

PRESS RELEASE

## Swiss exports to China reach new record level

- In the first six months of 2017, **Switzerland exported goods in the value of 8.3 billion Swiss francs to China and Hong Kong**, a plus of 16.9% year-on-year and an all-time-high, **generating a trade surplus of 1.8 billion Swiss francs**.
- All the important sectors registered growth: **Swiss watches and precision instrument exports** to China and Hong Kong **grew by 11%**, **pharma exports grew by 29.5%** and **machinery exports went up by 9%**.
- **China (incl. Hong Kong) remains the third biggest market for Swiss goods**, behind Germany and the USA, ahead of France and Italy.

Shanghai (July 26, 2017) – Swiss exports to China including Hong Kong reach a new record level: According to recently published figures of the Swiss Federal Customs Administration, Switzerland exported goods in the value of 8.3 billion Swiss Francs to the “Middle Kingdom” in the first six months of 2017. This is a plus of astonishing 16.9% year-on-year. “For Swiss exports to China and Hong Kong, this has been the best half year in history. If the trend continues, Swiss 2017 exports to China can beat the record year of 2014, when goods in the value of 15.8 billion Swiss Francs were exported”, explains Nicolas Musy, Founder and Delegate of the Board of Swiss Centers in China, a non-profit organization that lowers the market entry barriers of Swiss companies into Asia.

Furthermore, Switzerland is one of very few countries that enjoy a positive trade balance with China and Hong Kong without exporting natural resources. “The surplus amounts to 1.8 billion Swiss francs in the first half of 2017”, reports Musy.

### Hong Kong watch exports recover

A very positive sign is the healthy and broad export growth to China: All the important sectors of the Swiss export industry registered a positive trend in the first six months of 2017. Watches, precision instruments and bijouterie exports, still the biggest export sector, grew by 11.1% to a total of 3.36 billion Swiss francs. Musy: “The watch, precision instruments and jewelry exports to Hong Kong, which is historically the most important export market for the Swiss watch industry, have been dropping since 2015 due to Chinese anti-corruption initiatives. Now the turnaround has been accomplished: Exports in this segment to Hong Kong are +5.7% year-on-year.” The main reason for the recovery is the increasing spending power of the Chinese middle class.

### Most dynamic: Pharma!

The most dynamic growth, just as in 2016, happened in the pharmaceutical and chemical industry. Goods in the value of 2.9 billion Swiss francs were exported to China and Hong Kong in the first half of 2017 – a plus of striking 29.5%. Zhen Xiao, Managing Director of the Swiss Centers China: “The Chinese market is maturing and needs sophisticated products and services. Swiss know-how and high-quality products are increasingly important for quickly growing sectors, such as pharma and medical devices, high and sustainable technologies but also advanced manufacturing.”

The third major Swiss export sector, machinery, also recorded growth: Exports in the value of 1.3 billion Swiss francs in the first six months of 2017 represent a growth of 9% compared to 2016.

