PROPERTY NEWS

Commercial real estate investments soar in 2021

By WANG YING in Shanghai *Time: 2022-01-10*

The volume of commercial real estate investments in the Chinese mainland reached $7.3 billion in the third quarter of 2021, and the full-year amount is expected to surpass that of 2020, a report released by global real estate advisor JLL said.

The combined volume of commercial real estate investments in the first three quarters in the Chinese mainland amounted to 170 billion yuan ($26.7 billion), and JLL predicted the full-year figure will exceed that of 2020, when it nearly hit 200 billion yuan.

Accounting for 49 percent of the total volume in the third quarter, Shanghai remained the top destination for commercial real estate investments across China. The weight of Beijing and Guangzhou, Guangdong province, declined to some extent from the previous quarter while Shenzhen, Guangdong province, recorded a significant increase to 7.3 percent of the total.

"Commercial business development in Shanghai is healthy and sustainable. The vibrant city is full of opportunities and takes the lead among Chinese cities in many aspects," said Kamsen Lau, CEO of Lifestyle International Holdings Ltd.

After nearly 10 years of development, Lifestyle International officially launched its first commercial complex in the Chinese mainland, namely the Shanghai Jiuguang Center, Lau said. There are more than 400 brands in the center, about 30 percent of which debuted in Shanghai or North Shanghai.

JLL statistics show that office investments took the lion's share, or 57.6 percent, of the volume of commercial real estate investments in the third quarter, up 14.2 percent quarter-on-quarter.

Eight office spaces in China, including Beijing Financial Street, Beijing's Central Business District and Shanghai's Pudong New Area, were listed among the world's top 20 most expensive office spaces in 2021, said JLL's latest Global Premium Office Rent Tracker.

The investment volume of logistics properties, especially those located in the Yangtze River Delta region, the Guangdong-Hong Kong-Macao Greater Bay Area, the Beijing-Tianjin-Hebei region and the

Chengdu-Chongqing city cluster, remained bullish in the third quarter, which was preferred by institutional investors.

The volume of commercial real estate investments in the Asia-Pacific region reached $125 billion in the first three quarters, up 30 percent from the same period in 2020, according to JLL.

"Throughout 2021, investor interest in the Asia-Pacific region remained extremely high as capital became more active and the volume of investment approached pre-pandemic levels across the region," said Stuart Crow, CEO of capital markets with JLL Asia-Pacific.

Supported by stabilized rents and occupancy rates, office investments continued to recover in the third quarter, taking up 55 percent of the total volume of commercial real estate investments in the region. In the meantime, logistics property investments continued to grow, with investments reaching $43 billion in the past 12 months, compared to $25 billion in 2019.

JLL forecast that driven by demand, attractive investment yields and a desire for diversified portfolios, logistics property investments may double to $50-$60 billion over the 2023-25 period.

Retail and hotel investments in the Asia-Pacific have been soft due to COVID-19. However, the volume of full-year hotel investments may surpass $7 billion in 2021 and could increase to $9 billion in 2022, the JLL report said.

China's home prices slightly up in February

By Xinhua *Time:2022-03-16*

BEIJING -- China continued to see a generally stable housing market in February, with home prices in 70 major cities showing slight month-on-month increases, official data showed Wednesday.

New home prices in four first-tier cities -- Beijing, Shanghai, Shenzhen and Guangzhou -- rose 0.5 percent month-on-month in February, according to data from the National Bureau of Statistics.

New home prices in 31 second-tier cities remained flat compared with that in January, while those in 35 third-tier cities witnessed a month-on-month decrease of 0.3 percent last month.

PROPERTY MARKET TO HELP STABILIZE ECONOMY

By China Daily *Time: 2022-03-17*

Mortgage, other financing measures expected to restore confidence

After searching for more than six months, Chen Qi and her husband believe they are close to finding their first home in Shanghai.

They want to buy a two-bedroom apartment about a 10-minute walk from a subway station on the west bank of the Huangpu River.

"We don't want to invest in any property—we just want to live in it, so any changes in the market have little impact on us," Chen said.

Elsewhere in the city, Li Le recently experienced a hectic few days selling a three-bedroom home before buying an apartment with two bedrooms, both located in Minhang district.

She said, "We swapped our modern, large apartment for an older, smaller one so that our daughter can go to a fairly good primary school and then to a junior middle school nearby."

