

## QUOTABLE

"I am the driver of the bus and all of you are my guests. I will not allow anyone to throw out my guests. It is not right, regardless of the reason, to reject a migrant worker's right to take a bus."

**A BUS DRIVER** in Nanjing, capital of East China's Jiangsu province, said after he saw a man demanded two migrant workers get off the bus. On Saturday, a passenger on a No 28 bus surnamed Wu asked two migrant workers to get off, saying they had an unpleasant odor. His behavior outraged other passengers on the bus as well as the driver.

## THE NUMBER

1.7

PERCENT

China's inflation rate is likely to fall below 2 percent in July due to the base effect, giving authorities more room to beef up monetary supply to support growth, according to the latest bank estimations. The consumer price index, a key gauge of inflation, will rise 1.7 percent year-on-year in July, slower than the 2.2-percent growth seen in June, the Bank of Communications said in its monthly economic data forecast reports.

## ON THE WEB

Highlights from chinadaily.com.cn



**Buzzword:** News snickers, people with short attention spans who primarily get their news in short bursts from things like micro blogs, RSS feeds and mobile phones.

**Video:** The latest edition of *The Week* takes a look at the lighter side of the Olympics: trash talk, "horse ballet" and what the athletes get up to when the lights go out.

**Slideshow:** See the best shots from London 2012 on Picture of the Day.

**Culture:** Learn more about Dong Yuan, one of the greatest painters in the Later Tang Dynasty (923-936), who is considered the father of landscape painting in South China.

On China Forum

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**Pictures:** A selection of artist Bobby Neel Adams' *Age Maps*, in which he merges people's childhood photos with modern day images.

**Competition:** Guess the six countries that have won the most Olympic gold medals.

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## New engine passes test and revs up space hopes

Lunar mission will explore moon's surface and bring back samples

By XIN DINGDING  
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A next-generation engine, that will pave the way for lunar exploration, was successfully tested on Sunday.

The engine, with a 120-ton-thrust using liquid oxygen (LOX) and kerosene, will enable the Long March 5 carrier rocket — which is expected to make its maiden voyage in 2014 — to place a 25-ton payload into near-Earth orbit, or place a 14-ton payload into geostationary orbit, experts said.

The tests, which included seeing how the engine would respond to rotational speeds of nearly 20,000 revolutions per minute and temperatures of 3,000 C for 200 seconds, were held in Xi'an, capital of Shaanxi province.

"The successful tests confirm the reliability of China's LOX/kerosene engine," said Lai Daichu, test commander.

Tan Yonghua, head of Xi'an Aerospace Propulsion Institute under the China Aerospace Science and

Technology Corp, which developed the engine, said that the single engine currently used by Long March carrier rockets only has a 75-ton thrust, much less than the 120-ton thrust of the new engine.

Luan Xiting, deputy head of the institute, said that the new engine's extra thrust will enable China to assemble a space station and also help with the third stage of the lunar exploration program.

The three stages involve orbit, landing and return.

Earlier reports said that the Chang'e-5 lunar explorer will bring about 2 kg of lunar samples to Earth.

Ouyang Ziyuan, a senior consultant in the lunar exploration program and a mem-

ber of the Chinese Academy of Sciences, said that Chang'e-5 will be launched atop the Long March 5 carrier rocket from the new space launch center in Wenchang, Hainan province, which is under construction.

The space program is in the second stage, with three lunar exploration spacecraft, Chang'e 2, Chang'e 3 and Chang'e 4.

Ouyang said in a recent e-mail reply to China Daily that China will launch its third lunar explorer, Chang'e 3, next year to land on the moon.

A rover will explore its surroundings.

The landing is expected to be the most challenging part of the mission, he said.

Chang'e 3 will hover about

4 meters above the lunar surface.

Then the engine will cut out, and the Chang'e 3 will drop onto the surface.

As for the rover, the leading scientist in lunar exploration said it is "China's most advanced robot".

The rover carries a lunar "radar" and while it is operating on the surface it can scan several hundred meters under the surface.

The rover also carries instruments that can detect minerals.

To combat nighttime temperatures, -180 C, scientists have developed nuclear-powered batteries that can help the lander and rover function.

They will conserve energy by "hibernating" and when

the sun rises the solar energy will "wake" the lander and the rover, he said.

Ouyang said the second lunar orbiter, Chang'e 2, has traveled to explore an asteroid.

The asteroid, 4179 Toutatis, is listed as a potentially hazardous object by scientists because it makes frequent Earth fly pasts.

Prior to traveling into deep space, Chang'e 2, launched in October 2010, completed its six-month mission and spent 235 days some 1.5 million km from Earth, where it gathered a large amount of scientific data about solar activity, he said.

It started its quest for the asteroid on April 15, and is expected to observe the asteroid close up, he said.

