

WHAT'S NEXT FOR CHINA: THE MASTER PLAN FOR THE NEW ECONOMIC PHASE

Announcer 00:06

Please welcome the panel on “What's Next for China: The Master Plan for the New Economic Phase,” moderated by Deborah Wong, China Correspondent, CNA.

Deborah Wong 00:22

All comfortable? All right. Good morning, everybody. Just barely two weeks ago, China kicked off its new 15th Five-Year Plan, and the country is shifting towards original innovation, tech self-reliance, as well as a complete boost on domestic consumption. But, you know, the question is, how will policy eventually translate to the real economy? I'm Deborah Wong, moderating this panel on China's next wave of growth, and I'm joined here by a panel of experts to help me unpack all these. So I'll just want to give a short introduction. To my left, Professor Ben Shenglin is the founding dean of Zhejiang University International Business School, and his research expertise lies in global finance and fintech, among other areas. And we also have Ms. Ding Chen. She's the CEO of CSOP Asset Management, which launched the first Saudi ETF in Asia, certainly making history right there. And to her left we have Ms. Angela Zhao, CEO of GLP China, a new economy infrastructure provider for data centers, logistics, and green energy. So certainly well-placed to be at the heart of China's new transformation and the road ahead. And towards the very end, we have Mr. David He. He's the man behind the meteoric rise of Pop Mart and Laopu Gold. Mr. He is the founding and managing partner of BA Capital, and he will be speaking in Mandarin, and we're very thankful to have a translator with us to his side. So as you can see, it's a very diverse panel, and we appreciate insights from, you know, every industry and every voice as well. So let's jump right into it. My esteemed guests, we're seeing big bets on tech and service consumption in this new Five-Year Plan. But, you know, industry leaders like yourself, you are on the ground. You've seen, things that, you know—nuanced things that only people in your industry can see. I want to first start this off by asking, which sector are you most excited about? Perhaps, professor, you can kick the ball rolling.

Shenglin Ben 02:50

Well, first of all, you know, the—what we call the six, you know, so-called key sectors, you know, including, low altitude economy and so on and so forth. But also more importantly, I think what we need to look at what the so-called people flying beneath the so-called, like, screens is that, you know, I think the healthcare, AI, for example, and a lot of medical tourism is probably going to emerge in a Chinese context. And, given the innovation and the biomedicine side, we are

doing pretty well. And, even in—towards, I think is the educational side. Given anything that is related to China is getting a bit more appeal to the rest of the world. I'm actually from the International Business School. We are getting actually more international student than we ever planned and thought about that. And the other one is really about the so-called, like, Chinese going global and vice versa. That means, like, international coming to China and Chinese going global. And the companies that are doing pretty well, they tend to look beyond China's border. They realize that China, despite the fact we have 1.4 billion people, it's largest, but the domestic market is saturating many ways. So going global is critical for many, many of the players as well. So I think, looking beyond the next five years and as China will become more global and the international community will come more probably regularly to China and consider China as an embedded part of their business and the portfolio. Yeah.

Deborah Wong 04:25

I think the crux of what you're saying here is knowledge transfer. And I think that's very important given that the world is, you know, to be honest, is very fractured right now, but it's also getting smaller in the kind of ways we depend on each other. Right? Ms. Ding, I want to—a question for you, actually. More specifically, which sectors have the potential to attract sustained capital inflows and not just, you know, your buzzwords, your short fleeting attention?

