

Catering sector sees steady October

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The nation's catering sector continued its steady recovery in October, with total revenue rising 3.8 percent year-on-year to 519.9 billion yuan (\$73.12 billion), said the National Bureau of Statistics. Revenue from large-scale catering enterprises also saw growth, up 3.7 percent at 145.9 billion yuan.

Over the first 10 months of the year, the sector generated 4.62 trillion yuan in revenue, a 3.3 percent increase from the same period last year, with large enterprises contributing 1.35 trillion yuan, up 2.4 percent.

The growth in catering outpaced the broader retail market, which stood at 2.8 percent in October, with the catering sector accounting for 11.2 percent of total retail sales — a 0.5 percentage point increase from the previous month. "This indicates that the release of residents' travel

and tourism demand, driven by the dual-holiday effect, has boosted consumption in areas such as dining out and travel-related catering," said the China Hospitality Association.

Additionally, amid the trends of integrated and experiential consumption, some catering enterprises have continued to develop novel products, technologies and business models, thereby expanding into new markets, said the association.

A preholiday survey by the China Cuisine Association revealed that 66.7 percent of catering businesses reported stable or higher revenue and foot traffic during the holiday, signaling ongoing consumer demand for dining and travel services.

Shanghai emerged as a standout in the recovery, with catering revenue reaching 16.31 billion yuan in October, marking a 2.1 percent year-on-year increase and a 7.0 percent month-on-month rebound.

This surge was fueled by the National Day and Mid-Autumn Festival holiday in the month, which saw the city welcome 25.5 million tourists, up 19.7 percent from the previous year. Hotel occupancy also rose 3.9 percentage points to 63.7 percent, further boosting the local economy.

The city's "night economy" policies have played a key role in this recovery, with the opening of 1,592 new catering businesses in October alone, a 15.9 percent increase from the previous year, according to Jiefang Daily.

Shanghai has also distributed substantial subsidies to encourage consumer spending, including 144 million yuan in dining vouchers earlier this year, with another 350 million yuan set for release in the second half of 2025.

These initiatives have driven a 20 percent increase in foot traffic for participating brands, with 30 percent of orders tied to voucher-driven meal sets.



A shopper (left) examines a mobile phone which enjoys trade-in price subsidy at a store in Leshan, Sichuan province. LI HUASHI / FOR CHINA DAILY

Trade-in program likely to continue next year

Initiative boosts consumption via subsidies for upgraded, greener items

By WANG KEJU,
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China is likely to extend the consumer goods trade-in program into 2026, as analysts said there is still substantial, unmet demand among Chinese households to upgrade home appliances and digital devices, as well as ample fiscal headroom to underpin the consumption campaign.

The initiative, proven effective in driving big-ticket item spending and delivering tangible benefits to households, is expected to enable China to begin the 15th Five-Year Plan (2026-30) period on a sound footing, they added.

China's trade-in program is a government-backed initiative to boost domestic consumption by providing subsidies for consumers who trade in outdated items like white goods, automobiles and electronics for new, more efficient models.

Although an official announcement has not yet been made, multiple policy signals and clear market trends — particularly the shift toward smart and green products — suggest an extension is possible.

This likelihood was reinforced by the State Council, the country's Cabinet, which set explicit targets for aging vehicles and outdated appliance recycling volume through 2027 in a March 2024 document that launched the current trade-in round.

In addition, the 2024 Government Work Report pledged to issue ultra-long special treasury bonds "over

each of the next several years". These bonds have served as the funding mechanism of the trade-in initiative.

These policy statements, coupled with Beijing's emphasis on boosting household consumption in its recommendations for the next five-year blueprint released last month, indicate that policymakers are likely to extend the trade-in program into 2026, according to market watchers.

Wang Wei, former director of the Institute of Market Economy at the Development Research Center of the State Council, told China Daily in an exclusive interview that while stimulating consumption has been top economic priority this year, it will also remain crucial in 2026 — the inaugural year of the 15th Five-Year Plan.

Maintaining a pro-consumption macroeconomic orientation is essential, which requires a further scaling-up of targeted fiscal spending in this regard, Wang said, adding that the mechanism of ultra-long special treasury bonds, deployed for the trade-in program in 2024 and 2025, should be extended into next year.

Yu Xiangrong, chief China economist at Citi, said that the funding pool for the trade-in program in 2026 is expected to remain at around 300 billion yuan (\$41.3 billion), unchanged from the levels seen in 2025.

