

## Media Roundup Issue 19 (06/05/17 – 12/05/17)

### 1. Cattle queen Gina Rinehart turns her focus to China with new deal

**08/05/2017**

**Sue Neales**

**The Australian**

Last year, Gina Rinehart claimed the position of Australia's cattle queen; now her agribusiness ambition is firmly international, with plans under way to develop the nation's live cattle trade into a \$2 billion industry.

The owner of Hancock Pastoral — and Australia's richest person, worth an estimated \$19.4bn — is preparing to sign a deal laying groundwork to ship up to 800,000 cattle a year for slaughter and processing in China, in a move which could double the value of the nation's live export trade. That trade is currently worth about \$1.5bn.

It follows a period of expansion for Hancock in the cattle industry after Ms Rinehart teamed up last year with Shanghai CRED Real Estate Stock Co in a \$365 million takeover of S. Kidman & Co.

*Read more (Paywall):*

<http://www.theaustralian.com.au/business/companies/cattle-queen-gina-rinehart-turns-her-focus-to-china-with-new-deal/news-story/3142ed3f5639d48ca7c93a75854368f2>

### 2. Chinese property investors look elsewhere

**08/05/2017**

**Rowan Callick**

**The Australian**

Chinese investor interest in Australian off-the-plan real estate is flat or slightly slowing, while they are spending more than ever in the US, Britain and Japan.

Jon Ellis, the founder and chief executive of international business-to-business property website Investorist, has just completed his latest visit to meet agents in China.

He told *The Australian* that his company viewed sales data that was fairly immediate, while the Foreign Investment Review Board's information, based on settlements, emerged about 18-24 months later.

Property has now become a global commodity, and his company, with offices in Shanghai, London, Miami and Australia, wants to become a core marketplace. It is already accessed by 5000 agents, including about 800 active in China.

*Read more (Paywall):*

<http://www.theaustralian.com.au/business/property/chinese-property-investors-look-elsewhere/news-story/ba5db5de88da9cb8888ef9f247bf30a6>

### 3. Sequoia and Gobi hunting Aussie start-ups following Airwallex round

**08/05/2017**

**Yolanda Redrup**

**Australian Financial Review**

Big name Chinese venture capital firms are hunting for Australian tech start-ups to invest in, targeting firms in the fintech, agricultural and medical technology sectors.

Sequoia Capital partner Steven Ji and Gobi Partners principal Chibo Tang were in Australia last week meeting with local start-ups, venture capital firms and government ministers, with the aim of finding new businesses to back and both agreed that Chinese investors were keen to invest in asset classes outside of property in the country.

"We think Australia is a good place for innovation technology and products, particularly in the fintech area," Mr Ji told *The Australian Financial Review*.

*Read more (Paywall):*

<http://www.afr.com/technology/sequoia-and-gobi-hunting-aussie-startups-following-airwallex-round-20170501-gvw6c2>

#### 4. Budget 2017: Forget the surplus, China will fund a Band-Aid

**08/05/2017**

**Chris Richardson**

**Australian Financial Review**

The hopes and dreams of treasurers and prime ministers have taken a battering since China entered a slowdown in 2011.

From 2012 onwards, budget nights have seen Treasury regularly write down revenue forecasts, and treasurers gamely try to make the best of it.

Yet “making the best of it” has been pretty painful to watch, with the soaring rhetoric of budget speeches somehow not quite glossing over the gritted teeth as the nation’s chief financial officers kept putting off the expected date of any return to surplus, all the while remaining determinedly optimistic that the good news would eventually become evident.

*Read more (Paywall):*

<http://www.afr.com/opinion/columnists/budget-2017-forget-the-surplus-china-will-fund-a-bandaid-20170508-gw07p1>

#### 5. China’s iron ore imports slump as port stocks build

**08/05/2017**

**Angus Grigg**

**Australian Financial Review**

China’s iron ore imports have slumped 13 per cent to their lowest level in six months, as stockpiles at ports across the mainland remain at record levels.

Trade figures released by China’s Customs Bureau on Monday showed imports during April falling to 82.23 million tonnes, in a further sign that the rally in hard commodities seen over the last year is falling away.

Iron ore imports in April were down 2.3 per cent compared with the same time last year.