Chen Ding 04:51

Thanks, Deborah, and also, thanks, Milken, to invite me here. So probably before I answer the question I give the audience—I spend thirty seconds to talk about CSOP. So we are the largest ETF house in, in Hong Kong. And, like Deborah said, we introduce quite a lot of interesting products to the market. For instance, like, we are the first one to introduce Saudi investment opportunities here. So if you look at—to answer your question—if you look at last year, our—CSOP's net inflow of ETF funds—there is some notable issues. First, obviously tech. For instance, like, last year, our flagship, Hang Seng Tech ETF, 3033. The AUM almost doubled. Goes, like, 64 percent of AUM growth. The AUM is from—the year beginning is, like, HKD37 billion. By end of 2025, it's around, HKD80 billion. So we can see the growth. And another interesting thing is, like professor mentioned, those AI darlings. And, so in the—in Asia this year—last year, obviously—the year before last year—so everybody's talking about Mag Seven and Nvidia. But since last year, people are talking about different names from AI's sectors. And the CSOP, we—very interesting. We introduced two times leveraging SK hynix and Samsung last year. And AUM grows tremendously. And—so for, like, SK hynix, we launched at late November last year, and then they—from the—USD1 million starts, and right now is around, like, USD3 billion. So we can see a lot of cash inflow into there. And this kind of product is usually to give investors a trading tool. But because, like, South Korea is a ID market, it's very hard to get access. So people using those sort of place short-term positions to, like, play as a long-term, you know, position tools. So you can see—I would say, you know, for a longer period of time, AI tech is still the area, like, can attract a lot of inflow.

Deborah Wong 07:41

Thank you so much. And Angela, do you agree with what Ms. Ding said? You know, tech is, the sector to look at right now. I know you are from GLP China. You have your pulse on the lifeblood of China's industry—the traditional industry, in fact: logistics, manufacturing. So what sectors for you show the most feasible demand?

Angela Zhao 08:03

Yeah. Thanks, Deborah. And to echo professor and Ms. Ding's points, I think—GLP has been investing in China market for almost 23 years. So in the past two decades, we endeavored to invest in logistic infrastructure, in data center, and in new energy. So from this new five-year planning for GLP. So we are very excited about—the first is the policy to support the domestic consumption booming up. The second is also the AI trends in technology because, you know, the older technology is, is now—is the major component to reshape the logistic industry in China, because logistic industry—including the warehouse and transportation—provides the scenario for the technology to applicate in the real practice and the real operation. Yeah.

Deborah Wong 09:01

Thank you. And Mr. He—David, where are you seeing the most compelling opportunities tied to consumer demand? You are the consumer expert right here. Can you please share your insights?

David He 09:12

[The following exchange was in Mandarin. An accurate transcription is unfortunately not available.]

Deborah Wong 09:16

We need a translator, please.

David He Interpreter 10:26

Yeah. I think after COVID, actually, China's consumption market doesn't change a lot, yet there are some regional highlights in terms of the overall consumption, particularly about the rise of mid to high-end brands—local brands. And—for example, the founder of LVMH, Bernard Arnault, paid a visit for the first time of two Chinese local brands. One is Laopu Gold, the other is Songmont. I think the economic growth has brought cultural confidence among the consumers—particularly the young consumers—and they have more confidence in themselves. This has given a very good foundation for Chinese local brands to grow and arise. I think the second reason is that for the whole society, people among—I mean, the consumers—particularly the young consumers—they are more and more aware themselves. They've got a stronger sense of independence. So let me give you an example. For example, female consumers. I found that young female consumers feel very much willing to spend on themselves. For example, get a better health, do more exercise, have better food, so on and so forth, so that they can have a good experience in consumption. And psychology is also a very hot topic. There's a platform called—actually a blog platform, which is called Little Universe. So the hottest topic on this platform is about the growth of females. I think this is a change in the consumption market in China.

Deborah Wong 12:05

I want to drive the conversation right now back to tech. All of you talked about AI, talked about your excitement in automation at some point. And we do know that tech self-reliance is shaping policy as well as resource allocation in China over the next five years. For instance, China wants to be a world leader in AI and smart manufacturing by 2030. But the

question I think we all want to, you know, to find out is that—are expectations running ahead of reality? So Professor Ben, let's start with you. Which comes first do you think? Policy or innovation?