Yu said the policy emphasis will shift from sheer scale to smarter allocation by expanding the range of eligible products and extending the program's reach into rural communities.

A faster-than-expected issuance of national subsidies for consumer goods trade-ins in the first half of the year has tightened availability in recent months, leaving a pool of unmet demand that analysts say will help make the case for extending the program into 2026.

Looking into next year, Xu Dongsheng, vice-chairman of the China Household Electrical Appliances Association, said that policymakers could consider setting differentiated incentive rates based on a product's price bracket and technological profile.

Premium products, particularly those with AI integration, higher efficiency and environmentally friendly features, could receive a higher subsidy proportion. These categories, seen as drivers of future industry trends, align with national priorities for technological advancement and carbon neutrality.

Meanwhile subsidies for basic, functionally straightforward products would be scaled back appropriately, Xu said.

According to an executive meeting of the State Council on Friday, industrial upgrading must be guided and propelled by consumption upgrading, where high-quality supply better satisfies diverse demand.

It is essential to deploy new technologies and business models, deeply integrate AI to enhance their capabilities, and concentrate efforts on key sectors to introduce novel products and value-added services, thereby expanding new consumption frontiers, as noted during the meeting.

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Global biz leaders praise Jiangsu's robust development environment

By CANG WEI in Nanjing
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On Tuesday, top executives from several multinational companies convened in Wuxi, Jiangsu province, to commend the region's robust development environment, express a strong commitment to deepening partnerships, and explore strategies for enhancing the resilience of industrial chains in the face of global economic uncertainties.

The event drew approximately 700 attendees from both home and abroad, including executives from over 30 companies listed in the 2025 Fortune Global 500 and more than 30 heads of China operations for these global giants.

They participated in the 2025 International Cooperation Conference on Industrial Chain and Supply Chain, and the Lake Tai Entrepreneurs Forum.

Yuan Xiaoming, assistant minister of the Ministry of Commerce, emphasized China's willingness to share the benefits of its vast market, providing essential support for the stable operation of global industrial and supply chains, and offering fertile ground for foreign enterprises to deepen their presence in China.

"Jiangsu boasts rich industrial clusters and a broad market reach, with numerous high-level open platforms," Yuan said. "The Ministry of Commerce will continue to support Jiangsu in advancing high-

level openness and high-quality development. We sincerely welcome investors from all other countries to seize the opportunities to invest and start businesses in China, particularly in Jiangsu."

"We aim to be the first multinational company to support the open and innovative development of Jiangsu's entire biopharmaceutical industrial chain," said Jean-Christophe Pointeau, Pfizer Global SVP and president of Pfizer China.

He said that China has become a significant engine for biopharmaceutical innovation, and Pfizer will invest over \$1 billion to deepen its involvement in the medical ecosystem.

According to Pointeau, Pfizer's Wuxi plant has been operating successfully for 30 years. The newly launched "Pfizer-Jiangsu Full Industrial Chain Innovation Empowerment Plan" will support research and development technology, expand local production capacity, and invest in local enterprises, helping Jiangsu become a globally influential biopharmaceutical innovation hub.

Iris Cui, vice-president of Asia procurement and operations at Apple, described Jiangsu as a central hub for Apple's supply chain, with over 80 percent of its core global suppliers having factories in China, half of which are based in Jiangsu.

She emphasized Apple's deep collaboration with several top sup-

pliers in Jiangsu, establishing a complete supply chain ecosystem from component R&D to final assembly.

Ji Woong Choi, president of LG Energy Solution China, highlighted Jiangsu as one of the largest overseas production bases for LG Energy Solution China as well as the LG Group, describing it as a "second home" for LG employees. He also emphasized the need to build a critical materials assurance system.

Huzur Devletsah, general manager of Eli Lilly China, said that Eli Lilly established its presence in the Suzhou Industrial Park in 1996 and will celebrate its 30th anniversary in Suzhou next year, having deeply integrated into the local industrial ecosystem.

Over the past decade, Eli Lilly has invested 15 billion yuan (\$2.1 billion) in Suzhou, with an additional 1.5 billion yuan invested in 2024.

Jiangsu has a solid foundation and fruitful achievements in industrial cooperation with multinational companies. From 2021 to 2024, Jiangsu's actual use of foreign capital totaled \$103.74 billion, with \$19.05 billion used in 2024 alone, accounting for 16.4 percent of the national total.