Chen and Li are just two examples of "rigid demand" homebuyers in the nation's real estate market, where a tight grip is kept on speculative activities and support is given to rational home buying.

In view of downward economic pressure and partially eased macroeconomic policies, experts believe the residential property market will continue to act as an "economic stabilizer" this year.
Wang Menghui, minister of housing and urban-rural development, said during a State Council Information Office news conference on Feb 24 that the real estate industry would try to play an active role in stabilizing the macro economy.

According to Wang, maintaining stability in the property market is the top priority for the sector this year. Reforms will also be introduced to advance the supply of homes.

Zhang Dawei, chief analyst at Centaline Property Agency, said, "We recently heard about this positioning of the industry, so we expect that more stabilizing measures are in the pipeline."

Chen Wenjing, deputy director of research at China Index Academy, an independent property research organization, said stabilizing the economy this year cannot be achieved without a solid property market and the confidence of homebuyers and developers.

Experts said measures to improve home mortgages and optimize residential property financing were put in place at the start of this year, and it is believed that these actions will improve market expectations and restore confidence in the sector.

In January, the People's Bank of China—the PBOC—announced that the over-five-year loan prime rate, or LPR, on which many lenders base their mortgage rates had been lowered by 5 basis points to 4.6 percent, while the one-year LPR was cut to 3.7 percent, down from 3.8 percent a month earlier.

Experts said the eased financial environment bodes well for the property industry, where credit is tight.

Shaun Brodie, senior director and head of occupier research for Greater China at global real estate services company Cushman &Wakefield, said, "A gradual increase in liquidity will benefit the real estate sector."

Xu Xiaole, chief analyst at the Beike Research Institute, a KE Holdings research body, said the LPR cut will play an active role in stabilizing the economy, and for the real estate industry, it will lower costs for homebuyers.

Last month, the PBOC—the nation's central bank—and the China Banking and Insurance Regulatory Commission, the country's top banking and insurance watchdog, decided that loans offered by China's banking institutions to affordable rental housing projects would not be included in the management of real estate loan.

Xinhua News Agency reported that to guard the nation's financial system against risks, a management structure for property loans was implemented on Jan 1 last year, imposing upper limits on outstanding real estate loans and mortgages for lenders.

The new regulation means that property developers can obtain loans for affordable rental housing projects more easily, as commercial banks are encouraged to grant them. As a result, this will promote the housing support system.

Brodie said, "The current macro control policies set the main tone for the long-term and stable development of the real estate industry."

Thanks to a series of macro policies, the Chinese economy has gradually shaken off the impact of the COVID-19 pandemic and achieved a good start for the 14th Five-Year Plan period (2021-25).

This year, the general policy largely remains firmly committed to the principle that "housing is for living in, not speculation" and also to the goals of stabilizing land prices, housing prices, and expectations to ensure the steady development of the real estate market to meet homebuyers' needs.

More opportunities

By sticking firmly to the "housing is for living in, not for speculation" principle, the real estate industry is exploring ways to establish a long-term mechanism that promotes healthy development and builds a virtuous circle.

Hu Baosen, chairman of Central China Real Estate Group (China) Co, said during a news conference last month, "It is time to end the excessive expansion of business scale and attach more importance to quality and efficiency."

According to Wang Ying, CEO of Shui On Land, property enterprises with stable finances, and which focus on quality products, will win more development opportunities.

"In the past few years, we have witnessed the real estate market shift from pursuing high-speed growth to seeking high-quality development," Wang said.

Shui On Land, which is listed in Hong Kong, reported that its contracted property sales grew by 43 percent year-on-year to 30.27 billion yuan ($4.79 billion) last year, with residential properties contributing 30.16 billion yuan of this total.

Consistently focusing on its business in Shanghai and other high-growth cities with robust economic outlooks and huge population inflows, Shui On Land is also poised to expand in the Yangtze River Delta region and the Guangdong-Hong Kong-Macao Greater Bay Area.

With efforts by the property sector to deflate housing bubbles resulting in significant success, it appears to be the right time for Chen Qi and her husband to buy their dream home in Shanghai.

Guo Shuqing, chairman of the China Banking and Insurance Regulatory Commission, said during a State Council Information Office news conference on March 2 that "bubble and financial" trends in China's real estate market experienced fundamental twists last year.

Changes in the property market last year were accompanied by fewer home transactions, but there is still demand for buying and leasing, Guo said. Home price adjustments and demand restructuring are good for the financial sector, but the adjustments should not be so fierce that they affect the economy too much. A stable transition is preferred, he added.