Shenglin Ben 12:38

I think both. You know, I'm from Zhejiang, you know. That's where the private entrepreneurship, you know, is thriving. So we see that, you know, of course policy is important from Beijing, but we also believe that the grassroots innovation is even more important. That's why the Zhejiang entrepreneurs have been considered as the most entrepreneurial, most hardworking, most global as well. So I think the policy, absolutely, I think the 15th Five-Year Plan has made it very clear that the technology self-sufficiency is the top priority, not just for the development for next phase of 5 years or 20 years, it's also for national security for various reasons as well. So as a professor in a university nowadays, you know, if I can—if I can be trans—introduced as a scientist, it's considered as an honor. If scientists, engineers—they are getting the highest respect in the Chinese context right now because the whole policy orientation is trying to encourage either entrepreneurs to move up, so-called like value chain, for the investors to make sure you support innovation, science, and technology, and so on and so forth. So I think there's a great, you know, sentiment that is very positive about innovation. The STEM for example—somebody was talking about earlier—the STEM measures is key. And Zhejiang University, along many other university, will produce the highest number of engineers, scientists every year. We have about 20,000 PhD students studying at the university. That's just good sign of that. Yeah.

Deborah Wong 14:20

And money makes the world go round, right? Policy, innovation, they're important. But of course, I want to shift now to Ms. Ding. From your perspective, how can China achieve self-sufficiency from the capital standpoint? Let's talk money.

Chen Ding 14:34

Sure. So the money is very important in those tech innovation. And, you know, the capital markets, the—one of the most important function of capital market is asset allocation. So to put the fund to the most advanced or most promising sectors, like Angela—they're doing the investments. So this is, very, very important. And also I think from a—I want to spend a little bit of time talking about self-reliance of China in tech. There's couple very durable—I will say a very durable advantage, you know, to make China's tech self-reliance policy or strategy more feasible compared to big economies. So first of all, I think the most important thing is, the skill of—industrial skill and also the manufacturing depths. You know, based on World Bank's data, so China holds about like 30 percent of the manufacturing capacities. Second, I think is most important is the massive domestic market. Like, the people are right now—is talking about a lot about open cloud, and you can see in China is pretty much everybody is using that, with 1.4 billion people. And that massive domestic market is not only market, but also the giant test field for new technology and new adoptions. And third one, I would think—like, you ask about the policy, and right now there's a new term called—a new style of whole nation system, something like that. And it's like the whole nations can put a lot of billions, hundreds of billions of dollars and also the top talent, scientist, and also the policy instrument, putting together, to achieve the priority missions for the for the nation, and don't, you know, need to worry about the short-term returns. And another thing I think very important is—obviously capital markets already mentioned, like the—can place—can easily and fast to capitalize those creative innovation ideas and certain—and last but not least is also people—talent pool. So in China, obviously, we have the, one of the most, STEM people, you know, pipelines in the world. And also we have like the highest quality of researchers, probably second to US, but definitely we have a lot of this sort of advantage in there. I'll stop here.

Deborah Wong 17:26

Your last point on talent—and that's something I see a lot of anxiety emerging, in fact, in factories—manufacturing sector. Angela, just to pinpoint on that, do you see, you know, the kind of, struggles on the ground when it comes to getting robots, automation to be integrated into China's supply chain?

Angela Zhao 17:50

Yeah. I think the China companies just embracing the innovation of this and adapt of those—these new technologies. So we always see the dark factories and also the dark warehouse, in our facilities. So take one customer as example. So that's a leading European sports brand. So we have been working with them for the past, 20 years. So the first warehouse we built for them, that's all, human work, the warehouse. So the human to do the sorting and picking operation. And the second warehouse we built for them back to 2018, it's a half automated warehouse, so it's increased the efficiency by two times. But the third, the very latest one we just delivered to them in 2023, is 100 percent automated warehouse. Also we can call it the dark warehouse. And the efficient—they not only do the sorting, picking to distribute to the retail store, but also do it to fulfill the online sales. So the efficiency have been increased by four times. So this not only for the international brand in China, but also for the local brands—consumption brands in China. So every company that's new investment heavily in this type technology to improve the efficiency and then to lower down the operation cost. Now that's the competitive advantage. So that's why we see all those companies like SF, like JD—they invest in the drone delivery systems. They invest in the autonomous truck systems. So this all we can see that's a trend in China.

Deborah Wong 19:47

All right. And David, how do you think the changes in AI influence consumer strategy in BA Capital?

David He 19:57

[The following exchange was in Mandarin. An accurate transcription is unfortunately not available.]

