

China Business Weekly

29 September 2026



FCCC/EUCBA ACTIVITIES

In-person Keynote: The Next Big Arenas of Industrial Competition in 2026: Shaping the Future of Chinese and Global Growth – Thursday, 8 October, 16h30 – Ghent



The **Flanders-China Chamber of Commerce** is organizing an Expert Keynote: “**The Next Big Arenas of Industrial Competition in 2026: Shaping the Future of Chinese and Global Growth**” on **8 October at 16:30** at Cercle Royal La Concorde, Kouter 150 in Ghent.

Keynote speaker:

Dr. Karel Eloot is a **Senior Partner at McKinsey & Company**, Greater China. He leads the China People and Performance Practice and co-leads the Global Metals & Mining Practice, authoring McKinsey’s annual Global Materials Perspective. Since joining the firm in 1997, Karel has worked across multiple industries including advanced industries and electronics, energy and materials, technology, as well as private equity. He is the founder of McKinsey’s Industrial IoT Hub, the Digital Capability Center of Tsinghua University and McKinsey in Beijing, and McKinsey Transformation in China. Living in China for almost 30 years, Dr. Eloot brings deep expertise on China’s economic and industrial transformation.

The **McKinsey Global Institute** identified 18 future arenas of competition, from AI services to space, that are increasingly writing the global growth story. Since 2022, an “AI foundation” set of industries involved in semiconductors, cloud services, and AI software has added \$500 billion in revenues and \$11 trillion in market cap. Nine “omniscalers” are spending heavily and spanning multiple arenas, generating over \$700 billion in operating cash flow and investing more than \$800 billion in R&D and capital expenditures in 2025. Companies headquartered in the United States and the Greater China region account for 90 percent of arenas’ market value today. US companies lead in 14 of the 18 arenas in market cap and ten in revenues, but China is now gaining ground. The findings provide a lens for CEOs, boards, and policymakers on the growth industries of the future and highlight what they can learn from the different leadership profiles of the US and China to (re)position themselves as competitive advantage is being reshaped.

Programme

16h30-17h00 Registration and networking

17h00-17h05 Welcome by **Ms Gwenn Sonck**, Executive Director, Flanders-China Chamber of Commerce

17h05-17h50 Presentation: "The Next Big Arenas of Industrial Competition in 2026: Shaping the Future of Chinese and Global Growth" by **Dr Karel Eloot Senior Partner at McKinsey & Company, Greater China**

17h50-18h15 Q&A session

18h15-19h00 Networking drink

If you wish to attend, please confirm your participation via the registration button below by **1 October 2026**.

Practical information:

Date: October 8, 2026

Time: 16h30

Location: Cercle Royal La Concorde, Kouter 150, 9000 Ghent, Parking: Kouter

Deadline for subscription: 1 October 2026

Participation Fee

Members: € 75 (excl. 21% VAT)

Non-Members: € 115 (excl. 21% VAT)

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China AI in Focus: What European Businesses Need to Know Now Monday, 19 October, 16h30 – Ghent

**China AI in Focus:
What European
Businesses Need to
Know Now**

法兰德斯中国商会 FCCC
VCKK
FLANDERS-CHINA CHAMBER OF COMMERCE
VLAAMS-CHINESE KAMER VAN KOOPHANDEL

Monday, 19 October
 16h30
 **Cercle Royal La Concorde,
Kouter 150, 9000 Ghent**

Etienne Charlier
AI Consulting,
Coaching, Training

The Flanders-China Chamber of Commerce is organizing an Expert Keynote: “China AI in focus: What European businesses need to know now” on 19 October at 16:30 at Cercle Royal La Concorde, Kouter 150 in Ghent.

China's AI landscape is evolving at remarkable speed, from computer vision and large language models to robotics operating in the real world. Chinese companies are increasingly moving beyond experimentation and integrating AI into products, processes and business models across a wide range of industries.

During this keynote, **Mr Etienne Charlier** will explore how Chinese companies are operationalising AI, and look beyond the familiar US platforms to the growing range of **open models and tools** that European teams can test, adapt and

improve. He will also address the main **risks and trade-offs** related to data, models, security, compliance and critical technological dependencies, and discuss why the current competitive window is open and why and how European companies should move now.

Keynote speaker:

Mr Etienne Charlier is an **AI and Business Strategy Expert** with nearly three decades of experience in China's technology sector. He has held senior management positions in China, including China General Manager and Vice President at a major telecom equipment manufacturer, and later founded a consulting firm in Shanghai. He holds an MBA from **MIT Sloan School of Management** and degrees in Engineering and Philosophy from **UCL**. Today, he helps companies understand and apply AI in practical business settings and has worked with organisations including **Barco**, **MEGVII**, **L'Oréal** and **Institut Pasteur**.

Programme

16h30-17h00 Registration and networking

17h00-17h05 Welcome by **Ms Gwenn Sonck**, Executive Director, Flanders-China Chamber of Commerce

17h05-17h50 Presentation: "China AI in focus: What European businesses need to know now" by **Mr Etienne Charlier**

17h50-18h15 Q&A session

18h15-19h00 Networking drink

If you wish to attend, please confirm your participation via the registration button below by **11 October**.