Lu Wenxi, a researcher at Centaline Shanghai, said: "For the current home market, I no longer see room for speculation. Many people are buying homes for the first time, while others are demanding a better living environment."

Due to the joint efforts being made, China's real estate market saw a stable performance last year, with the "housing is for living in, not for speculation" principle becoming a social consensus.
Ni Hong, vice-minister of housing and urban-rural development, said commercial housing with a total gross floor area of 1.57 billion square meters was traded nationwide last year, a year-on-year rise of 1.1 percent.
Meanwhile, home price growth is slowing. In the nation's 70 major cities, the average cost of a new home last year grew by 2 percent from the previous year, while the cost of previously owned apartments rose by 1 percent year-on-year, down 1.7 and 1.1 percentage points respectively.

According to the National Bureau of Statistics, or NBS, in 50 out of 70 large and medium-sized cities in January, new home prices rose from the same period last year and 39 cities witnessed year-on-year growth in existing home prices.

The government has introduced policies to support the residential market better meet the reasonable needs of homebuyers. For purchasers seeking a house to live in, this year is a good time to buy, according to experts.

House prices remained stable in 70 of the nation's major cities last month, according to NBS data on Wednesday.

Sheng Guoqing, chief statistician with NBS' urban division, said new home prices in the four first-tier cities grew by 0.5 percent last month compared with January. Such prices in the 31 second-tier cities tracked by the bureau remained flat last month, while the 35 third-tier cities experienced a 0.3 percent month-on-month dip.
Brodie, from Cushman& Wakefield, said, "The LPR interest rate of more than five years can reduce mortgage expenses and save costs to a certain extent. Additionally, some cities provide other house-buying incentives for first-time buyers, such as housing subsidies for talent."

He added that compared with third- and fourth-tier cities, first- and second-tier ones have more support resources, such as infrastructure, medical care, education and services. Buyers need to consider not only location, house type and price, but also the local support facilities that have been built or are being planned.

China's home prices continue to ease in April

By Xinhua *Time: 2022-05-18*

China continued to see its housing market ease in April, with second-tier and third-tier cities seeing a decline in home prices, according to the National Bureau of Statistics (NBS) Wednesday.

New home prices in four first-tier cities -- Beijing, Shanghai, Shenzhen and Guangzhou -- edged up 0.2 percent month-on-month in April, moderating 0.1 percentage points from that in March, according to the NBS

data.
A total of 31 second-tier cities saw month-on-month decline of 0.1 percent in new home prices, while 35 third-tier cities saw month-on-month decline of 0.6 percent in new home prices.

ECONOMIC NEWS

Pudong starts construction of 82 key projects

By SHI JING in Shanghai *Time: 2022-01-05*

Move set to help the new area strengthen its leading role in high-end industries

Construction work for 82 key projects, entailing over 317.6 billion yuan (almost $50 billion) in investment, and covering areas like high-end industries, scientific innovation, infrastructure and livelihood improvement, started in Shanghai's Pudong New Area on Tuesday.
This signifies the area's resolve to implement the central authorities' call to build itself into a pioneer of socialist modernization, said Shanghai's top officials at a ceremony to mark the commencement of work.
The stress on technology will promote high-quality development of Pudong, said Shanghai Mayor Gong Zheng.

The municipal government of Shanghai will strive to attract more large-sized projects by assuring industry leaders of solid room for growth, thereby facilitating the upgrade of the city's industrial facilities, said Gong.
More importantly, increasingly systematic innovation will be nurtured with these projects, he said. By serving the key projects, government services and management methods will be innovated and market elements completed.

In this way, a first-rate market-based, law-bound and world-class international business environment can be created more rapidly in Shanghai, said Gong.

In August, Pudong's local government announced that six industries—big data, new energy vehicles, chip-making, smart manufacturing, biomedicine and civil aviation—will lead the development of advanced manufacturing industrial clusters during the 14th Five-Year Plan period (2021-25). Since then, 23 projects have been launched, attracting over 123.3 billion yuan in investment.

These projects will help Pudong strengthen its leading role in terms of high-end industries. A world-class industrial cluster will thus be built rapidly, said Wu Jincheng, director of the Shanghai Municipal Commission of Economy and Informatization.

