

Trading China










This issue:






Headlines and News from July P.1
Market Dashboard: Economics, China Markets, Commodities P.2
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China Pulse:

- Markets:**
Shanghai Comp Index 
Shenzen Comp Index 
Hang Seng Index 

- Economics:**
PMI 
Trade Balance 
GDP 
Industrial Production 

- Commodities:**
Copper 
Gold 
Crude 

- Key:**
Bullish 
Neutral/Bullish 
Neutral 
Neutral/Bearish 
Bearish 

Welcome to Julys edition of "Trading China". Trading China for the July edition covers the usual bases: headlines and news, goings on in the markets a brief look at what is likely to happen in August.

Headlines:

Chinese president wields economic might on LatAm tour
For the full story:
<https://au.news.yahoo.com/a/24535892/chinese-president-wields-economic-might-on-latam-tour/>

BRICS to Form \$50 Billion Lender in Challenge to World Bank, IMF
For the full story:
<http://www.bloomberg.com/news/2014-07-16/brics-to-form-50-billion-lender-in-challenge-to-world-bank-imf.html>

Going hard on China isn't easy for debtor nations
For the full story:
<http://www.themalaymailonline.com/opinion/bloomberg/article/going-hard-on-china-isnt-easy-for-debtor-nations-william-pesek>

Chinese shares enter bull Market; Commodities gain:
For the full story:
<http://www.businessweek.com/news/2014-07-28/chinese-shares-enter-bull-market-commodities-gain-second-day>

China's expansion accelerates after Government stimulus:
For the full story:
<http://in.reuters.com/article/2014/06/05/china-qingdao-idINL6NOOL4MP20140605>

China copper trading hit by commodity financing crackdown
For the full story:
<http://en.chinamining.com.cn/News/2014-07-16/1405477948d68603.html>

China said to probe alleged Bank of China money laundering
For the full story:
<http://www.todayonline.com/business/china-said-probe-alleged-bank-china-money-laundering>

China Exports Trail Estimates as Global Demand Limited: Economy
For the full story:
<http://washpost.bloomberg.com/Story?docId=1376-N8H0MH6JTSEW01-7BJUHC0LV6NO7738M622G5LB8T>

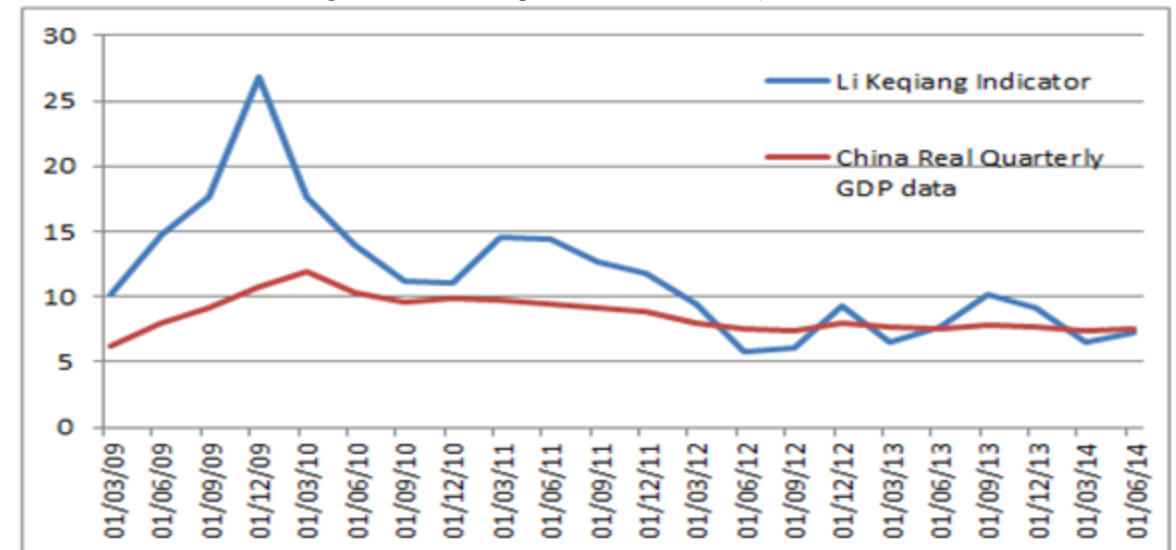
Other headlines:

