

BUSINESS

Blooming business



A shopper selects potted orchids at a horticultural nursery in Feixi county, Hefei, capital of Anhui province, on Tuesday. Renowned for its flora, the county is experiencing a pre-Spring Festival sales boom, with over 850,000 orchids in more than 90 varieties available for the holiday market. ZHANG DAGANG / FOR CHINA DAILY

Shanghai to further boost advanced manufacturing

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Shanghai's efforts to transform and upgrade its advanced manufacturing over the coming three years are expected to consolidate the city's manufacturing capabilities, enhance industrial chain stability, and further catapult the East China cosmopolis into a global high-end manufacturing center, experts said on Wednesday while digesting the Chinese economic hub's latest action plan to support advanced manufacturing.

Unveiled by the municipal government of Shanghai on Jan 9, the three-year action plan is designed to support the transformation and upgrade of Shanghai's advanced manufacturing sector in the coming three years and charts ambitious goals including nurturing 100 manufacturing enterprises each with an annual output of above 1 billion yuan (\$143.49 million) and raising the city's robot density to 600 robots per 10,000 employees by 2028.

"By achieving such goals, there would be no doubt that Shanghai would, on the one hand, generate vitality among various enterprises, especially privately owned

companies, and, on the other hand, its manufacturing sector would reach a new level, featuring unique strengths and a well-developed and complete industrial chain with a stable, reliable and promising outlook," said Shen Nanyan, director of the Shanghai Key Laboratory of Intelligent Manufacturing and Robotics.

"Many of the 1-billion-yuan-scale enterprises would have their respective areas of focus, and they would work together to better facilitate a complete and stable industrial chain in Shanghai, particularly in key strategic industries," Shen said.

"From a long-term perspective, leading companies in many key strategic industries will drive Shanghai's overall manufacturing sector to develop rapidly, while ensuring the safety of the entire industrial chain."

Consisting of 17 detailed measures, the action plan is designed to accelerate the formation of a modern industry system centering around advanced manufacturing, therefore fully driving companies of various sizes to develop in a coordinated and integrated manner.

"Shanghai has already obtained many mature technologies, and the

action plan is tasked with introducing these existing technologies into manufacturing, thereby enabling traditional industries to add value and increase competitiveness," said Cao Qixin, a professor specializing in robot research at Shanghai Jiao Tong University.

"Transformation in manufacturing has already taken place in many benchmark companies in Shanghai, but with regard to the city's ambition to become a global benchmark in advanced technology and innovation, more parallel advancement across the broad manufacturing sector is required," Cao said, adding that Shanghai's outstanding pool of global talent will further give the city an edge in popularizing cutting-edge technologies in manufacturing.

In terms of advancing AI in manufacturing, large enterprises are expected to achieve full digital and intelligent applications by 2027.

Robot density, a key gauge to measure the adoption of automation in manufacturing, is the number of robots per 10,000 people in the manufacturing industry. Currently, Shanghai's robot density is above 500 robots per 10,000 employees, up from 260 in

2023, according to Xinhua News Agency.

Shanghai's robot density reached a level on par with the world's top countries, including South Korea, Japan and Singapore, during the 14th Five-Year Plan (2021-25) period, said Shen.

"It is worth mentioning that robot density is uneven across different industries. Taking the automotive sector as an example, a vehicle manufacturing line can operate automatically with about two dozen robots collaborating with each other. But in other sectors, such as textiles, the automation rate remains extremely low," Shen said.

"Under the guidance of the action plan, we can expect the application of robots to expand into many industries that currently have very low robot density," Shen added.

Effective from Jan 1 through Dec 31, 2028, the plan aims to add 100 new manufacturing enterprises each with an annual output value exceeding 1 billion yuan, bringing the total to over 600. This initiative also seeks to drive the industrial chain to create 500 new industrial enterprises above the designated size, or those with an annual revenue of 20 million yuan or above.

Insurance funds ramp up bets on equities

Report: '25 stake disclosures hit 10-year high; '26 inflows may top 1 trillion yuan

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Driven by both policy incentives and potential healthy returns, insurance funds have shown heightened activity in the equities market. In 2025, such funds triggered mandatory stake disclosures in listed companies at their highest frequency since 2016.

Financial industry professionals expect insurance funds to further ramp up their equity exposure. Zhao Ran, an analyst at CSC Financial Co Ltd, said in a report that under pessimistic, neutral and optimistic scenarios, insurance funds' equity allocations in 2026 are projected to rise by approximately 968.1 billion yuan (\$139 billion), 1.07 trillion yuan and 1.18 trillion yuan, respectively.

In recent years, financial regulators have stepped up efforts to support insurers' participation in the equity market by introducing a series of measures, including promoting long-cycle performance evaluation mechanisms, raising the upper limit on the allocation ratio of equity assets in insurance funds, and expanding channels for medium and long-term capital to enter the market.

Meanwhile, amid a low-interest-rate environment, increasing allocations to the equity market also reflect insurers' pursuit of yield flexibility and risk mitigation against interest spread losses, analysts said.

In terms of investment targets, bank-related shares have emerged as a key focus for insurance funds, as their low valuations and high dividend yields align well with insurers' preference for stability.

Ping An Life Insurance recently announced that Ping An Asset Management, acting on its behalf, invested in Hong Kong-listed shares (H shares) of Agricultural Bank of China. On Dec 30, its holdings exceeded 20 percent of the bank's H-share capital, triggering a mandatory disclosure requirement under Hong Kong market regulations.