The iron ore price is hovering just above \$US60 a tonne, down from nearly \$US100 a tonne towards the end of last year as China's factory output slows and Beijing tightens restrictions on the housing market.

*Read more (Paywall):*

<http://www.afr.com/business/mining/iron-ore/chinas-iron-ore-imports-slump-as-ports-build-20170508-gw08jm>

## 6. Donald Trump and Malcolm Turnbull face China test

**09/05/2017**

**John Kehoe**

**Australian Financial Review**

Malcolm Turnbull and Donald Trump buried the hatchet in New York last week to assure that the US-Australia alliance is on firm footing.

As Trump's business confidant, Blackstone Group chairman Stephen Schwarzman, personally told Turnbull in New York on Friday within earshot of *The Australian Financial Review*, Trump was "in good form for you" and "he was really trying".

"So I hope he succeeded," Schwarzman said.

Yet no matter the success of the political theatre of the Prime Minister and President lavishing praise on each other more than three months after their tense phone call, the US-Australia relationship will face far more difficult tests in the first term of the Trump administration.

*Read more (Paywall):*

<http://www.afr.com/opinion/columnists/donald-trump-and-malcolm-turnbull-face-china-test-20170507-gvzxu5>

## 7. Chinese buying Australian real estate tops foreign investment, report says

**09/05/2017**

**Kirsty Needham**

**Sydney Morning Herald**

Chinese buyers of new homes in Sydney and Melbourne dominated foreign investment in Australia last year, the Foreign Investment Review Board annual report says.

The \$55 billion increase in all approved foreign investment in Australia, to \$248 billion, was “predominantly driven by increased investment in the real estate sector”, FIRB chairman Brian Wilson wrote in the report released on Tuesday.

China was the largest source of foreign investment (\$47.3 billion), of which \$31.9 billion was investment in real estate.

The large number of applications for FIRB approval in 2015-16 (41,445) were “largely driven by residential real estate transactions”, Mr Wilson wrote.

*Read more:*

<http://www.smh.com.au/national/chinese-buying-australian-real-estate-tops-foreign-investment-report-says-20170509-gw0t9v.html>

## 8. Chinese investment in real estate grows to \$32b: FIRB

**09/05/2017**

**Su-Lin Tan**

**Australian Financial Review**

Chinese investors topped the list of foreign investment approvals for the financial 2016, and have pledged to invest \$47.3 billion in Australia, mainly in real estate, the latest Foreign Investment Review Board annual report shows.

The figure is similar to the previous year when \$46.6 billion in approvals was awarded to Chinese investors.

While this puts China far ahead of the second-biggest foreign investor, the US, which has had \$31 billion in investments approved, the US still owns four times more Australian assets than China does, Chinese property group Juwai.com said.

Of China's \$47.3 billion, \$31.9 billion will go into real estate mostly in residential development assets.

*Read more (Paywall):*

<http://www.afr.com/real-estate/chinese-investment-in-real-estate-grows-to-32bn-firb-20170509-gw0sla>

## 9. China's dysfunctional sharemarkets an opportunity for Australia

**11/05/2017**

**Angus Grigg**

**Australian Financial Review**

In all the opportunities thrown up by China's rise, the one never mentioned is the dysfunction of mainland stock markets.

These casino-like exchanges in Shanghai or Shenzhen are hardly pillars of corporate governance, which provides a very large opening for Australia to lure credible, private Chinese companies to list on the ASX. The difficulty and length of time it takes to list in China provides Australia with another opportunity.

The only problem is that so far the theory has run well ahead of the reality, as those mainland companies to have listed on the ASX are often seen as opaque and with illiquid share registers.

But that might be about to change.

*Read more (Paywall):*

<http://www.afr.com/news/world/asia/chinas-dysfunctional-sharemarkets-an-opportunity-for-australia-20170511-gw27z5>

## 10. What's in a name? China plays down OBOR's strategic drivers

**11/05/2017**

**Lisa Murray**

**Australian Financial Review**

China's ambitious foreign policy plan to overhaul global trade routes by spending billions of dollars on new infrastructure is an interesting case study in brand management.