China eases rules for banks loan to deposit ratio in latest stimulus move (Reuters July 1)

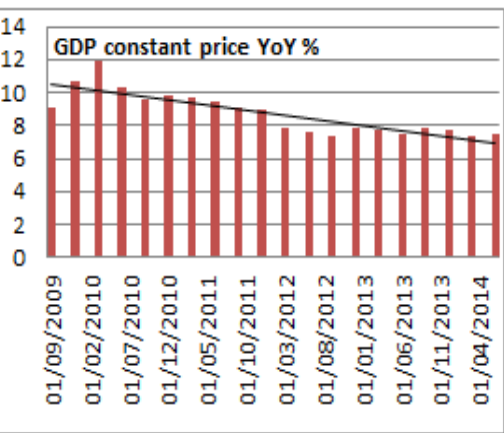
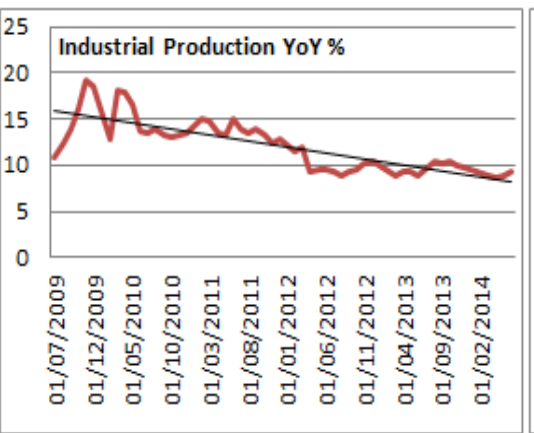
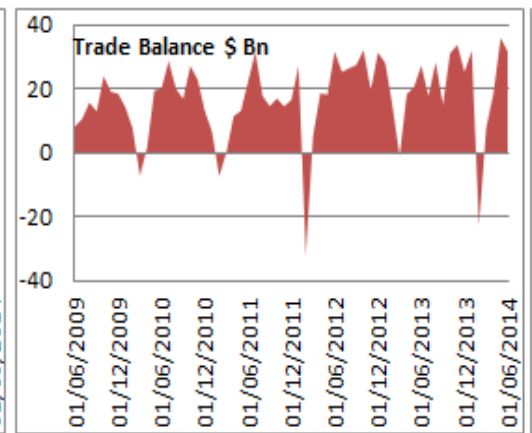