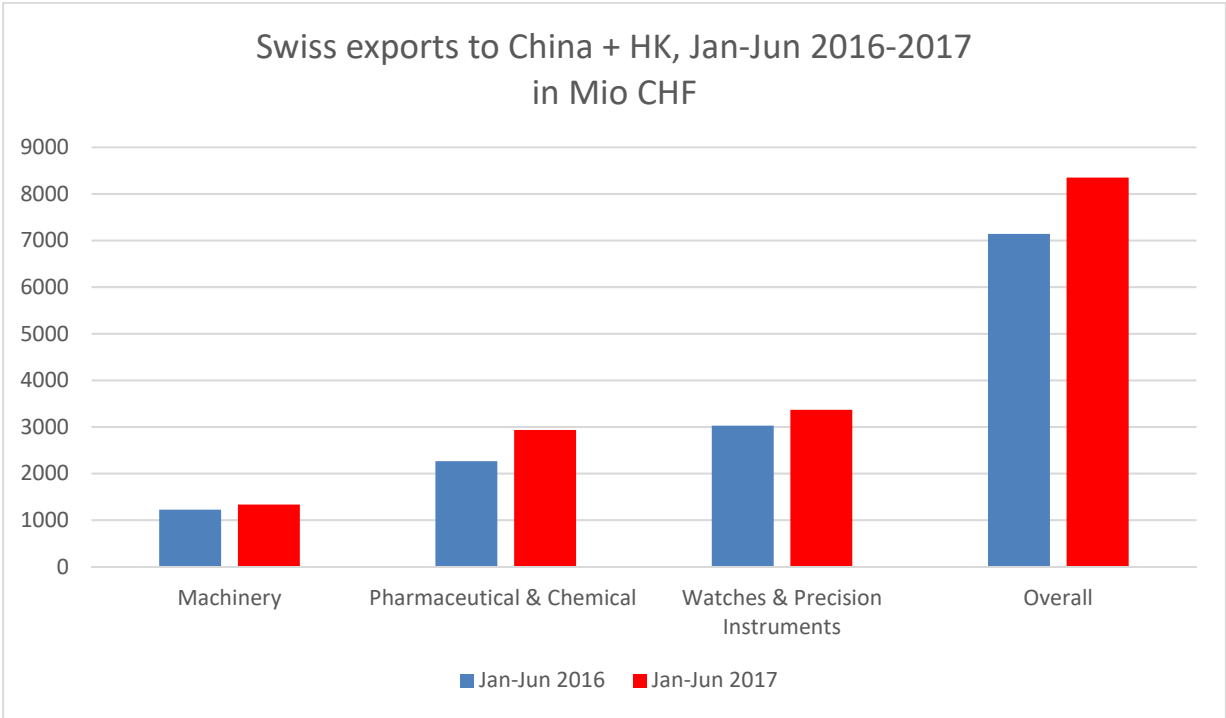
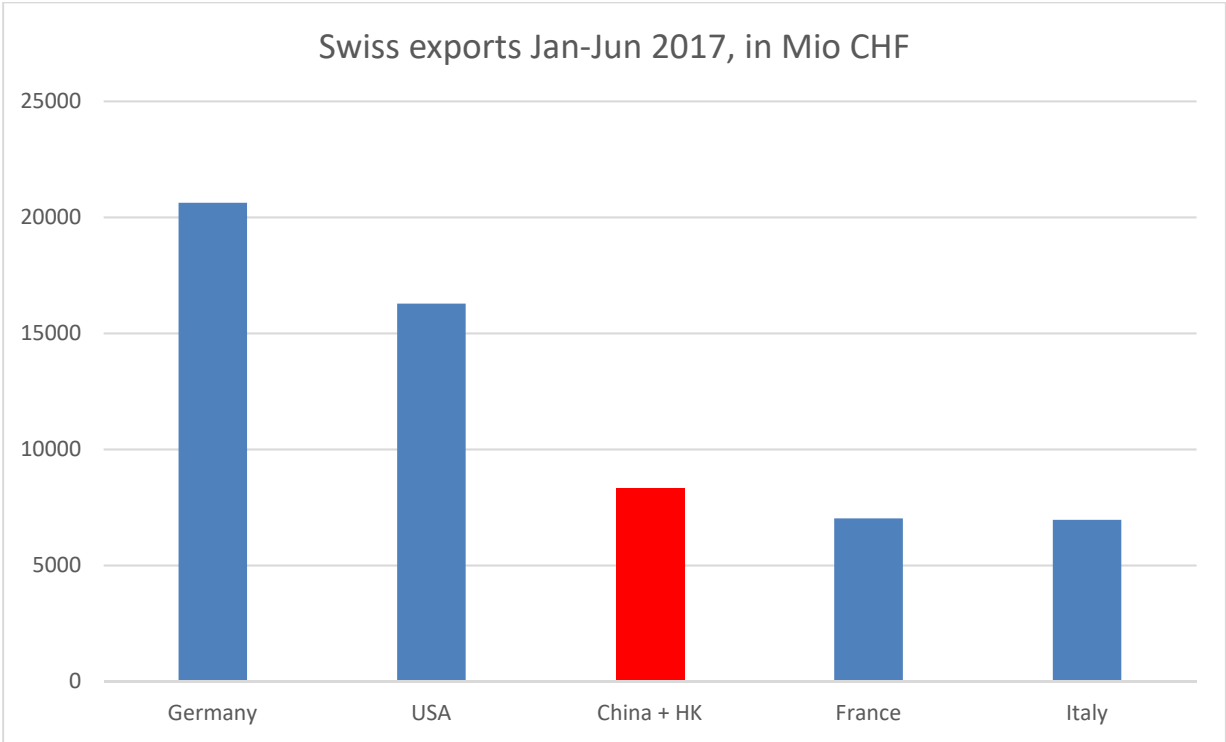