Efforts should be made in Pudong to tap into new investment themes like low carbon and the metaverse. An intelligent terminal industrial park should be launched in Pudong so that the digital economy and the real economy can be more deeply integrated, he said.

Aiming to knit the transportation network in Pudong more closely, some 10 transportation projects also launched construction work on Tuesday, attracting 153 billion yuan in investment.

The fourth phase expansion of Shanghai Pudong International Airport figures among the 10 transport-related projects that started work on Tuesday. Upon completion, the airport will be able to receive 130 million passengers annually by 2030.

Zhu Zhisong, Party secretary of Pudong New Area, said during the ceremony on Tuesday that the commencement of the 82 projects on the first workday of 2022 demonstrates the municipal government's confidence and determination to boost the city's development via investment.

For years, Pudong has adhered to the rule of advancing high-quality development via high-intensity investment. The area's fixed asset investment has grown by 10 percent annually over the past two years, said Zhu.

More investment will be directed to industrial upgrades, fine-tuning urban infrastructure, livelihood improvement, and ecological and environmental optimization this year.

Total fixed asset investment in Pudong will surpass 300 billion yuan this year, maintaining double-digit annual growth rate. While government fiscal investment will take the lead, more social capital should be attracted to help Pudong better lead the country's socialist modernization, Zhu said.

Nation attractive for foreign investors

By China Daily *Time: 2022-01-06*

Foreign direct investment into the Chinese mainland in actual use topped the 1-trillion-yuan ($156.85 billion) mark in the first 11 months of 2021, surpassing the full-year FDI in 2020 and affirming China's continued dominance as a top global investment destination.

Notably, FDI in the services industry accounted for about 80 percent of total investment in the first 11 months, maintaining robust growth momentum.

China has been accelerating the opening-up of its financial sector, removing foreign ownership caps for companies engaged in securities, fund management, futures and life insurance in 2020, and widening access to the services sector in pilot free trade zones.

More foreign-funded companies have settled in China last year. So far, more than a third of the nearly 1,700 licensed financial firms in Shanghai are foreign-invested, and the number continues to grow.

In 2005, services occupied just 24.7 percent of China's total FDI.That increased to over 50 percent in 2011 and 77.7 percent in 2020, making services the top choice for foreign investors.

The services industry becoming the mainstay in attracting foreign investment conforms to the characteristics of China's current economic development, said Wang Xiaohong, deputy head of the information department of the China Center for International Economic Exchanges.

In 2015, the services industry for the first time occupied over 50 percent of China's GDP. Under the impact of COVID-19, services contributed to 54.2 percent of China's economic growth in the first three quarters, becoming a vital force to maintain the economy's steady progress.

Although the expanding flow of foreign investment into the services sector is impressive, analysts said the manufacturing sector—a traditional gold mine for overseas investors—is by no means shrinking.

It may seem as though foreign investment is flowing more into services and less into manufacturing, but foreign investors are placing more attention on research and development, said Fang Aiqing, deputy director of the economic committee of the Chinese People's Political Consultative Conference (CPPCC) National Committee.

In the first 11 months, the services for high-tech enterprises saw FDI inflows jump 20.8 percent year-on-year, with services such as legal, consulting, human resources and intellectual property covering manufacturing-related industries.

US chemical giant Dow has established an innovation center in Shanghai, and it is the company's largest R&D center outside the United States.

The company signed a memorandum of understanding to build a new manufacturing hub in Zhanjiang, Guangdong province, and will initially invest $250 million.

"In the longer term, we foresee that the transformation of China into a low-carbon society will accelerate and provide Dow with opportunities to use our local capability and world-leading innovation to invest more," said Jon Penrice, president of Dow Asia-Pacific.

AMCs still keen on Shanghai's pilot programs

By SHI JING in Shanghai *Time: 2022-05-07*

Fund managers remain interested in 2-way onshore, offshore capital flows

Despite the short-term uncertainties and difficulties brought by the COVID-19 resurgence in Shanghai, global asset management companies or AMCs in the city are still actively applying for the two pilot programs allowing two-way onshore and offshore capital flows.

This shows the industry giants remain committed to their mid- to long-term plans for the Chinese market, officials and industry insiders said on Friday.

Shanghai's municipal financial bureau announced on Thursday that Hamilton Lane, CCB International, CDH Investments and JAFCO Asia have been approved as Qualified Foreign Limited Partners. Under this program, overseas capital can be invested in China's onshore private equity firms.