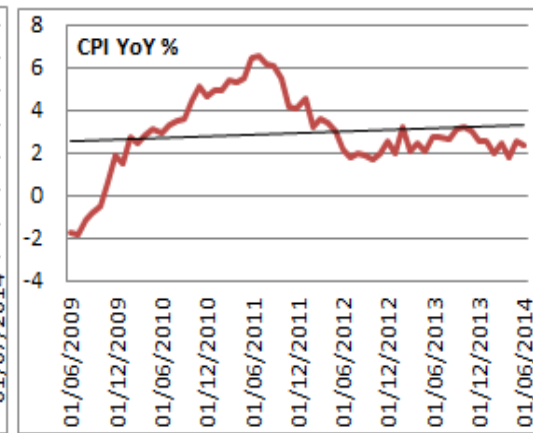
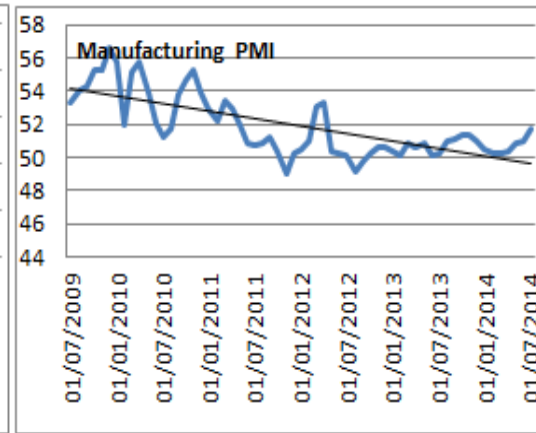
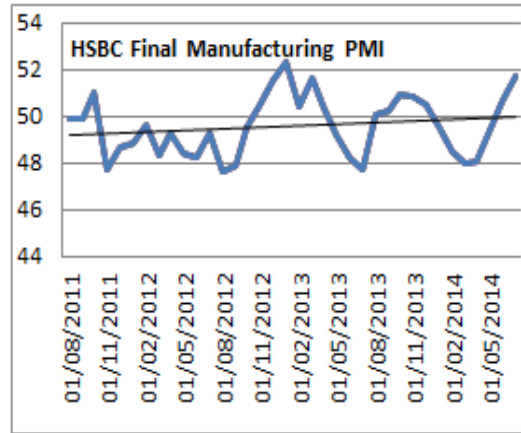
Economics: China's Monetary Conditions Point to 3Q Recovery (Bloomberg Jul 28)