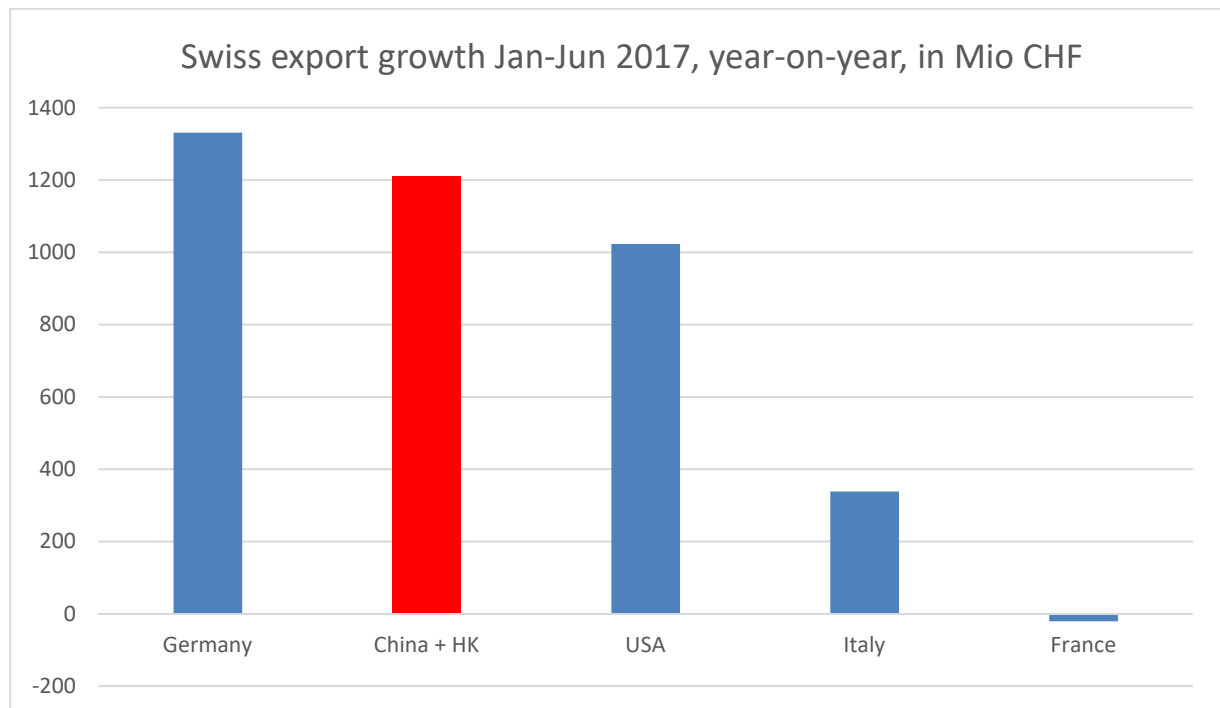
Chart: A very positive trend in all major export sectors: Swiss exports to China and Hong Kong in the first half of 2017.

**China remains third biggest market**

In the same period, worldwide Swiss exports gained 4.4%. Germany (20.6 bio CHF, +6.9%) and the United States (16.3 bio CHF, +6.7%) remain the biggest markets for Swiss goods. China (including Hong Kong, 8.3 bio CHF, +16.9%) continues to be the third biggest market, followed by France (7 bio CHF, -0.3%) and Italy (6.9 bio CHF, +5.1%).



When looking at the absolute export growth, China and Hongkong were responsible for additional Swiss exports in the value of 1.2 billion Swiss francs. Only the German market contributed a little more – 1.3 billion Swiss francs.



With the transformation of the Chinese economy into a more private sector fueled, entrepreneurial economy, and initiatives like “Made in China 2025”, which aims to promote high quality manufacturing in China, the Swiss Centers experts expect new opportunities for Swiss enterprises: “Many Swiss companies have unique know-how in engineering, green tech, in the medical and pharma industries and high precision manufacturing. Such skills and expertise will be in need in China. We expect the export growth to continue”, analyses Mr. Xiao.

**About Swiss Centers China (SCC):** Founded in 2000 as a non-profit, Sino-Swiss, public-private partnership, Swiss Centers China is by far the largest cluster of Swiss enterprises in Asia. With five locations strategically located on the dynamic East coast of China (Shanghai, Beijing and Tianjin), SCC does not only offer virtual and instant office space as well as ready-to-use workshops and showrooms, but also supports member companies with government relations, technology transfer and a broad network of experts. SCC served more than 300 companies in China – both SMEs and large enterprises. Among other, the Swiss Centers experts have established 30 production companies and more than 50 commercial offices for Swiss companies. SCC also conducts surveys and expert analyses of China’s business opportunities and challenges, and at the same time promotes the *Swiss Made* brand and Switzerland as a country for innovation and an industrial leader. For more information, kindly visit: [www.swisscenters.org](http://www.swisscenters.org).

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