## around china

BEIJING

## Charity regulations tightened

The Ministry of Civil Affairs has published a new set of regulations governing charity foundations, which require regular financial reports and tighter internal management structures.

Under the regulations, foundations must provide detailed reports on donations and expenditures.

If a charity project goes on for more than three months, quarterly financial reports are required, and a comprehensive report must be released for public scrutiny at the end of a project.

The new regulations also state that donors may request information on how their money is spent.

Administrative expenses, including the salaries of charity employees, may not be more than 10 percent of the annual spending, according to the regulations, and charitable foundations are prohibited from carrying out or sponsoring any profitable activities, the regulations stipulate.

HAINAN

## Relic sites found off Xisha Islands

Archaeologists have uncovered 12 new underwater cultural relic sites near the Xisha Islands in the South China Sea, an official from Hainan provincial government said on Sunday.

The new sites were discovered during routine patrols in the area, involving 260 dives lasting 220 hours.

The archaeologists had been examining 12 known cultural relic sites when the 12 new sites were found. A large quantity of specimens have been collected, including ancient pottery and porcelain, copper coins and boat parts, said Li Jilong, an expert with the provincial cultural heritage bureau.

The Xisha Islands consist of a cluster of about 40 islets, sandbanks and reefs.

SHAANXI

## Four die in two separate blasts

One person died and four sustained minor injuries after an explosion rocked a residential building on Sunday morning in Xi'an, capital of Northwest China's Shaanxi province, local authorities said.

The accident happened around 5:10 am in an apartment on the 13th floor of a 24-story building in the Chunxiaoxinyuan residential



## GOING WITH THE FLOW

PHOTO BY CHEN LIXI / XINHUA

Residents in Wuhu city, East China's Anhui province, enjoy a moment of cool in a tsunami experience center on Saturday. The highest temperature on the day was 37 C.

compound.

Witnesses said a man fell to his death from the building during the explosion, and several neighboring apartments on the same floor were severely damaged.

The building has been evacuated, and the four people who were injured are being treated in hospital.

Police said a preliminary investigation shows that the accident was triggered by improper use of natural gas.

The incident happened a day after three people died and six were injured in an explosion in a musical instrument factory in South China's Guangdong province.

That accident occurred around 9 am on Saturday in the factory in an industrial park in the Lishui township of Foshan city, according to a statement released by the local government. Two people were killed during the blast and one died later in hospital. Among the six injured, four are still receiving treatment in a hospital, the statement said.

The cause of the accident is under investigation.

## Wild mushrooms poison five

Five people have been killed and a dozen more hospitalized after mistakenly eating poisonous mushrooms in Shaanxi province. The victims are from mountainous areas in Zhenba, Yangxian, Mianxian and Ningqiang counties in Hanzhong city.

The city government has urged officials to inform every household not to pick or eat mushrooms in the wild, while the city health bureau and food safety committee have also released notices to tell residents not to buy or eat wild mushrooms.

The local commerce administration has now banned sales of wild mushrooms and conducted inspections at rural markets, grocery stores and supermarkets.

GUIZHOU

## Crash leaves five dead, two injured

Five people died, two were injured and one is still missing after

a van fell off a cliff in Southwest China's Guizhou province, rescuers said on Sunday.

The van, with seven people on board, lost control and plunged off a 50-meter-high cliff into a lake in a village in Sanhe township, Zunyi county, around 9:30 am on Saturday, after being struck by a truck traveling in the opposite direction.

Rescuers recovered the van from the water on Saturday afternoon.

One passer-by had also been struck by the vehicle and fell off the cliff.

Two people remain in hospital and the rescuers are still searching for a missing person. The cause of the accident is being investigated.

YUNNAN

## Six missing in Xiyang River

Six villagers are reported missing after a boat carrying 19 people capsized on a river in Southwest China's Yunnan province on Saturday, local authorities said.

The accident happened around 3:30 pm, when the boat struck an obstacle and capsized on the Xiyang River in the Guangnan county, according to a county government statement.

The river had been swollen from torrential rains, it added.

Rescuers are searching for the missing people.

SICHUAN

## First Chengdu panda birth of 2012

The Chengdu Research Base of Giant Panda Breeding, in Southwest China's Sichuan province, is celebrating its first panda cub birth this year.

Li Li, born in September 1992, gave birth to the male cub at 11:20 pm on Saturday.

He is the sixth panda cub born worldwide this year, according to base chief Zhang Zhifei, and Li Li's sixth, four of which have survived.

The new arrival weighed 162 grams, and officials report both mother and baby are in a stable condition.

HEILONGJIANG

## 17 proposals for cross-Straits ties

The 8th Cross-Straits Economic, Trade and Culture Forum closed on Sunday in Harbin, capital of Northeast China's Heilongjiang province, with the adoption of 17 proposals for promoting cross-Straits ties.