In addition, Ping An Life increased its holdings of Postal Savings Bank of China's H shares in 2025, lifting its stake above 16 percent. The company also triggered stake disclosures in China Merchants Bank's H shares four times in

2025, with its shareholding exceeding 20 percent.

Excluding repeated disclosures by the same entity, insurance funds triggered stake disclosures 31 times in 2025. Including repeated disclosures, the number reached at least 38, second only to 2015, said a report released by Hua Chuang Securities on Jan 5.

Insurance funds showed a clear preference for H shares last year, triggering 26 disclosures in stocks characterized by low valuations and high dividend yields. Investments were mainly concentrated in the banking and utilities sectors, the report said.

Chen Haiye, an analyst at Hua Chuang Securities, said insurers' stakebuilding activities can generally be divided into two categories. One is dividend-driven, with a preference for counters offering relatively stable future dividend cash-flow expectations. The other is driven by return on equity considerations, favoring central and State-owned enterprises with mature profit models, which are incorporated as high-quality assets through long-term equity investments.

Referring to the full-year 2026, Chen said demand from both categories is likely to persist, and the wave of stakebuilding by insurance funds may continue.

Executives at Ping An Insurance (Group) Co of China said the company continues to focus on high-dividend, high-payout investment targets, while also actively seeking and deploying quality assets related to new quality productive forces.

Michael Guo Xiaotao, co-CEO and senior vice-president of Ping An Group, said at the company's 2025 interim results briefing that as borrowing costs continue to decline and asset allocation is further optimized, the company will dynamically balance high-dividend shares, value shares and growth shares to seize opportunities in the capital markets.

Yang Xiaotian, a researcher at Hualong Securities, said in a report that by moderately increasing equity investment ratios, insurers can enhance the elasticity of their returns. Long-term investments in high-ROE, high-dividend listed companies can generate more predictable dividend income and strengthen the safety buffer of net investment returns.

SAMR launches probe into Trip.com over suspected market dominance abuse

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China is intensifying efforts to ensure fair competition in the platform economy and guide it toward healthy growth, as the country's top market regulator launches an anti-trust probe into a leading online travel agency.

The State Administration for Market Regulation said on Wednesday that, based on preliminary findings and in accordance with the Anti-Monopoly Law, it has opened a case to investigate suspected monopolistic conduct involving Trip.com Group.

"This move is a positive step to implement the Anti-Monopoly Law and safeguard fair market competition, demonstrating the country's firm commitment to promoting the healthy development of the digital economy," Chen Liteng, a senior analyst at the Internet Economy Institute, a domestic consultancy, told China Daily.

The investigation is aimed at guiding platform companies toward a path of sustainable development centered on compliant operations and service innovation, Chen said.

This, he added, helps better

47 billion yuan

Trip.com's revenue in the first three quarters of 2025

protect consumer rights while enabling small and medium-sized businesses to participate in market competition on a more level playing field, thereby fostering a more transparent and dynamic industry ecosystem.

"This will not only help Trip.com improve its own governance, but also accelerate the platform economy's shift from scale-driven expansion toward quality-oriented growth, injecting sustained momentum into high-quality development," he said.

In response, Trip.com Group said that it will actively cooperate with the investigation, fully implement regulatory requirements and work with industry participants to build a sustainable and well-regulated market environment.

The group also emphasized that its businesses are operating normally and that it will continue to provide quality services to users and partners.

The probe is in line with broader

regulatory efforts targeting monopolistic practices by online platforms and strengthening the protection of legitimate market rights.

In November, drawing on enforcement experience and sector-specific characteristics, the SAMR released a draft guideline on anti-trust compliance for internet platforms. The document highlighted a slew of emerging monopoly risks in online platforms, including unfair pricing, below-cost sales, platform blocking, "either-or" arrangements, "lowest price across all platforms" requirements and discriminatory treatment.

Following the move, three central departments jointly issued rules governing price-related conduct on internet platforms in December, prohibiting platform operators from imposing unreasonable restrictions or conditions on pricing behavior by merchants. The rules are set to take effect on April 10 this year.

As a leading player in China's online travel sector, Trip.com Group's businesses span hotel bookings, air ticketing, leisure travel and corporate travel services. The group operates several well-known brands, including Ctrip, Qunar and Skyscanner, with services covering



Visitors gather at the booth of Trip.com during an expo in Beijing in June. PROVIDED TO CHINA DAILY

more than 200 countries and regions worldwide and over 600 cities across China.

According to estimates by BOCOM International, the group accounted for 56 percent of gross merchandise value in China's accommodation and travel market in 2024, far surpassing other online travel agencies such as Meituan at 13 percent, Fliggy at 8 percent and Douyin at 3 percent.

If the alleged monopolistic con-

duct is confirmed, the group could face hefty fines. According to the Anti-Monopoly Law, firms found to have abused a dominant market position may be fined between 1 percent and 10 percent of their sales revenue from the previous year.

In this regard, potential penalties could range from several hundred million yuan to several billion yuan, as Trip.com reported annual revenue of about 53.3 billion yuan (\$7.65

billion) in 2024 and approximately 47 billion yuan in the first three quarters of 2025.

The move also weighed heavily on the company's share price. Trip.com Group's Hong Kong-listed shares plunged 6.49 percent in late trading on Wednesday and extended losses to around 20 percent on Thursday. In the United States, the company's shares also plummeted by more than 17 percent at Wednesday's close.