Li Keqiang index ticks up – bullish for the Chinese economy?

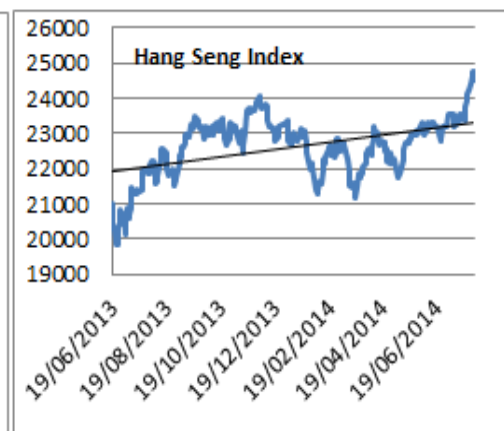
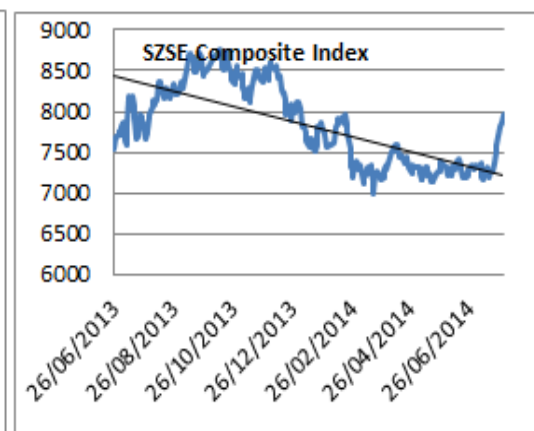
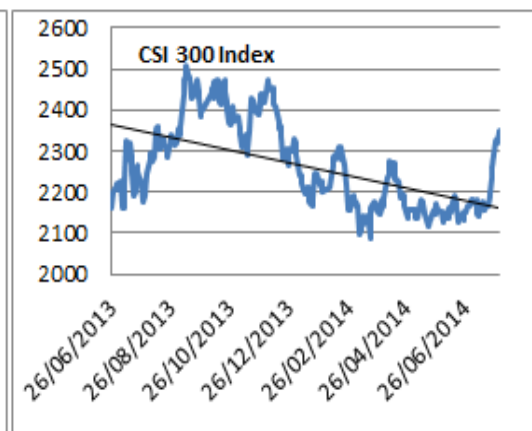
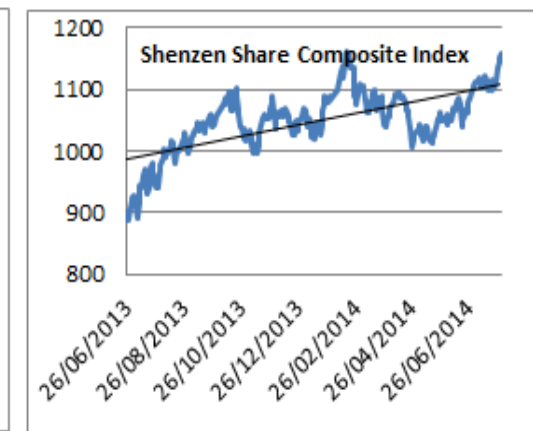
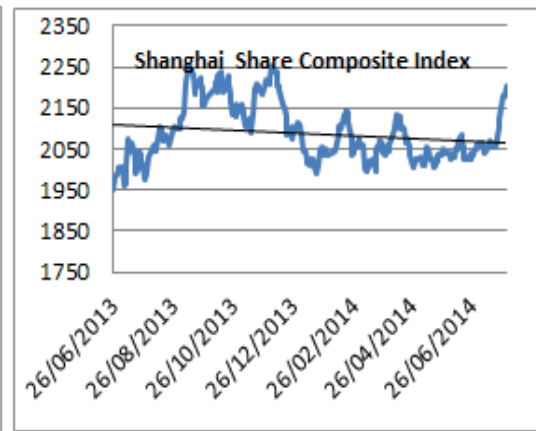
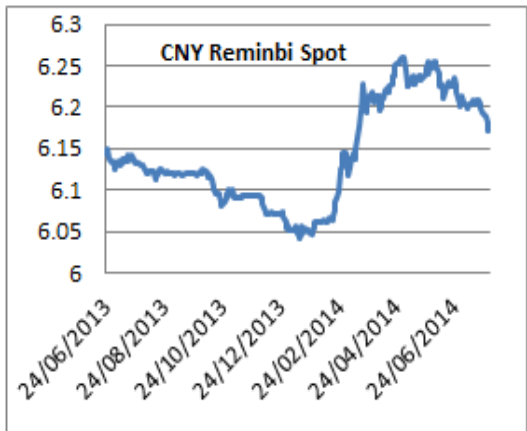
(See Junes edition of "Trading China" for an explanation of the index.)