David He Interpreter 20:07

So thank you for your question. In my observation, I think the major change brought by AI to the consumption field is on the marketing side. Let me give you example. Some companies, they use AI technology to capture or to find the most popular articles from different websites. And they use AI to learn how these articles are written and what contents are most popular so that they can help with marketing. I think for those companies, in the short run, they can get some technical advantages because of the high efficiency. So another point—all of a sudden, I think I have confidence—I start to believe is that since more and more contents are getting similar with each other because of the—are all generated by AI. In the past, we didn't have those kind of articles. But in the future, I believe that those contents that are truly from human beings and are generated and created by human beings will still carry its unique values. I think that is probably another possibility for the future.

Deborah Wong 21:59

I think now more than ever, you know, we've heard from the experts, AI is slowly seeping into every aspect of our lives. And I think we as humans, we have to bring a unique touch to things. And—but, you know, that also talks about the social anxiety that I was asking Angela earlier. You know, people—some people are losing their jobs, and it hasn't actually contributed very well to the consumption story in China, which is what, you know, China is hoping to change right now. So it's seen as a next driver as well, consumption. China's economic planners said the scale of the country's service sector would hit 100 trillion yuan by 2030. Now that's about 14.5 trillion USD. We're not there yet. They want to get there. But I want to, you know, direct my question right now to Professor Ben. How much can the pivot to service consumption really move the needle here? Can you tell us about the psyche of this policy?

Shenglin Ben 22:55

First of all, you know, the—you know, after over 40 years of like, you know, sort of faster growth in Chinese economy, and I think people suddenly realize that, you know, this is probably the time for the sort of lucky people who were born in the '60s who are retiring. They actually have gone through, you know, hardships and they have made it, and I think right now, are they willing and able to invest money? To spend money as well? Okay. So I think that's probably one of the things. But more importantly is that if you look at the 15th Five-Year Plan and to even further five years down the road—2035—China made it very clear we want to be a mid-level advanced economies in terms of GDP per capita. Which means the service side, the consumption side is actually very low. And there are a few areas that you could do a lot more. For example, given the aging population, the elderly care is a big opportunity. Many people are struggling to find the right, say, retirement homes, for example. And same for the elderly education, what we call. The people who have retired, who have the money, who have the time. But when they were young, they didn't actually have the opportunity to go to a university. When I was—when, when I went to the university in China, only less than 3 percent of the population were able to get into the university. So that means the majority, majority of people, they would die to have opportunity to study in a university. So there are great opportunities. These are like services. And of course—and there are other parts as well, you know. You talk about like, you know, tourism and many other things. How many people in China have not even traveled—taken, you know, a flight? How many have not gone abroad? So there are a lot of opportunities. I think that's about the time, I think. But to address that, we need to make sure that people are less anxious about the future. That means the social safety net work needs to be strengthened, and I think that China is trying to do that, including the rural areas. The peasants who have—kind of like retired in a sense, they have had very little social network, and they rely on the younger, you know, members of family to support them. I think if we could address some of that, it would be a lot easier for them to stir up the so-called service consumption as well.

Deborah Wong 25:20

You're absolutely right. In fact, we did see—I was in Beijing for the two sessions, and that was raised. In fact, raising income levels, not just in the urban areas, but also the rural side, and also improving healthcare, pension schemes. But I want to bring in David at this point. You're the consumption man, you know? Do you agree with the shift to service consumption? I know you've backed Laopu Gold, Pop Mart. They're both emotional value consumption. So what does this mean for the next wave of growth?

David He 25:52

[The following exchange was in Mandarin. An accurate transcription is unfortunately not available.]

