinese market.

KZVK, a German pension fund that manages assets worth 36 billion euros (\$42 billion), recently selected Hong Kong-based Fullgoal Fund to run a \$50 million mandate to invest in Chinese equities listed in Hong Kong, the Chinese mainland and the US.

Oliver Lang, a KZVK board member, said in May that the German fund has maintained a strategic underweight to China relative

to the size of its GDP and market capitalization. But the company will continue to allocate its capital to regions offering real economy and productivity growth, in order to meet long-term return targets, he added.

According to information from the public domain, leading mutual fund companies with operations in China, including Neuberger Berman, Fidelity International and JP Morgan Asset Management, have released 31 new products so far this year, an increase of 138 percent compared with the same period last year. The combined value of these products has reached 36 billion yuan (\$5 billion), up 43 percent year-on-year.

Experts from Neuberger Berman, an investment management firm based in New York City, said in a recent report that Chinese assets have shown much investment value this year, thanks to the country's competitive edge in manufacturing, the potential of renminbi's appreciation, the improving profitability of companies and supportive policies.

In another report released on July 3, analysts from Fidelity International said an increasing number of Chinese enterprises are taking the lead worldwide in terms of artificial intelligence, electric vehicles, supply chain, industrial automation and healthcare. China has seen its innovation momentum growing from a structural perspective, they said.

Meng Lei, a China equity strategist at UBS Securities, said that as the A-share market is now showing

a 12 to 13 percent discount compared to other emerging markets, there is more room for growth for the major indexes in China, given the country's moderately relaxed credit environment and no expectation of a major external impact in the near term.

The benchmark Shanghai Composite Index added 0.27 percent on Monday to close at 3519.65 points, its highest level so far this year, with new material and humanoid robot companies leading the rally.

Meng said the Chinese capital market will see its appeal among international investors gradually rise amid the ongoing institutional reforms, which include lowering the entry threshold for foreign-invested companies and support for boosting the vitality of private enterprises.

According to the latest data released by the Shanghai and Shenzhen exchanges, foreign investors' A-share holdings through stock connect programs reached 2.29 trillion yuan by the end of the second quarter, up 50 billion yuan from the first quarter.

Mark Wang, president and CEO of HSBC China, said the series of supportive and opening-up policies released by China's top financial regulators during this year's Lujiazui Forum will further consolidate foreign institutions' confidence in expanding their businesses in China.

Cross-border finance, green financing and wealth management are the likely areas where foreign institutions could give more play to their strength, he added.

Innovation: Host of measures drive vision for city forward

From page 1

The continuity of government efforts to develop the city into a digital hub is one of the key reasons for the emergence of leading tech startups, Cai said.

“This continuity — spanning from the e-commerce revolution to the current AI surge — has cemented Hangzhou's reputation not just as a home for tech giants, but as a breeding ground for the next generation of innovation,” he said.

That foundation has evolved into a full-fledged industrial cluster — an entire ecosystem — centered around AI, he added.

These companies collectively represent Hangzhou's early wave of technological strength. Now, with the rise of a new generation of innovation driven by artificial intelligence, a second wave is taking shape, Cai said.

While Xi's policies created the groundwork for Hangzhou's tech boom, the region's officials have driven the vision forward through a host of initiatives to cut red tape and offer key incentives to startups.

“Officials often told us: ‘We won't bother you if you don't need us — but if you do, we'll be there.’ It's more than a slogan — it reflects a real commitment,” Cai said.

In other words, the government stays out of the way when things are running smoothly, but steps in immediately when businesses need help, he added.

“After meeting the criteria for a municipal subsidy program, we submitted our application online. Eight minutes later, we received the funds — 3 million yuan. That level of speed shocked even us,” Cai said.

“When you combine that with Hangzhou's investment in research, funding and infrastructure, it's no wonder the city has emerged as a leading hub for innovation. It's not a miracle. It's a product of intention — and execution.”

Targeted support

Lou Hangjie, deputy head of the bureau of science and technology in Hangzhou's Yuhang district, said that offering practical, targeted support for tech companies has always been a policy priority for local authorities.

In Yuhang, where many startups are based, high-tech enterprises can secure up to 600,000 yuan in subsidies, while graduates launching new ventures receive three years of rent relief and additional grants of up to

500,000 yuan. Administrative requests are funneled through a single online platform that sends inquiries to the appropriate department — often generating responses in mere hours.

At the same time, businesses can lodge complaints or request administrative assistance through a unified online platform that routes their queries directly to relevant government departments.

“The playing field is level for all businesses, whether domestic or foreign,” he said.

Huang Kaisheng, dean of the Yangtze Delta Region Institute of Tsinghua University, Zhejiang, said the strategic blueprints once envisioned by Xi have since laid the groundwork for Hangzhou's emergence as China's leading digital economy hub and a global center of innovation.

“Hangzhou's transformation — from a follower to a front-runner in the innovation race — offers a vivid example of how systematic top-level design, bold reform and an inclusive innovation ecosystem can reshape a city's future,” he said.

Huang said the experience of Hangzhou, and Zhejiang in general, offers a key playbook for other cities to boost their innovation drive.

“For cities, success in innovation hinges on building a dynamic innovation network that links technology, capital, industry and policy,” he said.

Meanwhile, long-term thinking is essential, he added. “Rather than chasing short-lived trends, cities must invest consistently in basic research and talent development.”

Forging connections

Another reason that Mitchell, the Canadian entrepreneur, has stayed in Hangzhou is the personal connection he's forged with local officials — a relationship that, over time, has come to feel more like friendship.