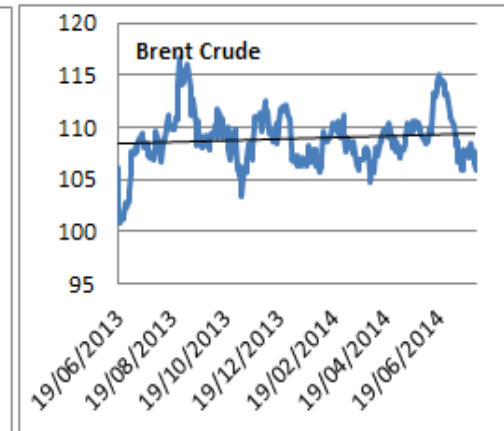
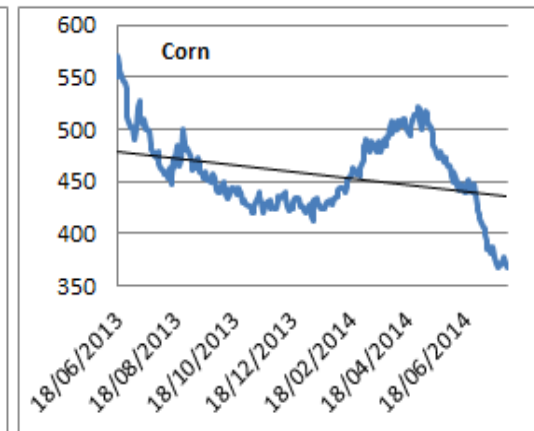
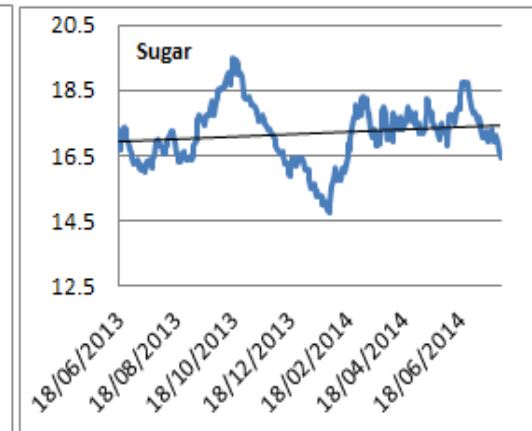
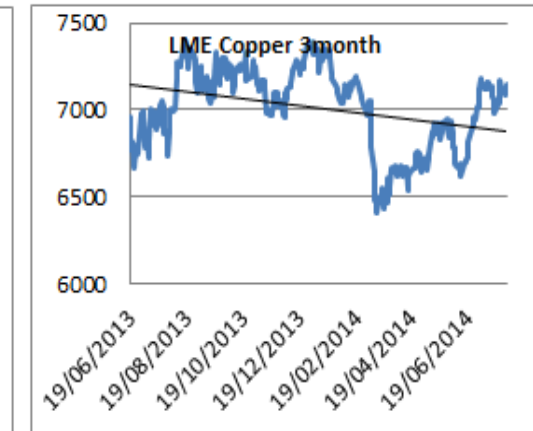
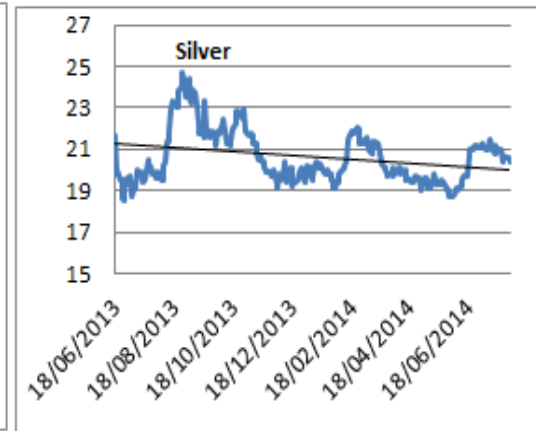
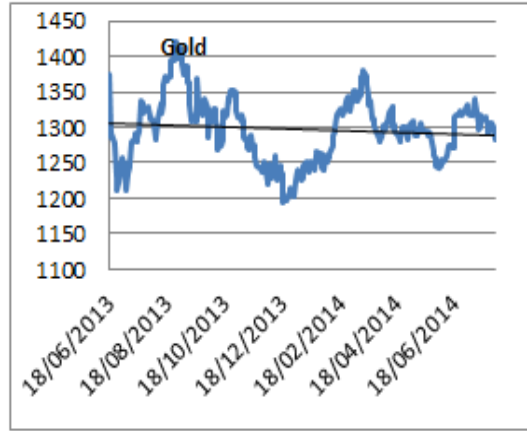
Economics:



CCY's & Stock Markets:



Commodities:



CCY's and stock markets: Stock Indices –All indexes very positive and turning bullish. Historically though July has always been a positive month for Chinese stock indices. China's Yuan came off further from historical low levels.

Economics: Economic results are looking more positive. The HSBC PMI and PMI are still showing more signs of a positive recovery. Forecasts remain optimistic. GDP and Industrial production looks to have stabilised and the Li Keqiang index ticked up (see front page).

Commodities: A gloomy month for commodities. Oil remains range bound. In the Metals complex Gold and Silver further off and Copper moving sideways as it hits resistance above 7000. Biggest loser was Corn off dramatically on bumper harvest news.

Trade Shows /
Business events for
August:

IETEE
29-31 Jul 2014
Beijing,

Shenzhen International
Rail Transit Expo
30 Jul-01 Aug 2014
Shenzhen

Mobile Win Show
06-08 Aug 2014
Shenzhen,

CMET
07-07 Aug 2014
Shenzhen,

China International Meat
Industry Exhibition
11-13 Aug 2014
Shanghai,

China Xinjiang
International Agricultural
Fair
14-16 Aug 2014
Urumqi,

International Exhibition Of
Cross-Border Trade
15-20 Aug 2014
Shima,

International Sporting
Goods Fair
15-17 Aug 2014
Guangzhou,

BioProcess International
19-20 Aug 2014
Shanghai,

The Month Ahead

Economic Releases August:

These will be the key releases more likely providing the biggest impact in August.....

All times GMT:

- Fri Aug 1st 0200am: Manufacturing PMI
- Fri Aug 1st 0245am: HSBC Final Manufacturing PMI
- Sun Aug 3rd 0200am: Non-manufacturing PMI
- Fri Aug 8th Tentative: Trade Balance
- Sat Aug 9th 0230am: CPI YoY
- Wed Aug 13th 0300am: Industrial Production YoY
- Mon Aug 25th 0245am: HSBC Flash Manufacturing PMI

August 1st PMI numbers expected to be greater than July's 51 level and forecast at 51.4 – furthering signs that the Chinese economy is starting to push in the right direction again.

Political visits, trips and events August:

Chinese VP vows to strengthen ties with Canada.

The two countries are looking to strengthen practical cooperation and realize mutual benefits. The Canadian PM has been invited to attend the Autumn's APEC economies meetings in Beijing.



Chinese FM to attend SCO meeting.

Chinese Foreign Minister Wang Yi will attend a meeting of the Council of Foreign Ministers of the Shanghai Cooperation Organization in Tajikistan this week, a Foreign Ministry spokesman said Monday. Wang will also pay an official visit to Tajikistan, Egypt and the League of Arab States headquarters

This section looks forward to the next month in China and stories that may be of interest..... August

Business and current affairs in August:

- August like July is a quieter month for trade shows / events (78 in total), please refer to the wings of this page for a list of some of the more interesting events.
- **China to extend railways to borders with India and Nepal.** In August China will inaugurate a new engineering marvel a train line connecting Lhasa (Tibet) with Shigatse costing £1.3bn opening up the South of Tibet to tourism and more importantly mining. Further train line building will go ahead to open up further borders and areas previously hard to access.
- **Li offers revival for North East China.** Plans will be further laid out for stabilizing the economy in northeast China, a region that has seen growth slow since last year. Li urged local governments to promote scientific development, deepen reform, expand opening up, and be more innovative. He added that the region's abundant resources, industrial layout and talent should provide great growth potential. Regarding high-speed trains, nuclear power and high-voltage projects, equipment-making industries in which northeast China specializes, Li said more technological and product innovation is needed if the region is to maintain its edge in these sectors.
- **Hukou reforms to help 100 million Chinese**
China plans to help about 100 million people settle in towns and cities by 2020, as the dual household registration system is phased out, the State Council, China's cabinet, said on Wednesday.
A circular on the household registration - "hukou"- system said the government will remove limits in townships and small cities, relax restrictions in medium-sized cities, and set qualifications for big cities, putting an end to the system which has divided the nation into rural and urban populations since the 1950s.

Public Holidays July:

Mainland China: No holidays
Hong Kong: No holidays

Trade Shows /
Business events
for August:

Yunnan International
Solar Air Energy
Industry Exhibition

22-24 Aug 2014
Kunming,

NEPCON
Microelectronics
26-28 Aug 2014
Shenzhen,

Guangzhou
International Wind
Energy Exhibition
26-28 Aug 2014
Guangzhou,

Beijing International
Book Fair
27-31 Aug 2014
Beijing,

Chengdu Motor Show
29 Aug-07 Sep 2014
Chengdu,