

Business briefs

New train giant makes market splash

China Railway Rolling Stock Corp Ltd started trading on the Shanghai and Hong Kong bourses on June 8, becoming the world's biggest rail conglomerate in terms of market value and sales.

Shares in CRRC, a combination of previous rail giants CNR Corp and CSR Corp, immediately surged 10.02 percent to 32.4 yuan (\$5.22) on the Shanghai Stock Exchange, giving it a market capitalization of 742.5 billion yuan. The H shares in Hong Kong eventually closed at HK\$15.68 (\$2.02), up more than 4.5 percent from the last trading day before its suspension. Cui Dianguo, its chairman, said the merger had created a "model that can be replicated" in future marriages between state-owned companies.

Weak inflation fuels fears of deflation

Inflation's main gauge fell to 1.2 percent last month, lower than market expectations and down from 1.5 percent in April, the National Bureau of Statistics said on June 9.

Food prices rose 1.7 percent year-on-year in May, down from 2.7 percent in April, contributing 0.54 of a percentage point to the headline figure. Non-food CPI rose 1 percent year-on-year, compared with 0.9 percent in April.



XING GUANGLI / XINHUA

Cui Dianguo (second from left), chairman of China Railway Rolling Stock Corp Ltd, prepares to strike the gong at the Shanghai Stock Exchange to mark the beginning of the merged company's share trading on June 8.

Persistent weakness in Chinese inflation may cause deflation in the country, economists have warned, after May's Consumer Price Index retreated to a four-month low.

New five-year plan will take country forward

Drafting of the Chinese government's 13th Five-Year Plan (2016-20), which will highlight innovative development and ecological civilization, could be completed by October, China Business News reported.

Jack Ma, chairman of Alibaba, and

other prominent business figures are involved in the drafting process, which is believed to be focusing on economic transformation, investment and financing system reform, optimal allocation of technology resources, and modern agricultural development.

Farms will be given e-commerce platform

A national support group for farmers in China has unveiled plans to invest 6 billion yuan (\$970 million) to launch an e-commerce platform for agricultural products.

Hou Shunli, an official with the All China Federation of Supply and Marketing Cooperatives, said the alliance expects to generate between 50 billion and 600 billion yuan in online transactions involving traditional farm products, such as cotton.

Wanda crowdfunding plan for 'billions'

Dalian Wanda Group has said it plans to raise "at least several billion yuan" from investors through its first crowdsourcing venture.

China's largest commercial property developer was to become the latest major enterprise to launch such an initiative on June 12 as it attempts to finance new shopping malls in a sluggish property market.

Bank in talks with Indonesian lender

China Construction Bank Corp has entered negotiations to buy PT Bank Windu Kentjana International Tbk, sending shares in the Indonesian lender up 18 percent to a record high.

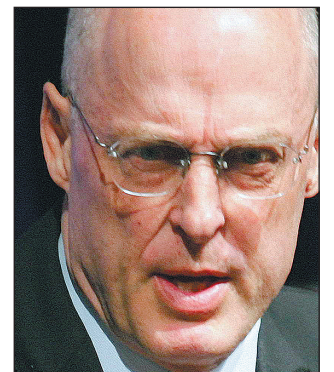
A deal would add the Chinese bank to a string of foreign companies buying into an Indonesian banking sector that is enjoying strong net interest margins compared with elsewhere in Southeast Asia.

Quotable

"It was a very big and positive change when China agreed to publish the negative list. So now the key will be to make this list as small as possible."

HENRY PAULSON,

former US Treasury secretary, speaking on negotiations between China and the US on the proposed bilateral investment treaty



expospecial

Milan expo important platform for APP-China

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APP-China, the Chinese branch of Asia Pulp and Paper Co Ltd, is one of the global partners of the China Pavilion at the ongoing Expo Milano 2015 and also its exclusive provider of paper products.

Italy's Expo Milano 2015, which opened on May 1, has attracted exhibitors from 145 countries, three international organizations and 13 non-governmental organizations, and is expected to host 20 million visitors from around the world during its six-month run.

"World expos have long served as important platforms for countries to have exchanges and cooperation in the fields of economy, trade, science, technology, society and culture," said Zhai Jingli, deputy CEO of APP-China.

"During the Shanghai World Expo in 2010, we cooperated with its coordination bureau. This time we are honored to be the only foreign-funded company chosen to be a global partner of the China Pavilion at Expo Milano," Zhai said.

She said paper holds an important place in the history of Chinese civiliza-

tion and is one of the most commonly used goods in daily life.

"As an active advocate and practitioner of sustainable development in the paper industry, we hope to show the world some advanced and environmentally friendly paper-making techniques during the expo," she said.

Zhai said APP-China considers its "plantation-pulp-paper integration" a core business concept to realize sustainable operations in China.



PROVIDED TO CHINA DAILY

Treated water from an APP-China facility is used in a neighboring park, showing the company's commitment to environmental protection.

Using plantations to supply the primary raw materials for its Chinese pulp and paper subsidiaries could also efficiently help balance economic, ecological and social benefits, Zhai added.

"Forests are one of the key resources to tackle global climate change, so scientific management of plantations could not only solve the contradiction between market demand and the shortage of forestry products such as

wood and wood pulp, but also can help better protect natural forests," she said.

Zhai added that forests, whether they are natural forests or plantations, have played an important role in capturing carbon dioxide.

She said APP-China has 300,000 hectares of plantations in China, that can capture 8 million metric tons of carbon dioxide each year, an equivalent to the amount discharged by about 2 million vehicles, and can store 2.17 million metric tons of carbon.

"Sustainable development of plantations is the foundation of plantation-pulp-paper integration and also an important guarantee for APP-China to have healthy growth," Zhai said, adding that the company has been doing forest certification for years.

Forest certification can ensure the legitimacy and sustainability of forest management and utilization, and paper companies can also use it to prove the legal sources of their raw materials and products, she said.

By the end of last year, APP-China had 240,000 hectares of certificated plantations, 80 percent of its total.

Products such as brochures, notebooks, envelopes and writing paper, customized for the China Pavilion, also received certification from the China Forest Certification Council and the Program for the Endorsement of Forest Certification Schemes, Zhai said.



"Sustainable development of plantations is an important guarantee for APP-China to have healthy growth."

ZHAI JINGLI

DEPUTY CEO OF APP-CHINA

