

## Macro & Financial

### H1 Economic Data of 2016 Released This Week; Aggregate Demand to Be Expanded in H2

#### Market News

On July 8, General Secretary of CPC Central Committee Xi Jinping chaired an expert symposium on economic situation. He pointed out that the fundamentals of the economy and overall social situation are basically stable at the moment, financial market is developing steadily in general, and new progress has been made in supply-side structural reform. However, he added, regional economic trends remain diverged, it takes time to shift from old to new development drives, and the new drive is growing at stronger and faster momentum.

Regarding the economic situation in H2, General Secretary Xi stressed efforts to persist in the overall tone of stable development in macroeconomic policies, appropriately expand the total demand, and continue to implement proactive fiscal policy and prudent monetary policy. President Xi stressed that the supply-side structural reform should be the centerline, the key tasks of "de-capacity, de-inventory, de-leveraging, cost reduction and weakness reinforcement" should be carried out in a forceful, proper and effective way. He said we should rationally guide the expectation for development, stabilize social expectation with stable macroeconomic policies and consolidate people's confidence in development by implementing major reform measures.

[21 Economic News](#)(Currently Only Available in Chinese)

## Statistics

### China's Actual Use of Foreign Capital Up 5.1% YOY in H1

Ministry of Commerce of the People's Republic of China (MOFCOM) released data on foreign investment in the first six months. In January-June, 13,402 new foreign-funded enterprises were founded across China, up 12.5% YOY, and 441.76 billion RMB foreign capital was actually used, up 5.1% YOY. In June alone, 2,531 new foreign-funded enterprises were set up in China, up 8.5% YOY, and 98.21 billion RMB foreign capital was actually used, grew by 9.7% YOY.

It's worth noting that from January to June, more than 380 large foreign-funded enterprises were established with a total investment amount of over USD100 million each, and more than 210 enterprises saw a capital increase of over USD100 million each. 674 foreign-funded enterprises were set up through M&A, and 92.17 billion RMB foreign capital was actually used, an increase of 5.2% and 14.2% YOY,

respectively, and accounting for 5% and 20.9% of the total respectively.  
[Hexun News](#)(Currently Only Available in Chinese)

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