Practical information:

Date: October 19, 2026

Time: 16h30 - 19h00

Location: Cercle Royal La Concorde, Kouter 150, 9000 Ghent, Parking: Kouter

Price for members: €75 + 21% VAT

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ACTIVITIES SUPPORTED BY FCCC

over opportunities for the circular economy, innovation and collaboration with Zhejiang – 15 October 2026 – Sint-Andries

Thursday, 15 October 2026, 13:30 – 16:00 – Council Chamber, Provincial House Boeverbos, Koning Leopold III-laan 41, 8200 Sint-Andries.

Active in the circular economy, construction, water technology, R&D, or industrial innovation? Discover how Zhejiang and West Flanders collaborate on circular innovation through inspiring research projects and concrete practical examples. Also, find out what opportunities this collaboration offers for you, your research institution, or your company!

Program

13:30 Welcome & introduction: Learn about the bilateral collaboration between Zhejiang and West-Flanders and discover the bilateral industrial R&D projects.

Speakers:

- Ann Tavernier, Province of West Flanders
- YUAN Lingling, Department of Science and Technology of Zhejiang Province

13:45 Circular research projects in practice: Get inspired by concrete projects and best practices from Zhejiang and West Flanders. With a special focus on circular solutions in building & construction, water technology, and industrial innovation.

Speakers:

- Stijn Van Hulle, Ghent University
- GUO Yaping, Zhejiang University of Science and Technology
- Wouter Igodt, HelloWater
- LI Jiabin, KU Leuven
- SHEN Linchang, Chairman, Tongxiang Tongde Wall Building Materials Co., Ltd.
- West Flemish companies involved in research projects regarding water technology and building & construction (names TBC)

14:50 New materials and circularity: cross-border opportunities: Discover opportunities for knowledge exchange, research, and collaborative innovation regarding new circular materials and technologies between West-Flanders and Zhejiang.

- Speaker: Frederik Desplentere, KU Leuven

15:00 Matchmaking with Zhejiang: Engage directly with the Zhejiang delegation and explore possibilities for joint research projects, technological collaboration, knowledge exchange, and B2B partnerships. Discover the participating companies via the registration button.

16:00 Closing and networking drinks

Language: English-Chinese (simultaneous translation)

Participation and registration: Participation is free of charge, but please register in advance.

Organizers: The provinces of West-Flanders and Zhejiang.

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TRUMP-XI SUMMIT

Presidents Trump and Xi cement friendship, but few agreements reached



Chinese President Xi Jinping, accompanied by his wife Peng Liyuan and a large official delegation, paid a three-day visit to Washington. U.S. President Donald Trump and his wife Melania went to Joint Base Andrews in Maryland to welcome their Chinese guests. An official welcoming ceremony was held the next day at the White House before both Presidents started their meeting. While they cemented their friendship, few agreements were signed. The visit was called “heavy on pageantry but light on concrete deliverables”.

Following separate economic talks between U.S. Treasury Secretary Scott Bessent and Chinese Vice Premier He Lifeng, it was announced that both countries have agreed **to extend the Busan trade agreement for two months until January 10.** The Chinese government preferred an extension through the end of Trump’s presidency in January 2029, while Washington sought a shorter-term deal. Both sides also **agreed to operationalize the Board of Trade** where both sides select non-sensitive sectors and products capped at USD30 billion each to implement lower tariffs.

They also agreed **to open an AI or – as Trump calls it – a ‘super intelligence’ communications channel.** A meeting of the newly formed U.S.-China Super Intelligence (SI) Dialogue would take place by November. President Xi said that both China and the U.S. are leading nations in artificial intelligence and have the capability and responsibility to develop and manage AI for good, and to ensure that the development of AI is always under human control and serves the well-being of the people. Xi reiterated that China and the U.S., as two major countries, stand to gain from cooperation and will both lose in confrontation.

The Guardian reported that President Xi called for extensive cooperation with the U.S. **to avoid the “Thucydides trap” that could put both countries on a military collision course** amid rising tensions over

artificial intelligence (AI), trade and Taiwan. At the start of his summit meeting with Donald Trump in the White House, the Chinese President laid out terms for a mutual understanding that he said could steer the two competing powers away from future military conflict and on to a road of mutual gain. We should coexist in peace and build a constructive China-U.S. relationship of strategic stability, Xi added.

Describing relations as being at a “new historical juncture”, the Chinese leader said **Trump’s “Make America Great Again” was complementary with Beijing’s commitment to realizing the great rejuvenation of the Chinese nation.** Xi, meanwhile, noted that George Washington, the first U.S. president, personally acquired a large collection of Chinese porcelain as a symbol of that long commercial relationship. “Over 200 years ago, soon after its independence, the United States turned its eyes to China,” Xi said. “Our two countries started trading with each other, exchanging goods to meet each other’s needs and draw on our complementary strengths.” Xi urged Washington to treat Chinese firms fairly, while vowing to keep China’s door “always wide open” to American companies. The two sides could lengthen the list of cooperation and shorten the list of problems, he added.