David He Interpreter 25:57

Yeah, absolutely, you're right. I think there's a very big shift. The shift is from products themselves to experience. For example, I've read some data recently. For example, some retailers—So there are a lot of products that they don't have their own characteristics or any features, and their sales volume basically is not growing that much. But what is growing faster recently in China? Outdoor activities, experience-based traveling, IP, arts. So creativity-related. Those are growing very well. Of course, pets. So some—I mean, the shift reflects that consumers, they want to satisfy more not by products themselves, but by experience. So the experience about the growth of their inner heart, they want to experience different things in the world, and that is—the normal consumption cannot satisfy. I can give you another example. Red Note, you may know that as a brand, Rednote growing very well, and it is getting more and more attention and the time from its users because the content Rednote provides is about the experience. And I think that—I heard that some big consumption companies, their investment—I'm not an investor of Rednote—but some big consumption companies, they put advertisement in Rednote, and that value is—exceed 1 billion. Actually, this also shows the shift from products to experience.

Deborah Wong 28:50

And Angela, could I just get your thoughts? Do you think the private sector is responding fast enough to the changing consumer trend?

Angela Zhao 28:58

Yeah. You know, logistic is very interesting industry. So from our angle, we can see the trends of those brands' development. So I think back to our first big entry into the country. We serve—more than 80 percent is MNC. It's global companies. But now we serve 80 percent of domestic brands, domestic Chinese companies. So that's a big shift and big trend. And second is from our part, if a company, they want to expand their business very soon, they need more warehouses. But if a company, they got lots of inventories, they slow down their sales, they need more warehouse to, you know, stock those inventories. So from our angle—so we can see in the consuming, market that consumers, they want to live in a quality life. They like the quality products. They want to eat healthier. They want to live in a healthy status. So—and also the young generation, they want to shop the products that value for money. It's not a luxury, but they really demand the value for money. And so for—to echo this kind of, you know, the demand trends—so we start to convert first—we start to convert our warehouse, dry warehouse to cold warehouse. For example, like Walmart, they got those very significant sales growth through their Sam's Club expansion. And also Aldi—that's a German-based re-chain retailers. They move really fast into China market to sell very low price with the quality products though. So they welcome for those new middle class in major Chinese cities. And also—so from this conversion—so we can capture this kind of a new trend for the quality products and quality brands. And also domestic brands grew up very significantly. I think they may—they BA capital, they invest quite a few that's very, potential domestic brands like Laopu, like Pop Mart. Yeah. Pop Mart is also a new trend. That's the symbol for those emotional consumption. So for the young generation, they would like to—want themselves to be pleased by this kind of a doll, by this kind of emotional product. So that's all the, you know, the trends in China consumer market. Yeah.

Deborah Wong 31:36

I want to touch a little bit on your example on Walmart. Because I realized, like, during the trade war, you know, Walmart in China, it's very popular. And we would think that, oh, it being a US company, it could have gotten a lot of impact. But no, because the Walmart strategy in China is local products, right? So I thought that was a very interesting take. Ms. Ding, now do you think the changing demographic—we've talked a lot about emotional value consumption, but Professor Ben earlier

talked about the silver economy. Do you think the changing demographic gearing towards an aging population is influencing investor behavior?

Chen Ding 32:12

Yes. So the changing—I think for Asia, we are experience the fastest demographic shifting for the human history. There is a statistic says, like, by 2050, a quarter of the whole population of Asia is above 60. So it's in terms to, like, the whole population of China is—like, 1.3, 1.4 billion people will above 60. So for those aging society, the—from investment perspective, the stable income is very important. And so for years, we did researches on, you know, which one is the most popular character or kind of products in mainland China. We find out over the past five years, always, like, fixed income or fixed income—[Mandarin] fixed income plus. So that kind of products can provide investors relatively low risk but steady returns. So last year, we began to using some derivatives, to reshaping this fixed income plus products in Hong Kong. We introduced a cover call ETF, which is based on the index performance of HSCI. For the past three months—we only launched this product three months—the AUM grows dramatically. It probably is one of the—our most successful products from, like, very little AUM. It's USD1 million, USD2 million, to right now is about above HKD6 billion. So people have a lot of enthusiasm or patience to participate in that. The reason is very simple. It's like they can provide—This is a monthly, payout dividend products, and the implied return is about 19 to 20 percent of total return in one year. So I—before the product introduced to the market, I was, you know, worried about whether people do not understand about the feature about cover call derivatives. But it turned out people accepted the new concept and, sort of, new knowledge or skill very fast. And a lot of people—even retail investors—even comes to the company to introduce other sort of like cover call strategies to ask CSOP, "You're going to introduce this to the market, so we want this." So you can see because of the demographic shifting, people are more hungry about income and income sort of products.