Meanwhile, Anzhong Investment and BlackRock have received consent for operating as Qualified Domestic Limited Partners, which indicates that their future clients in the Chinese mainland can invest in overseas markets with their products.

Officials from Shanghai's municipal financial bureau said more innovative business models can be expected from the leading asset managers in the city. The mapping of these industry leaders can be interpreted as the barometer of the economic outlook. They have also shown their confidence in China's economic growth, officials said.

Anzhong Investment, which is the China flagship under Italian asset management firm Azimut Group, has become the first wholly foreign-owned enterprise private fund manager to conduct QDLP business in China.

Meanwhile, industry big name BlackRock has become the first wholly foreign-owned mutual fund manager to receive the QDLP approval.

BlackRock will avail the latest approval to bring its experience gathered in the overseas markets and risk management knowledge to the Chinese market. Introduction of more diversified products in China will help serve the goal, said Tony Tang, BlackRock's head of China operations and chairman of Black-Rock Fund Management.

The asset management firm is willing to strengthen its cooperation with the local regulators and institutions so that it can make due contribution to China's goal of building a healthier, transparent and mature capital market, said Tang.
Despite the ups and downs in the markets, pandemic control measures and geopolitical tensions during the past few months, BlackRock is more than happy about both Shanghai's uninterrupted efforts to deepen financial reform and the central government's persistence in furthering reform and opening-up, Tang said.

"We have faith in China's potential and resilience in the long term," he said.

On April 26, the China Securities Regulatory Commission released a guideline to advance the high-quality development of the mutual fund industry. The country's top securities watchdog has stressed in the guideline the importance of long-term capital, suggested the expansion of mutual funds' business scope, and expressed support for foreign asset managers' operations in China.

Yang Delong, executive general manager of Shenzhen-based First Seafront Fund, said foreign firms' accelerated forays into China's asset management industry reflect their positive outlook on the country's capital market as well as plans to introduce more long-term capital. The overall industry will mature with their increased participation, he said.

Data from the Asset Management Association of China showed that there were 138 fund management firms in the country, of which 45 are foreign-invested.

As calculated by market consultancy PY Standard, the value of assets under their management in Shanghai topped 39 trillion yuan ($5.8 trillion) in 2021, which was 30 percent of the country's total.

Up to 76 prominent asset managers have set up 112 operations of various types in Lujiazui, Shanghai's financial district, at the end of last year, taking up 90 percent of the country's total, according to Shanghai's municipal financial bureau.

Global companies in China to expand

By ZHONG NAN *Time: 2022-05-13*

Foreign enterprises operating in China, a long-term, thriving part of the nation's economy, are expected to continue to expand their investments this year, as many countries worldwide are encountering uncertainties amid the Russia-Ukraine conflict, high inflation rates and slowing economic recovery, analysts and business leaders said.

In addition to describing China as a safe haven for foreign direct investment, they said the nation's efforts to create a unified domestic market, its sizable middle-income group and shortened negative lists will enable its economy to mitigate shocks and maintain steady growth momentum.

By building a unified domestic market including all elements of production and resources—capital, technology and energy—China will further remove barriers to the rational flow of production factors, said Bai Ming, deputy director of international market research at the Beijing-based Chinese Academy of International Trade and Economic Cooperation. It will also cut transaction costs and ensure fair competition, which will encourage domestic and foreign companies alike to invest across the country, Bai said.

The nation's strengths in attracting global capital will continue, he added, and business areas including new energy, consumption, high-end manufacturing and services will remain hot spots for multinational investment. Thanks to the nation's complete industrial chains, policy assistance and stable business environment, FDI flows into the Chinese mainland, in actual use, expanded 14.9 percent year-on-year to a record high of 1.15 trillion yuan ($170.43 billion) in 2021, according to the Ministry of Commerce.

Apart from opening new stores in smaller cities and adding investment in apparel and children's products in the coming years throughout China, Skechers, a United States-based athletic-leisure shoe and clothing company, will start to build the second phase of its Taicang logistics center in Jiangsu province and begin operations at its new China headquarters in Shanghai in the second half.

"We are confident about the Chinese market," said Willie Tan, CEO of Skechers China, South Korea and Southeast Asia. The company will continue to strengthen its diversified product layouts for all age groups to meet the needs of different consumers, as China has become the cradle of fostering "numerous new consumption scenarios, products and services regarding the sports and health industry", Tan said.