At the formal White House dinner, sitting at the main table with Xi and Trump were Chairmen and CEOs of major U.S. tech companies, including Tesla CEO Elon Musk, Nvidia CEO Jensen Huang, Advanced Micro Devices CEO Lisa Su, and Apple Board Chairman Tim Cook. Also attending the dinner were OpenAI CEO Sam Altman, Amazon Chairman Jeff Bezos, Google CEO Sundar Pichai; the CEO of Micron Technology Sanjay Mehrotra, JPMorgan Chase CEO Jamie Dimon, Citigroup CEO Jane Fraser, Lockheed Martin CEO James Taiclet, and Pfizer Chairman Albert Bourla. Chinese business executives were not included in Xi’s delegation aboard his special plane. Some traveled independently to Washington, but none were invited to attend the White House dinner.

President Xi also invited 100,000 young Americans to visit China for exchanges and studies in the coming five years, and said two pandas will come to their new home in Zoo Atlanta.

Xi and Trump are expected to meet each other again twice before the end of the year, in November at the Asia-Pacific Economic Cooperation (APEC) Summit in Shenzhen and the following month at the G20 Summit in Miami.

This overview is based on reports by the China Daily, Global Times, South China Morning Post and The Guardian.

AUTOMOTIVE

U.S. automakers are exercising in China, the global “super gym”



U.S. automakers are increasingly using China as a “global super gym” to exercise in order to remain competitive in the world market. At a deep-water terminal on China's east coast in late September, rows of electric Transit City vans – fresh off Ford's China assembly line – stood in tight formation, waiting to be driven aboard a giant roll-on/roll-off ship. Those **electric cargo vans, built by Ford in partnership with Jiangling Motors for modern urban logistics, embarked on a voyage of more than 15,000 kilometers**, heading for developed markets such as Europe. Later, the export market for the electric van will expand to 52 countries and regions across five continents. Back in 1997, the first China-built Transit – a Ford design localized with Jiangling Motors – rolled off the production line in Nanchang, Jiangxi province. Today, China-made electric vans from the same Transit family, which are also Ford's first battery-powered commercial vehicles to be exported from China to developed markets, are sailing toward Europe. What began as local assembly three decades ago has evolved into a compelling story of deeper collaboration between the Chinese and U.S. auto industries. The two sides are increasingly intertwined, working hand in hand and growing together – **China is playing an irreplaceable, multidimensional role for American brands and suppliers seeking to expand globally.**

A growing number of U.S. carmakers, such as Tesla and General Motors (GM), has been pursuing deeper cooperation across the Chinese supply chain. These bilateral ties have strengthened even further with the sweeping wave of intelligent driving and new-energy vehicles (NEVs). In this context, the past years have witnessed a profound change in the country's role – from merely a sales market and a local factory floor to a global production base and a center of innovation that is setting the pace for the industry's transformation. Chinese analysts believe that the imminent arrival of Ford's all-electric Transit City in Europe reflects a broader trend of China's increasing role as a global hub for electric vehicle production – whether in balancing global supply chain cost, securing worldwide deliveries, or developing the latest technologies.

Ford China will begin exporting hybrid new-energy models built in its Chinese factory to North America next year,

accelerating its **strategy of “based in China, serving the world.”** Additionally, the American automaker is jointly developing a range-extended electric model – which the company says is the world's first of its kind – with a Chinese peer, and the model is slated for overseas export starting in 2027, the Global Times learned. The deeper partnership plays to the strengths of both sides. “It draws on Ford's established global sales network and brand, as well as the design, technology, manufacturing, quality and cost advantages of products developed in China, expanding complete-vehicle exports from China so that customers worldwide receive better products – and Ford gains a sharper competitive edge in local markets,” the company told the Global Times.

Another veteran U.S. automaker, **GM**, is also embracing a similar paradigm shift, which the company describes as moving from **“global localization” to “China-based globalization.”** The company told the Global Times that in the past, joint ventures (JVs) established by U.S. and Chinese partners primarily served to bring global technology into China and adapt it to local demand. Now, the roles of these JVs are to fully leverage China's strengths in user insight, technological innovation, intelligent manufacturing and industrial-chain efficiency, pushing more products and technologies defined, developed and made in China into global markets.

In August, GM and Chinese automaker SAIC Motor signed an agreement to renew their JV, SAIC-GM, extending the term by 20 years to 2047. In October, the JV's Buick Electra E7 model will formally begin overseas exports, becoming the first high-end new-energy model from SAIC-GM to go abroad. The renewed JV will also continue to expand in the Middle East, Africa, South America, Mexico and the Asia-Pacific in the future. This push is part of a much larger trend. In 2025, China's auto exports rose by 21.1% to nearly 7.1 million units, ranking first in the world for a third consecutive year, data from the China Association of Automobile Manufacturers (CAAM) showed. Among these exports, JV companies performed impressively.