Deborah Wong 35:14

And of course, China's new Five-Year Plan is not happening in isolation. Just a few days before, China, you know, convened its two sessions, we had the crisis in the Middle East, it emerged. It's a challenging start to the Five-Year Plan. So can I just get—quickly, very quickly—your take on which sectors you think are the most vulnerable? Professor.

Shenglin Ben 35:38

I think financial service sector, okay? The economy has always been emphasizing that, you know, the financial risk management is key to social stability, to everything else. And secondly, I would say education to a certain extent. I'm from the university side, and I think the Chinese university tend to be a bit more, like, state owned and a little bit back. You know, I think in terms of mindset, I think we need to be a lot more open. So that means actually with the AI disruption, with the global challenges, I think—and also aging society—that means we need to be a lot more competitive, more international. And finally, I would say that some of the state-owned enterprises, especially on the—at the local government level in, you know, so-called like western part of China or like northern part of China, while in the southern part of China tend to be a lot more commercially market driven. I think they are more competitive, but otherwise they would, they tend to be a bit held back given their way of being organized and managed.

Deborah Wong 36:39

Ms. Ding, do you agree with what professor said? Which sectors are the most vulnerable to you? Yeah, so, professor's answer, with all my respect, so professor's answer is a little bit sharp to me. So as a financial participants, you know, I

wouldn't view financial as the weakest link in the whole economy. But I certainly think professor's points gets his ground. The reason is because if you look at the 5th Five-Year Plan, and also 14th Five-Years Plans, it's always talking about to secure financial, you know—to prevent the financial risk, a lot of things. So from—probably from a outsider point of view, financial sector is very vulnerable, sector in the whole economy.

Shenglin Ben 37:34

It is, but we're talking about vulnerability, okay?

Chen Ding 37:37

Vulnerability, yes.

Shenglin Ben 37:38

Plus, you know, financial sector is very big, you know. So I do agree with you. I think it's very important for finance to play a even more important role.

Chen Ding 37:47

Yes.

Shenglin Ben 37:47

I think that's important. Yeah, I would say that. So that means the financial sector is very important. And from my point of view, I would say—obviously, you know, for the people are talking, always talking—nowadays, whenever you go to the panels, people are all talking about AI, the competition between China and the US is inevitably, you know, talking points. And I think from this angles, I will see probably, you know, the most vulnerable, sector would be, like, the hard tech, like, especially semiconductor part. And for the AI competition, I would like to borrow Jensen Huang's five-layer cake series. Like, AI is not only AI or application, it's about energy. It's about chips. It's about infrastructure, like data centers, and models, and also applications. I think if you look at that five layers, I think the most vulnerable part is the semiconductor chips. For the others, I think China has a huge advantage. Energy. You know, we generate, like, as much as twice a year of US. The models—even models, I think even models, China is also, leading in certain way. So from my point of view, it's like models—US model is very advanced—is to lifting the intelligence level of the whole AI. Yeah. But for China's model, it's like to make the model in, you know, very cheap and effective and easy to use. For instance, like open cloud. If you look at the two weeks ago data—so the global ranking about the token usage, the top five, four are Chinese company. The MiniMax, Kimi, another one—Zhipu—and DeepSeek. Only GPT is on the fifth position. You can see that China in a way is leading that, but obviously for the chips, you know, obviously Nvidia, AMD. So for scientists, there is a lot of work to do.

Deborah Wong 40:19

Yeah. Which once again speaks to, you know, China's drive for tech self-reliance. I want now to shift the conversation to long-term stability. Chinese Foreign Minister Wang Yi, he said—in fact, during the two sessions, he described China as the most valuable source of stability and certainty in a turbulent world. So for Angela, what do you think gives China a competitive advantage to make Mr. Wang Yi's statement come true?