In the first three quarters of 2025, the actual use of foreign capital reached \$14.52 billion, increasing its national share to 18.1 percent and maintaining its position as the largest in the country.

Timely check-up



Two staff members from Taiyuan Track Works Section inspect rail lines in Shanxi province, aiming to rectify hidden defects and ensure the safe, orderly flow of passenger and freight trains during cold weather. SUN JIAHE / FOR CHINA DAILY

Briefly

Italy's Univer to establish China HQ

Italian industrial automation company Univer Group on Tuesday signed a 300 million yuan (\$42 million) investment agreement with Taicang, East China's Jiangsu province, to establish its China headquarters. The project will involve R&D as well as the production of pneumatic components and clamping cylinders. It is expected to generate an annual output value

exceeding 500 million yuan.

Yuan weakens against greenback

The central parity rate of the Chinese currency renminbi, or the yuan, weakened 16 pips to 7.0872 against the US dollar on Wednesday, according to the China Foreign Exchange Trade System.

StanChart: Investors confident about stocks, RMB

By SHI JING in Shanghai
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Despite geopolitical headwinds, international investors are confident about the improved valuations of Chinese stocks and further internationalization of the renminbi amid the country's continued economic growth, said Bill Winters, group chief executive of multinational bank Standard Chartered.

International investors have realized that some of the technologies developed in China are "extremely competitive in any global context", including the open-source artificial intelligence models, electric vehicles, clean energy and other new economy areas, Winters said in an interview during a four-day visit to Shanghai in late October.

There is more room for the Chinese stock market to rise, especially since the valuation of A shares has been relatively lower compared to international peers.

"Chinese companies can produce best-in-class goods, but that is not reflected in equity values. The performance of Chinese companies in the context of a difficult geopolitical situation is reassuring," he said. The "very strong export figures" over the past few months also serves as solid proof of China's

manufacturing resilience, according to Winters.

The stress on innovation, technology self-reliance, a social safety net, and support for the private economy, which have been underlined in the communique released after the fourth plenary session of the 20th Central Committee of the Communist Party of China, will address the imbalance in China's economic development. All these will increase consumer confidence and further consolidate the country's continued economic recovery, he added.

At the same time, expanding the offshore renminbi market by offering a full suite of yuan-denominated investment options to international investors and central banks, is an important step to promote the internationalization of the Chinese currency.

Benjamin Hung, president of international at Standard Chartered, said the RMB had made substantial progress over the past few years in making it more investable and hedge-able.

International investors can access China assets via the stock connect and bond connect programs while hedging through the swap connect with interest rate derivatives, he said.

But in general, the world is still

very underweight on China. Though the country accounts for 17 percent of global GDP, only about 3 percent of capital is allocated to China assets. While three years ago, Chinese stocks were deemed "uninvestable" due to problems including property market uncertainties, all these have been broadly digested. On top of that, there are the "DeepSeek moments" in the tech sector and better policies for economic growth, said Hung.

Therefore, many international investors have become cornerstone investors in recent large IPOs such as CATL, he added.

The visit to Shanghai in October marked the second time that Winters has come to China this year.

During the recent trip, he met Shanghai Mayor Gong Zheng, who reiterated the city's support for international financial institutions. Standard Chartered is welcome to conduct innovative financial businesses in Shanghai and step up their financial support for outbound Chinese companies, said Gong.

Standard Chartered China's offshore businesses, which support Chinese companies in expanding their overseas footprint, have shown strong growth momentum over the past few years. Therefore,

the bank opened a new technology center in Guangzhou in 2022 to complement the teams it had in Tianjin for many years, according to Winters.

Supply chain finance was another focal point of Winters' latest trip. On the one hand, advancements have been made regarding the technologies and data applied in supply chain finance. On the other, the supply chain itself has been undergoing some changes amid international trade complexities. Helping Chinese companies better fit into the global supply chain will be one major target for Standard Chartered in the years to come, he said.

According to Lu Jing, CEO of Standard Chartered China, Chinese companies usually encounter supply chain problems in financing when they go abroad, as they need solutions to manage their overseas working capital, interest rate and foreign exchange risks.

In addition, small and medium-sized enterprises are playing an important role in today's cross-border supply chains and they also need financing support from financial institutions. Multinational banks with an extensive international network have advantages in this respect to offer them one-stop solutions, she said.