China has been the world's largest auto market for years. The country also has one of the world's largest consumer markets, along with efficient supply chains, a rapid pace of innovation and a large talent pool. “Each of these strengths makes American companies more competitive globally, helping them bring better products to market faster and at lower cost,” Harley Seyedin, President of the American Chamber of Commerce South China, told the Global Times. On the consumer side, the sheer scale of the market allows U.S. firms to spread R&D and production costs across large volumes and test products with demanding, fast-changing buyers. In terms of the supply chain, China's density and efficiency shorten lead times, reduce costs and facilitate easier customization, Seyedin said.

MANUFACTURING

Anhui emerging as one of China's fastest-rising manufacturing centers



Anhui, an inland province, has emerged as one of China's fastest-rising manufacturing centers. China's most advanced factories are not becoming less important, but the things that increasingly determine their competitiveness are becoming harder to see: the chemistry inside a film, the algorithm behind a production schedule, the data streaming from a welding robot or an artificial intelligence system deciding whether something on the line needs attention. In other words, the factory is no longer defined simply by its walls. That shift was on display as the **2026 World Manufacturing Convention opened in Hefei**, which attracted more than 1,000 guests, including over 500 overseas representatives. More than 900 companies showcased over 10,000 products across 70,000 square meters, ranging from intelligent connected vehicles and semiconductors to robots, embodied AI, quantum technology and biomanufacturing. Organizers have also identified 946 potential cooperation projects worth more than CNY400 billion.

Liang Yanshun, Communist Party Secretary of Anhui, said at the convention that every minute, factories across Anhui produce about 190 home appliances, 50 laptop computers and four new energy vehicles. "Such momentum benefits from Anhui's decades of technological innovation and intelligent transformation. More and more Anhui-made products are setting sail overseas and benefiting consumers around the world," he said. The convention comes as **Anhui moves unusually quickly up China's industrial rankings**. Latest data from the Anhui provincial government showed that during the 14th Five Year Plan period (2021-25), revenue from Anhui's industrial enterprises above a designated size (with revenue of more than CNY20 million) climbed to CNY5.9 trillion from CNY3.8 trillion, taking the province to fifth place nationally.

Behind those numbers lies a broader experiment: whether China can turn the scale it built over decades into deeper technological and systems-level advantages. Inside **Hefei Lucky Science & Technology Industry Co** that transformation can be held between two fingers. Place one of its polarizing films over a demonstration LCD screen and

an image suddenly appears. Remove it, and the image disappears. Zhu Yejian, Deputy General Manager of Hefei Lucky, said the company **mainly produces optical films used inside LCD televisions**, which include reflective, diffusion and composite films, as well as base materials used in polarizing films. "These products also extend into laptops, smartphones, multilayer ceramic capacitors and protective films for foldable phones," Zhu said. "They may look simple, but making them reliably is not. Twenty years ago, most of these films were imported."

The problems were often microscopic: scratches, tiny surface defects, unevenness, thermal instability and optical imperfections. Over two decades, Hefei Lucky repeatedly upgraded equipment and production processes to tackle those issues, Zhu said, allowing the company to substitute domestically made products for imported ones in areas it had targeted.

It captures one of the quieter shifts in Chinese manufacturing. A generation ago, industrial progress was often measured in tons of steel, kilometers of production line or millions of units rolling from factories. Now some of the toughest industrial battles are fought across microns. The accumulated skills that Lucky once used to make photographic film – forming films, coating them and controlling microscopic structures – did not disappear with the camera roll. They migrated into materials buried deep inside modern electronics. The surrounding district tells a similar story. **Hefei Xinzhan High-tech Industrial Development Zone has gathered nearly 300 companies across the new-display supply chain**, including BOE, Visionox and SeeYA Technology, creating a cluster in which panel makers, material suppliers and equipment companies are increasingly close to one another. That clustering matters because modern manufacturing competition is increasingly less about a single finished product than about how much of the difficult technology underneath it can be controlled, improved and scaled locally.

A short drive away, another old industrial company is confronting the same shift from a different direction. **Anhui Heli Co** traces its history to 1958 and is **one of China's biggest forklift manufacturers**. In 2025, it sold 394,500 vehicles and generated more than CNY19.8 billion in revenue. For decades, a factory like Heli's depended heavily on something difficult to write into a balance sheet: human experience. An experienced production manager knew which batch of parts was late. A veteran technician could hear that a machine sounded wrong. Dispatchers walked the shop floor asking where bottlenecks had formed. Now much of that information is being pulled into what Heli describes as a "digital brain". Working with China Telecom Anhui and other technology partners, Heli has deployed a manufacturing operations management platform that links data from people, machines, materials, production and quality systems, the China Daily reports.

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CHINA NEWS ROUND-UP

Chinese car sales rise in Europe

Chinese carmakers are making deeper inroads into Europe's auto market, bringing more high-quality and affordable vehicles to consumers as their sales continue to rise. Chinese brands accounted for a record nearly 12% of new car sales, a quarter of hybrid sales and about a third of plug-in hybrid sales across Europe in August, according to figures from automotive market research firm Dataforce. Among Chinese manufacturers, BYD recorded 26,103 registrations in August, up 131% year-on-year, while Chery Automobile's registrations surged 210% to 24,332 vehicles. SAIC Motor, which owns the MG brand, sold 21,132 vehicles, an increase of 32%, Dataforce figures showed. The August performance extended a rapid rise in Chinese brands' presence in the European market. Between January and July, they accounted for 8.7% of new-car registrations in Europe, a sharp increase from just 0.6% during the same period in 2021.