Angela Zhao 40:45

Yeah, just [inaudible]. I think the cost of infrastructure, the—you know, the new technology and application world for AI technology. So that's the major competitive advantage. Although China has many other competitive advantage, if I want to pick some, I will pick first the cost of infrastructure and energy supply. Because for GLP, we have been—modified our warehouses into data center to capture the new trends of the AIDC, and also we invest in the rooftop solar panel—our warehouse space. So this generate 1.4 gigawatt electricity every year, so provide the clean energy for our customers. So—and also back to the, you know, the Middle East the crisis. I think this—the fuel cost is expected to go up, and then it may speed up the, you know, the development—more development and more consumption on the EV cars and even EV trucks in the China market.

Deborah Wong 41:53

All right. And David, could I just get your thoughts? How should investors rethink China's consumer story in a more uncertain world?

David He 42:03

[The following exchange was in Mandarin. An accurate transcription is unfortunately not available.]

David He Interpreter 43:07

Well, I can give you an example. May not be a perfect one, but at least you can get some ideas from this example. In Rednote, you know, and also other overseas social media, there have been a lot of topics, particularly among young people. They talk about China. They—what do they really talk about? They talk about Chinese, how they live their lives, their way of living. For example, they started to learn to drink boiled water, to take goji, and they even learn how to dip their feet into a barrel, and even—and also the sleepers and essentials. In TikTok, you can also see two hashtags are very popular. One is called Becoming Chinese, the other is called, Chinese Face. So the total view already exceeded 1.5 billion. So from this story, you can also see that, for the overseas young people, they feel China is a place where there's a stability and where they can relax themselves. Even though there's information asymmetry, however, I think that since more and more people that China is a place with stability and relaxation, I think it is good for us to exchange ideas with the outside world, as well as the Chinese brand going global.

Deborah Wong 44:32

All right. Thank you. And we don't have much time left, but Ms. Ding, maybe very quickly could you tell me how investors, should structurally allocate to China going forward?

Chen Ding 44:44

Yeah, I think, you know, China is a very—with great competitiveness. So I think global, investors shouldn't ignore China, you know, and should allocate decent amount of capital in there and to capture the next generation of—wave. All right. And professor, what's your assessment of all the suggestions from our panelists? Do you think China can retain a competitive advantage?

Shenglin Ben 45:14

We are very competitive in many ways, you know, but there are a lot of gaps in certain parts. When I said earlier about our financial sector is a bit vulnerable, it's because we believe they can do a lot more—

Chen Ding 45:28

Yes. to contribute to the technology innovation. So that's why the number one priority for financial sector in China is trying to—what we call technology financing. The so-called TI, tiger, technology financing, inclusive financing, green financing, and e-financing, meaning like online finance, digital financing, and retirement financing. That's the priority of the policymakers, and I think—that's why I think our finance sector can do a lot more. I look forward to that as well.

Deborah Wong 45:58

And if you could describe China's next phase in one word, what would it be?

Shenglin Ben 46:01

I think, steady. China will be a little bit boring, will not be growing as fast as we used to, but I think we'll be steady. We'll be probably in a lower growth rate, but higher quality, I think, yeah.

Deborah Wong 46:13

Ms. Ding?

Chen Ding 46:14

Definitely resilience.

Deborah Wong 46:16

Angela?

Angela Zhao 46:16

Yeah. To create certainty in the uncertain world.

Deborah Wong 46:20

And David?

David He 46:21

Globalization.

Deborah Wong 46:23

Globalization. So we've heard from our esteemed panelists, and we've heard stories, you know, of challenges, but we've also heard stories of resilience, transformation. And throughout our conversation, I think there's a Chinese school of thought that keeps coming up, right? [Mandarin] Endurance and hardship forge character, which would eventually pave the way to reward. So that really is a Chinese story of resilience right here. And all of you—all of us—will be filling in the chapters for the next five years, and I look forward to it. Thank you.

Angela Zhao 46:53

Thank you.

Shenglin Ben 46:54

Thank you.

Chen Ding 46:54

Thank you.

David He 46:54

Thank you.

Angela Zhao 46:55

Thank you.

Announcer 46:58

We hope you enjoyed the discussion.