"The most prominent feature of this forum is that the two sides, for the first time, held comprehensive and inclusive discussions on the development of cross-Straits relations," said Wang Yi, the Chinese mainland's Taiwan affairs chief, at the closing ceremony.

In the proposals, participants urged the two sides to speed up follow-up discussions on the Economic Cooperation Framework Agreement, which took effect in 2010, and to strive to conclude negotiations on the service trade agreement by the end of this year.

XINHUA — CHINA DAILY

## Investment in US 'set for record year'

By CHEN WEIHUA in New York and LI JIABAO in Beijing

Chinese investment in the United States is expected to hit a record high this year, thanks largely to big-ticket items, according to a report from the Rhodium Group, a New York-based organization that analyzes global trends.

Chinese foreign direct investment, or outbound FDI, in the US reached \$3.6 billion in the first half of this year, and covered 33 projects, the report said.

Of these, 12 were acquisitions and 21 involved green-field investments (the construction of new facilities).

The first six months of 2012 saw a record investment for any half year from China.

Thilo Hanemann, research

director for Rhodium, which monitors Chinese FDI in the US, said that the large-scale investments could make 2012 a record year, beating the \$5.7 billion record set in 2010.

Ge Shunqi, deputy head of the Institute of International Economics at Nankai University in Tianjin, told China Daily that with the US economy trying to get out of the doldrums, investment from China is particularly welcomed.

"Chinese investment in the US offers great potential and will help stabilize growth in the next decade."

Sang Baichuan, director of the Institute of International Business at the University of International Business and Economics, believed that a new era was dawning. "After decades of

growth, Chinese enterprises are capable of entering the developed US market and China's large foreign reserves will also be of benefit."

Ge agreed and identified key investment sectors. "Investment in the US will bring differing returns to Chinese enterprises.

"Some enterprises will enjoy easier access to the US market and lower costs while others will acquire natural resources as well as high-end technology resources."

Ge added that "high-end manufacturing and public infrastructure will be the key areas for Chinese investment in the US" as the US embarks on reindustrialization.

Major projects targeted by Chinese FDI this year include the \$2.5 billion purchase by

China Petroleum and Chemical Corp, or Sinopec, of a one-third stake in five shale oil and gas fields across the US from Ohio-based Devon Energy.

Copper-tube producer Golden Dragon also broke ground on a \$100 million manufacturing facility in Wilcox County, Alabama.

The banking sector also saw movement with the acquisition by Industrial & Commercial Bank of China of 80 percent of Bank of East Asia's US operations for \$140 million.

Two headline-making investments were not included in the report: Dalian Wanda Group's \$2.6 billion acquisition of US movie-theater operator AMC Entertainment Holdings and Superior Aviation Beijing Co's \$1.8 billion bid for aerospace

company Hawker Beechcraft in early July.

While Super Aviation is still awaiting approval from US authorities (Hawker remains in federal bankruptcy proceedings in New York), Wanda and AMC announced Wednesday that they received approval from the Committee on Foreign Investment in the US. That, along with clearances from Chinese and other US authorities, mean the deal should close as planned by the end of August, according to Wanda.

If the Super Aviation deal is also approved, these investments would push total Chinese FDI in the US beyond \$8 billion this year and that does not include projects in the pipeline.

While Chinese investors continue to pour money into a range of industries, a few sectors specified in the Rhodium report, including oil and gas, which, led by the Sinopec-Dev-

on deal, accounted for the bulk of Chinese FDI in the US.

"The US has rich natural and technological resources. If it's fully open to foreign investors, Chinese investment will see significant growth in these two fields, especially in acquiring technology," Ge said.

Trailing oil and gas were aerospace, banking, metals processing and plastics. Alternative and renewable energy recorded the highest number of deals, although these investments were relatively small.

Besides big-ticket projects, Rhodium Group pointed to recent positive developments in investment policy, both in the US and China. It cited US President Barack Obama's order to increase visa-issuing capacity in China by up to 40 percent in 2012 and official statements welcoming Chinese participation in US infrastructure development during the May US-China Stra-

tegic and Economic Dialogue.

While the report said the welcoming tone is a first step, it cautioned that the main challenge businesses will face in pursuing infrastructure projects will be finding the logistical and legal means to participate more directly without sparking national security concerns.

Rhodium's Hanemann said there is deep concern in the US over Chinese FDI in the telecom sector, and recent incidents involving ZTE mean such sentiment won't fade anytime soon.

The company was recently accused of selling equipment to Iran from US companies Hewlett-Packard Co, Dell Inc, Cisco Systems Inc and Juniper Networks Inc, in violation of US export controls.

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