The growth came as Europe's shift toward electrified vehicles gathered momentum. Demand for battery-electric and hybrid vehicles combined rose 27% year-on-year, offsetting falling demand for vehicles powered solely by fuel and helping the overall European market expand 4.6%, according to Dataforce. **"Chinese NEVs have offered the right solutions at the right time in Europe over the past few years,** where high energy prices and rising inflation have made consumers much more sensitive to the total cost of vehicle ownership," said Liu Yan, Chief Lecturer at the China Automotive Strategy and Policy Research Center. Chinese NEV makers have gained traction in Europe by offering products that combine competitive pricing with strong technology and performance, Liu said, adding that European consumers now increasingly associate Chinese-brand cars with "environmental friendliness, new technologies and stylish design".

A July survey by consulting firm McKinsey & Company found that **European consumers interested in Chinese brands cited value for money, innovation and advanced electric-vehicle technologies** among the main reasons for considering them. More than half of European respondents viewed Chinese automakers as technology leaders in battery-electric vehicles, while 40% said the same for plug-in hybrids. PHEVs have emerged as a particularly strong growth driver for Chinese carmakers in Europe, offering consumers a middle ground between conventional vehicles and fully electric models amid concerns over charging access and driving range. Matthias

Schmidt, Founder of Germany-based Schmidt Automotive Research, said the growing role of Chinese PHEVs in Europe has become particularly visible this year. Chinese manufacturers accounted for 26% of all PHEVs registered in the 18 Western European markets tracked by the consultancy firm in the second quarter, with their share rising above 30% in June, the China Daily reports.

Top 500 private enterprises list shows steady growth

The latest rankings of China's 500 largest private enterprises were announced, with leading tech giants including Alibaba, Huawei, and BYD retaining top positions on the list. The list shows that amid complex economic conditions, China's private sector is leveraging innovation-driven strategies to demonstrate resilience and vitality, achieving steady growth. The list, compiled by the All-China Federation of Industry and Commerce (ACFIC), showed that 6,350 enterprises with operating revenue exceeding CNY1 billion each in 2025 participated in this year's survey. The top 500 were ranked by operating revenue. The total operating revenue of China's top 500 private enterprises reached CNY44.93 trillion, up 4.35% year-on-year. Their total net profit rose by 1.31% to CNY1.83 trillion.

Compared with last year's list, the most notable change is the continued optimization of the industrial structure, with the growing weight of enterprises in the real economy, high-end manufacturing, and artificial intelligence (AI)-related sectors. Beijing-based Economist Tian Yun, told the Global Times. The list shows that high-end manufacturers continue to expand in scale, with companies such as BYD and CATL remaining among the top ranks. AI is now expanding into the real economy, with a growing number of related firms making the list, Tian said. Among the top 500 private companies, manufacturing enterprises reported a combined operating revenue of CNY32.22 trillion, up 8.73% year-on-year, accounting for 71.72% of the total. These companies are actively expanding into strategic emerging industries and industries of the future. A total of 311 companies have invested in 679 projects in strategic emerging industries, spanning sectors including new materials, new energy, and next-generation information technology. Meanwhile, 82 companies have launched 112 projects in industries of the future, covering areas including embodied intelligence, hydrogen energy and nuclear fusion energy, and biomanufacturing, according to the survey. "In addition, the list shows that not only have many Chinese private enterprises continued

to expand in scale, but some have also broken into the Global 500, underscoring the resilience and international competitiveness of China's private economy," the expert said.

The survey showed that the top 500 enterprises reported combined overseas operating revenue of CNY3.70 trillion, up 11.23% year-on-year, and 209 made overseas investments, up 3.98% year-on-year. "Another distinct feature is **the continuous rise in research and development (R&D) intensity among private enterprises**, which are increasingly demonstrating their crucial role in cultivating and strengthening new quality productive forces," Wan Zhe, Professor at Beijing Normal University, told the Global Times. The survey showed that 60.6% of these enterprises have formulated strategic plans for digital transformation, while 83.4% are advancing green and low-carbon transition initiatives. Additionally, the top 500 reported combined R&D spending of CNY1.26 trillion. Private enterprises offer a micro-level window into China's macroeconomy, while these new trends showcase the transition toward an economy driven by manufacturing upgrading and tech innovation, Wan said.

T-Head Semiconductor presents China's most powerful AI chip

Alibaba's chip subsidiary T-Head Semiconductor Co announced its next-generation training and inference artificial intelligence (AI) chip, Zhenwu V900, which it called the most powerful Chinese AI chip in terms of computing performance. The launch highlights the growing momentum behind homegrown alternatives to foreign AI processors, as China steps up efforts to achieve technological self-reliance under U.S. export controls on advanced semiconductors. Zhenwu V900 was unveiled by at an industry conference in Hangzhou, Zhejiang province. According to the company, Zhenwu V900 delivers roughly three times the performance of the previous generation Zhenwu M890, and is designed to support the training and inference demands of trillion-parameter-scale models.