After Xi Jinping, at the start of his presidency in 2013, outlined his plan for a new "Silk Road Economic Belt" and a "Maritime Silk Road" to improve China's links with Europe, Africa, Southeast Asia and the Middle East, it became known as "Yi Dai Yi Lu."

This directly translates as "One Belt, One Road" (OBOR). However, two years on from the plan's unveiling, China's top decision-makers announced a name change. While the Mandarin version stayed the same, its official English translation was tweaked to the "Belt and Road Initiative".

*Read more (Paywall):*

<http://www.afr.com/news/world/whats-in-a-name-china-plays-down-obors-strategic-drivers-20170511-gw2vex>

## 11. AFL's China expedition an uphill battle due to cultural barriers, global competition

**12/05/2017**

**Bill Birtles**

**ABC News**

Sports fans and analysts in China say Port Adelaide and the AFL must be patient, persistent and realistic for their hope to capture a slice of China's sports market to come to fruition.

Port and the Gold Coast Suns will clash in Shanghai on Sunday.

Both have started their preparations, while around 5,000 fans are en route from Australia to watch the game.

Port Adelaide will unveil a new sponsor on the weekend, as part of a windfall of Chinese-linked sponsorship deals that the club says is the result of its two-year-old China push.

Well-connected Shanghai billionaire property developer Gui Guojie already sponsors the club, while Chinese-Australian mining businesswoman Sally Zou of AusGold is also an enthusiastic backer.

*Read more:*

<http://www.abc.net.au/news/2017-05-12/afl-faces-an-uphill-battle-with-uninterested-china/8519266>

## 12. All roads lead to Beijing for Belt and Road Initiative

**12/05/2017**

**Rowan Callick  
The Australian**

Beijing is on high alert. All major thoroughfares, including subway stations, are being guarded by watchful soldiers of the People's Armed Police, and every public building, block of flats, shopping mall and hotel is being flanked by earnest Communist Party officials with red armbands.

No one in the Chinese capital can miss the fact something very big is happening.

Nothing looms larger these days in China than the country's bid to reshape half the world through its Belt and Road Initiative – the land belt through Central Asia and the sea road passing through the Indian Ocean, both reaching into Europe.

About 1200 political and business leaders will descend on Beijing on Sunday for the formal launch of the BRI at a grand forum.

*Read more (Paywall):*

<http://www.theaustralian.com.au/news/inquirer/all-roads-lead-to-beijing-for-belt-and-road-initiative/news-story/1cd5505a43cf57ef1237735947e76f0d>



### 13. Chinese schoolkids' applause brings Indigenous author Bronwyn Bancroft to tears

**12/05/2017**

**Kirsty Needham**

**Sydney Morning Herald**

When it was suggested to Indigenous Australian author Bronwyn Bancroft that her picture books for children be translated into Chinese, her first thought was the size of the population.

"Being able to take a story, especially the images, to another country that large," she recalls.

The Mandarin translation of *Big Rain Coming*, one of 30 children's books Bancroft has created, was launched on Thursday as part of Australian Writers' Week in China.

On her first morning in Beijing, she said the reception had been "just crazy". She was moved to tears at the response to her bright images of bush and home at a Beijing primary school.

*Read more:*

<http://www.smh.com.au/world/chinese-schoolkids-applause-brings-indigenous-author-bronwyn-bancroft-to-tears-20170511-gw2b7w.html>

### 14. We can't be late to this party, says Broomhead

**12/05/2017**

**Rowan Callick**

**The Australian**

The Turnbull government appears to have decided Australia will watch how the Belt and Road Initiative develops before committing to formal participation.

The BRI was not among the memorandums of understanding jointly signed by Malcolm Turnbull and China's Premier Li Keqiang during his visit in late March.



Nevertheless, Trade, Tourism and Investment Minister Steven Ciobo will participate in the BRI Forum in Beijing on Sunday, -although Australia will not be represented at the BRI Summit the following day, in which only heads of governments will be involved.

New Zealand Prime Minister Bill English signed an MOU with Li to participate in the BRI when the Chinese Premier flew there after Australia in March.

*Read more (Paywall):*

<http://www.theaustralian.com.au/news/inquirer/we-cant-be-late-to-this-party-says-broomhead/news-story/1c06bbb5b2ef497ba7ea61a5665e09d9>