Vivian Tu, marketing leader of Philips Domestic Appliances Greater China, said that the home appliances sector, spurred somewhat by work-from-home trends related to the COVID-19 pandemic, will have the potential to grow stronger than before and see new opportunities in China, as consumer demand has become more diversified and personalized.

"We will enlarge the research team in our innovation center in Suzhou, Jiangsu province, to focus on advanced technologies such as robotics, the internet of things and artificial intelligence over the next five years. It will create new momentum for the home appliances industry with the development of digitalization and intelligence," Tu said.

Bai Wenxi, chief economist at IP Global China, said that China, facing fierce competition in Southeast Asia in labor-intensive manufacturing sectors, has upgraded the competitiveness of its industrial chains. Its ability to attract global capital has been further strengthened by the expansion of opening-up policies and the implementation of equal treatment for foreign-funded enterprises.

Rajat Agarwal, president of Henkel China, a German chemical and consumer goods manufacturer, said: "Looking ahead, China will continue its transformation toward high-quality growth and drive progress to reach its dual-carbon goals. We see strong future demand in the areas of packaged foods, home improvement, automotive and electronics, and Henkel will continue to support our customers and consumers with impactful innovations."

Henkel resumed production in Changchun, Jilin province, on April 15, manufacturing products for key industries including metals, automotive and railway transportation. Its two plants in Shanghai were included in the "white list" to restart production under closed-loop management, and plan to expand production capacity as conditions allow.

Overseas investors add A-share investment on China stimulus measures

By Xinhua *Time: 2022-06-09*

Overseas capital is buying more yuan-denominated A-shares in China, with investment confidence boosted by a slew of stimulus measures unveiled recently to stabilize the economy while the COVID-19 resurgence waned.

Amid recent market rebounds, China's bourses in Shanghai and Shenzhen have seen net inflows of funds through "northbound trading," or money invested from Hong Kong via the stock connect programs, for seven consecutive trading days to Tuesday.

Entering 2022, China has seen sporadic resurgences of COVID-19 in several parts of the country, with the most severe hitting the economic and financial hub of Shanghai starting in March. Many investors began to worry that China's economic recovery may hit major bumps.

The worries damped investor confidence. In March alone, the benchmark Shanghai Composite Index fell over 6 percent while the Shenzhen Component Index dropped nearly 10 percent.

The net outflows of funds through "northbound trading" totaled 45 billion yuan ($6.8 billion) in March, the third-largest monthly net outflows since the launch of the stock connect programs between Hong Kong and the Chinese mainland.

Facing the epidemic resurgence, Chinese governments at various levels have rolled out a slew of stimulus measures to reduce the shocks to the economy.

The State Council, or the cabinet, unveiled a package of policy measures to further stabilize the economy and better coordinate epidemic control and economic development on May 31.

The package includes 33 measures covering fiscal and financial policies and policies on investment, consumption, food and energy security, industrial and supply chains, and people's livelihoods.

As of June 1, Shanghai has mostly returned to regular production and life after two months of closed-off management to contain the COVID-19 resurgence.

As investor confidence got boosted by the targeted measures to prop up the economy, China's stock markets have thus recovered some lost ground in the past more than one month.

The Shanghai Composite Index closed at 3,241.76 points Tuesday, recovering over 13 percent from the intraday lowest within this year on April 27.

The northbound funds reported net inflows again in April and May and continued to increase holdings of A-shares. The cumulative net inflow in the four trading days to Tuesday totaled 20.3 billion yuan, 1.28 times the total amount in May.

More detailed and forceful stimulus measures will help China stabilize the economy and boost investor confidence, said Kinger Lau, chief China strategist for Goldman Sachs Research.

The policy signals, current valuation levels, and continued capital market reforms are the three major factors behind the recent rebound of the A-shares, Lau noted.

Wang Tao, an economist from UBS, said China's moves to coordinate epidemic control and social and economic development acted as a stabilizer for the world, particularly the emerging markets.

The valuation of the A-share market may have hit bottom given the sustained strong government policy support since May and relatively loose liquidity conditions, said a recent research note released by UBS.

Several well-known institutions have recently expressed their optimism about the medium and long-term prospects of the Chinese stock market.

The A-share market is still attractive to global investors in the long term, considering the economic recovery on policy support while the epidemic waned, as well as the stabilizing Renminbi exchange rate and relatively low valuations compared with overseas markets, said Citibank analysts.

For more information, please visit www.shanghaivisionassetmanagement.com