Mass production and commercial sales are scheduled to begin in the first quarter of 2027, the company said. The next-generation chip is built on T-Head's proprietary parallel computing architecture and provides native support for FP8 and FP4 low-precision computing. The company said that this significantly improves computing density while reducing inference costs, making the chip suitable for a wide range of scenarios, including high-precision training, low-precision and ultra-low-precision inference. Industry observers said that this launch reflects the broader progress of China's domestic AI chip sector, which has been expanding in both performance and supply to support cutting-edge model training and inference. Zhenwu series chips serve more than 650 enterprise customers across sectors including autonomous driving, finance, large-language models, embodied intelligence, energy and manufacturing. The supernode systems based on the Zhenwu M890 have supported domestic large-language models with more than 2 trillion parameters, including Alibaba's Qwen3.8 and Moonshot's Kimi K3.

In addition to T-Head, Chinese AI chip producers such as **Huawei, Hygon Information Technology, Biren**

Technology, Shanghai Enflame Technology, MetaX and Moore Threads also offer a diverse range of domestically developed chip solutions, contributing to a more self-reliant semiconductor ecosystem. A report by Bernstein Research in June said that Nvidia had about a 40% share of China's AI chip market in 2025, roughly on par with Huawei. **Bernstein projected that Nvidia's share could fall to about 8% this year, while Huawei's could rise to about 50%.** Ma Jihua, a veteran tech industry analyst, told the Global Times that China's chip industry has entered a phase of "multiple breakthroughs, simultaneous progress and mutual support," with a more complete end-to-end coordination system taking shape across chip design, interconnect technologies, networking and storage, operating systems and related software ecosystems.

Ma said that the sector is large and growing rapidly, and it has become an increasingly important part of China's export structure. He noted that China has built clear advantages in mature-process manufacturing, including production scale, yield rates, and supporting manufacturing and research and development (R&D) capabilities. However, Ma stressed that key bottlenecks remain in upstream equipment and tools, including extreme ultraviolet lithography machines and electronic design automation software, which are still major areas for breakthroughs.

China's intelligent computing power projected to soar 87.9% in 2026

Rapid growth in the number of artificial intelligence (AI) agents and token consumption is driving a continued rise in demand for computing power, with **China's intelligent computing power estimated to surge 87.9% year-on-year to reach 2,576.5 exaflops (EFLOPS) in 2026**, according to a new industry report. Released by U.S. market research company International Data Corp (IDC) and Chinese tech firm Inspur Group, the report projected that the figure will reach 10,524.3 EFLOPS by 2030. **The compound annual growth rate of intelligent computing power from 2025 to 2030 is projected at 50.3%**, up from the previous forecast of 46.2%. "The soaring growth in computing power signals an acceleration in AI applications in China. This rapid growth is not merely the result of adding more hardware, but a reflection of genuine and robust industrial demand driven by large-scale commercialization. As AI agents emerge as a new engine of growth, AI is evolving from simple conversational agents to agents capable of executing complex tasks," Chen Jing, Vice President and Research Fellow at the Society for the Study of Technological and Strategic Trends, told the Global Times. The expert said that the growth of China's intelligent computing power is among the fastest globally, although the U.S. maintains advantages in advanced AI chips and high-end computing resources.

"The exponential expansion of China's computing power serves as a pivotal driver of the democratization and wider accessibility of AI. Most notably, it has drastically lowered the cost of global AI adoption. Spearheaded by Chinese models such as DeepSeek, global API prices have plummeted by roughly 90%, making AI more affordable for a wider range of enterprises," Chen said. Tokens, the basic units that AI models use to process information, have

become a barometer of industry development and a key indicator of AI adoption. Wang Guanhua, Spokesperson of the National Bureau of Statistics (NBS), told a press conference in July that China's average daily token usage had reached several hundred trillion, demonstrating the vitality and potential of the digital and intelligent economies.

It is projected that by 2035, AI will contribute more than CNY11 trillion to China's GDP, potentially driving a tenfold or even hundredfold increase in demand for computing power. To meet this massive demand, a balanced and orderly expansion of computing power supply is crucial, the Xinhua News Agency reported.

As AI and large-scale data processing define the global tech competition, China has stepped up efforts to build a national integrated computing power network as a cornerstone of the country's new types of infrastructure. A top-level meeting in April 2026 called for stepping up efforts in planning and construction of computing infrastructure – alongside water networks, new-type power grids, new-generation communications networks, and urban underground pipelines, the Global Times reports.

China remains among top three global investors

China's outbound direct investment (ODI) maintained robust growth in 2025, with Chinese companies expanding their global presence while investing more capital into emerging sectors including the green and digital sectors. The sustained growth reflects Chinese companies' rising global competitiveness and their increasing ability to allocate resources worldwide and participate in the international division of labor, while deeper investment cooperation is also creating new opportunities for host economies. China's ODI flows climbed 11.1% to USD213.58 billion in 2025, with its investment stock standing at USD3.4 trillion, keeping the country among the world's top three investors for nine straight years.