“I have more than 30 government officials on my WeChat,” he said. “When we hit a rough patch and needed serious help, they weren't just worried about losing an investment — they were worried about me, Nikk Mitchell, as their friend.”

“And when things turned around and we were back on our feet, they were genuinely happy for me — like friends would be.”

“To me, that is why I don't think my company's headquarters will ever leave Hangzhou,” Mitchell said.

Contact the writers at
xuwei@chinadaily.com.cn



Vice-President Han Zheng shakes hands with Indian External Affairs Minister Subrahmanya Jaishankar in Beijing on Monday. Jaishankar is attending the Meeting of the Council of the Ministers of Foreign Affairs of the Shanghai Cooperation Organization Member States in Tianjin on Tuesday. This is his first visit to China since 2020. GAO JIE / XINHUA

Ties: Beijing calls for jointly safeguarding multilateralism

From page 1

China is ready to work with India to jointly safeguard the multilateral trading system, ensure the stability of global industrial and supply chains, and uphold a cooperative environment, he added.

Jaishankar told Wang that India and China are development partners, not rivals, and that India is willing to focus on common interests, deepen mutually beneficial cooperation, enhance people-to-people exchanges, and jointly maintain peace and tranquility.

Both sides should strive to accumulate positive factors in bilateral ties, avoid letting differences turn into disputes, and prevent competition from becoming a conflict, he said.

Bilateral relations have rebounded

in the past nine months as China and India strengthened exchanges and achieved positive outcomes.

The 23rd meeting of the Special Representatives on the China-India Boundary Question and two rounds of vice foreign minister-foreign secretary dialogues have been held successively.

Wang Dong, a professor and executive director of Peking University's Institute for Global Cooperation and Understanding, said that India has increasingly realized that a confrontational approach with China hampers its own development, making improvement of ties with China strategic and necessary.

China has sought to promote relations in a pragmatic direction, emphasizing cooperation and joint contributions to the international community, he added.

China handles 95 billion parcels in first half of year

By **LUO WANGSHU**
luowangshu@chinadaily.com.cn

China's parcel delivery industry reached a new milestone in the first half of 2025, handling over 95 billion parcels, up 19 percent year-on-year, as the sector continues to play a growing role in boosting domestic demand and supporting the real economy, the State Post Bureau of China said on Monday.

The country's delivery network processed more than 520 million parcels per day on average, surpassing the 50-billion mark 18 days earlier than it did last year. The robust growth reflects China's steady economic momentum and the accelerating rollout of policies supporting consumption and domestic demand, officials said.

“The express delivery sector is becoming a stronger engine for stimulating consumption, energizing the real economy and serving rural and western regions,” said Zhu Li, deputy director of the industrial economy department at the bureau's Development and Research Center. “It has laid a solid foundation for achieving the industry's annual growth goals.”

The expanding reach of the delivery network has brought remarkable changes to everyday life across the country — from the

520 million parcels
processed per day on average by China's delivery network in 2025

highlands of the Xinjiang Uygur autonomous region to the grasslands of the Inner Mongolia autonomous region.

In Yarkant county of Xinjiang, Ayinur, a young Uygur woman, easily retrieved a parcel from a local pickup station. Inside were school supplies for her younger brother and pastries for her grandmother.

“We used to travel all the way to the city for this,” she said. “Now it's just at our doorstep.”

In the southern city of Maoming in Guangdong province, known as the “hometown of lychees”, freshly picked fruits glistening with morning dew are packed and shipped through priority cold-chain logistics — by air and high-speed rail.

“We race against the clock,” said a fruit farmer, surnamed Lin, while watching workers load boxes. “Customers in Beijing or Shanghai who place orders today can eat the lychees tomorrow.”

To keep up with soaring demand and cut delivery times, courier

companies have stepped up investment in infrastructure and smart logistics. That included expanding airfreight fleets, adding rail-air transportation routes, automating sorting hubs, building unmanned vertical warehouses, and deploying drones and driverless delivery vehicles, said Zhu, from the State Post Bureau's Development and Research Center.

In Rui'an, Zhejiang province — famous for its delicate and highly perishable bayberries — a new drone-based branch line has opened up nationwide distribution opportunities.

“Now, it only takes two hours for the berries to go from the tree to tables in Wenzhou, a neighboring city,” said Gu Zhihao, head of operations at SF Express' Longhu station in Rui'an.

At 7:30 am, harvesters finish the first round of picking. A drone loaded with 50 kilograms of freshly picked bayberries lifts off, descending two minutes later at the foot of the hill at the Zhennan Bayberry Market.

From there, the berries either go to same-day delivery points within Wenzhou — shipped in blue baskets without excessive packaging — or to a nearby cold-chain facility where they are packed for nationwide overnight shipping.

“No need for fancy boxes; just pure flavor,” Gu said, adding that local orders exceed 1,500 kg per day.

At the SF Express' Longhu operations center, just 600 meters from the Zhennan market, the race to deliver fresh produce nationwide is in full swing. Vacuum sealers hum, ice-packing stations work at full speed, and dedicated logistics lines ensure that bayberries will reach customers across the country the next day. For local farmer He Duanzhi, cold-chain orders now make up a staggering 90 percent of his daily sales.

Behind the scenes, technology is driving transformation. From artificial intelligence-powered sorting to intelligent dispatch systems, automation is improving efficiency and enhancing the customer experience.

“Unmanned stations, autonomous vehicles and wider application of AI are not only optimizing operations, but also improving service quality and expanding what postal services can offer,” said Zhu, from the State Post Bureau's Development and Research Center.

Looking ahead, Zhu said the sector's growth momentum will continue in the second half of the year, with deeper industry integration, broader service offerings and sustained upward trends.