China accounted for 7.4% of global outward investment, according to data jointly released by the Ministry of Commerce (MOFCOM), the National Bureau of Statistics (NBS) and the State Administration of Foreign Exchange (SAFE). China's outbound investment covered 18 sectors of the national economy and was mainly concentrated in leasing and business services, wholesale and retail trade, manufacturing, and finance. In recent years, investment has steadily expanded into green and low-carbon sectors, the digital economy and green mineral resources, the data showed.

The continued growth of China's ODI shows that Chinese companies' global operations are entering a deeper stage of development, Hu Qimu, Professor at the Maritime Silk Road Institute of Huaqiao University, told the Global Times. "Their overseas expansion has gradually moved beyond simply exploring markets to industrial chain coordination, technological cooperation, green transformation and the digital economy," Hu said. Chinese companies' global footprint and deeper integration into regional and global economies have helped strengthen their competitiveness while fueling industrial growth in host economies. Such investment also underpins the stability and security of

global supply chains. **By the end of 2025, Chinese investors had set up 58,000 overseas enterprises across 189 countries and regions.** Those overseas entities employed 2.965 million foreign workers.

Cooperation under the Belt and Road Initiative (BRI) delivered solid results in 2025. Chinese firms invested USD46.05 billion directly in Belt and Road partner countries last year, equivalent to 21.6% of China's total outbound direct investment flow. Around 22,000 overseas enterprises have been established in these countries, with related investment reaching USD407.25 billion.

Against the backdrop of continued uncertainties surrounding the global economic recovery, some countries are pushing so-called supply chain "de-risking" while introducing more investment and trade restrictions, Hu said. In this context, Chinese companies' continued expansion of international investment and industrial cooperation will help facilitate cross-border flows of capital, technology and production factors and strengthen industrial ties among different economies, according to Hu. The growth momentum has continued into 2026. From January to July, China's outbound direct investment across all industries reached CNY684.51 billion, up 2.8% year-on-year, the Global Times reports.

Rentals of exoskeletons help people lessen physical exertion climbing stairs and mountains

Tourists and hikers in China who plan a rather exhausting climb or trek can now get help at many tourist spots by scanning a QR code, opening a locker, and putting on an exoskeleton that could cut physical exertion by up to 40%. It can prevent backache or leg pain. Exoskeleton rental stations have been emerging at many scenic spots across the country, including the Badaling section of the Great Wall in Beijing, Taishan Mountain in Shandong province and Huashan Mountain in Shaanxi province, with rental costs ranging from CNY80 to CNY200. The experience of using an exoskeleton shows how technological progress can bring convenience to everyday life at an affordable cost.

Older residents who struggle to climb stairs in buildings without elevators could rely on the device for support. Such equipment was once primarily the preserve of the military, the industrial sector and medical rehabilitation. However, with advances in lightweight motors, artificial intelligence systems and wearable technologies, **assisted outdoor mobility has emerged as a promising new field.**

Chinese tech companies are leading the way. Founded in 2021, **Hypershell is a global pioneer in the sector.** With the release of its Hypershell X series in 2024, the company was among the first to achieve mass production and commercialization of consumer-grade exoskeletons. A recent surge has seen more domestic tech enterprises and outdoor sports brands jump onto the exoskeleton bandwagon. On September 22, **ULS Robotics** released Viatrix X, its new-generation 2.58-kilogram exoskeleton, which is designed for outdoor exploration. Xie Gongjin, President of Marketing, said exoskeletons have become lighter and more comfortable, while deeper AI integration enables more precise human-machine collaboration. "As the robotics industry chain matures and core components

are mass-produced, the price of consumer-grade exoskeletons has fallen into a range the general public can accept,” he said. Unlike industrial and medical exoskeletons, he added, **outdoor exoskeletons target ordinary users and have huge market potential.** “Complex, open mountain and wild environments are where exoskeleton technology can create the greatest value,” he said. Industrial exoskeletons, Xie said, are designed for standardized, repetitive tasks within a limited range of motion, such as bending, lifting and carrying. Outdoor use requires a dynamic system that responds to human movement in real time, he added, as reported by the China Daily.

China’s motorcycle industry shows latest innovations at Chongqing exhibition

In a significant display of international cooperation and industry evolution, the 2026 China International Motorcycle Trade Exhibition (CIMAMotor) in Chongqing served as a pivotal platform for global motorcycle manufacturers and suppliers. The event underscored the interconnectedness of the global supply chain, leading to numerous collaboration agreements aimed at enhancing innovation and sustainability in motorcycle manufacturing. The exhibition at the Chongqing International Expo Center in the city’s Liangjiang New Area is **China’s only national-level motorcycle trade show and the world’s second-largest.** Since its inception in 2002, the annual exhibition has become a premier platform for industry exchange and collaboration, showcasing the latest innovations in motorcycle technology. The opening day of the exhibition saw over 50,000 visitors, with more than 2,500 international professionals from over 100 countries, including the United States, Italy, Germany, France and Japan. This year’s event set new benchmarks with over 100 global motorcycle and electric vehicle brands, 1,120 exhibitors and more than 3,000 vehicles on display, covering the full spectrum of the motorcycle industry’s supply chain, the organizing committee said.

The 190,000-square-meter venue had eight indoor halls and an outdoor zone, aligning with industry trends in electrification, intelligence and high-end development. Exhibits included fuel and electric two-wheelers, three-wheelers, four-wheelers and all-terrain vehicles, covering a wide range of categories such as racing replicas, cruisers, scooters, street bikes, vintage models, rally bikes and off-road vehicles, along with parts and components. The comprehensive display highlighted the entire motorcycle industry’s supply chain in a showcase of global manufacturing excellence. The global spotlight was on the two-day bustling supply chain and trade matchmaking sessions, which attracted around 110 international buyers from key motorcycle markets such as Europe, Southeast Asia, Latin America, Africa and the Middle East. Over 200 leading Chinese motorcycle manufacturers participated in targeted matchmaking sessions, underscoring China’s pivotal role in the global motorcycle industry.

One of the attendees, Sacit Ertug, CEO of Ertug Reklam, a motorcycle maker based in Istanbul, Turkiye, was looking for Chinese suppliers that could provide completely

knocked down motorcycles, a format essential for his company. “I discovered the exhibition online and decided to attend, flying nearly half a day to get here,” Ertug said. His company is currently bracing for the electrification of motorcycles, planning to use its own chassis, batteries and locally sourced tires while sourcing the rest of the motorcycle components – such as the engine and electrical hub motor – from China.

Chongqing, celebrated as China’s “Motorcycle Capital”, has reinforced its status as the nation’s largest motorcycle production hub, boasting the country’s most comprehensive motorcycle industry system. Chongqing’s comprehensive motorcycle production capacity is supported by **51 large-scale manufacturers** and over 410 parts suppliers, boasting an annual production capacity of 10 million vehicles and 20 million engines. Last year alone, the city produced approximately 7.86 million motorcycles, accounting for 35.5% of China’s total motorcycle production. One in every three exported motorcycles is made in Chongqing, and five of the country’s top 10 motorcycle exporters are based in Chongqing, the China Daily reports.

De Beers sees future growth potential for diamond sales in China

Seeing future potential growth, diamond company De Beers Group will continue to offer high-quality products to the Chinese market, encouraging more consumers to shop in China. Sandrine Conseiller, CEO of De Beers Brands, said: “China’s diamond consumption market is stable and I see a lot of growth potential in the future. There is a long history between China and diamonds, a history that is thousands of years old. In addition, according to the survey we have been doing over the past 15 years, where we give consumers the choice between luxury, travel, electronics and diamonds, most of them still pick diamonds.” “For the Chinese consumer, there are a lot of new occasions to buy diamonds. Women buying for themselves is now the driving force, as they buy diamonds to mark important milestones. It could be a baby born, it could be getting a promotion, it could be just a moment they want to remember. This desire gives us a great opportunity,” she said. Conseiller added that in China, De Beers Group has also started to see more and more men wearing diamonds, and most of the collection can be considered unisex. “It started with brides and weddings, and now it’s expanding much more into self-purchase for women. But I believe the market for men wearing diamonds is growing, especially among the younger generation.”

Data from the Gems and Jewelry Trade Association showed that **in 2025, China’s natural diamond consumption market totaled CNY48 billion, up 11.6% year-on-year.** Under the Shanghai Diamond Exchange’s general trade items, China’s import of natural diamonds in 2025 reached USD656 million, 65% higher than the previous year. Zhang Chenkai, Managing Director of Shanghai-based China Insights Consultancy CIC, said “Although lab-grown diamonds with lower prices take up a certain market share, the role of natural diamonds is still irresistible.” **De Beers Group** is among the first group of multinational corporations **to join China’s “Shopping in**

China” initiative – a campaign launched by the Ministry of Commerce (MOFCOM) in April 2025 to attract consumers and boost consumption in China. Conseiller said: “We are among the first batch of companies to join the initiative as we believe it is aligned with the value of natural diamonds. The initiative is opening a lot of opportunities to present consumers with products that are really valuable to them.”

On July 29, De Beers Group launched “Desert diamonds in China”, inspired by the colors and landscapes of the desert

where some diamonds come from. Currently, the group is selling Desert diamonds in 100 retail stores in China, and it plans to broaden the range to more retail stores in the future. Zhang from CIC said that the future of diamond consumption lies in breaking the aesthetic stereotype of pure white diamonds, and combining natural gemstones with color schemes, new Chinese elements, or inlay with gold and silver jewelry, emphasizing personalization and uniqueness, the China Daily reports.

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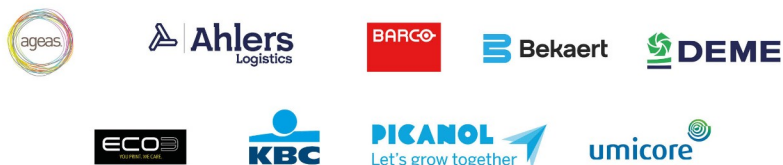
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