



Y SUITES
CHINA INSIGHTS

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Y SUITES CHINA INSIGHTS

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SUMMARY

- China's tourism spending over national day holiday stayed below pre-pandemic level
- Torrential rainfall batters Shanxi, killing at least 4 people
- China fines Meituan \$533 million to end antitrust probe
- Bytedance pushes into property with new real estate broker's license
- China's coal imports from Russia, Indonesia rise, taking the place held by Australian coal
- Beijing schools to include compulsory mental health education

KEY HIGHLIGHTS



NEWS



BUSINESS



ECONOMY



EDUCATION



**CULTURE &
TREND**

NEWS

TORRENTIAL RAINFALL BATTERS SHANXI, KILLING AT LEAST 4 PEOPLE



The province shut dozens of coal mines and tourist sites amid the peak holiday season.

SIXTH TONE, OCT 09

The northern Shanxi province declared its third-highest emergency response Wednesday following days of heavy rain that killed at least four people and injured dozens of others, according to media reports. Some 20,000 residents across the province have so far been relocated due to floods and landslides.

Heavy downpours since Saturday [flooded](#) the Yuncheng section of the Fen River, with water flow reaching more than 1,000 cubic meters per second – the highest in the past 40 years. More than two dozen coal mines and 74 scenic spots, including those in the ancient city of Pingyao, were shut due to inclement weather.

A 25-meter section of the ancient city wall in Pingyao also partially collapsed, state broadcaster China Central Television [reported](#).

A government official surnamed Li from Yuncheng, where more than 8,000 residents were displaced, told Sixth Tone that almost all the city's mud-walled houses have been destroyed.



CHINA'S TOURISM SPENDING OVER NATIONAL DAY HOLIDAY STAYED BELOW PRE-PANDEMIC LEVEL

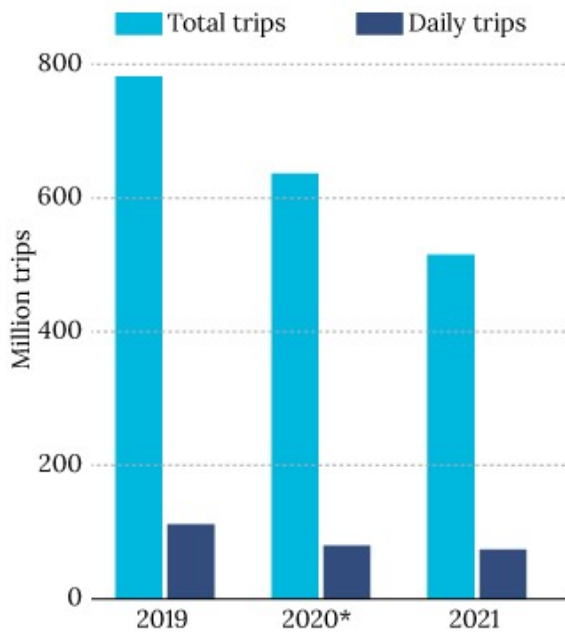
China's tourism spending over the weeklong holiday at the start of this month failed to recover to pre-Covid levels, official data showed, as local clusters of cases dimmed enthusiasm for travel.

CAIXIN GLOBAL, OCT 08

More than 500 million domestic trips generated 389 billion yuan (\$60 billion) of spending over the holiday to mark the People's Republic's founding that kicked off on Oct. 1, the Ministry of Culture and Tourism announced Thursday.

The total number of trips was down 1.5%, while spending slid 5% from 2020 and more than 40% from 2019, the ministry's figures showed.

October Holiday Tourism Slips Further



Key figures

- 389 billion yuan of domestic tourism spending over the weeklong holiday
- 403 million passenger trips were made, of which 304 million were by highway, 83.1 million by train, 9.3 million by airline, and 6.3 million by waterway
- 4.38 billion yuan in box office takings, of which three-quarters came from "The Battle at Lake Changjin"
- 25,000 daily visits to Universal Studios Beijing

*The 2020 holiday included an extra day

Source: The Ministry of Culture and Tourism, China UnionPay, Beijing Municipal Bureau of Culture and Tourism, Dengta

Caixin

Residents spent 2.3 trillion yuan in the first six days of the holiday, beating the daily average of the eight-day 2020 holiday.

WUHAN ROLLS OUT PLANS TO GIVE BOOSTER SHOTS TO KEY GROUPS

GLOBAL TIMES, OCT 11

The Chinese city of Wuhan is among the latest to roll out plans to give COVID-19 booster shots to key groups, including people working in posts with high-risk infections and those who have a weak immunity system, above 60 years old and others.

The center said that experts have proved the safety of COVID-19 booster shots, which can also rapidly elevate neutralizing antibody levels.

Vaccines developed by Sinopharm, Sinovac and CanSinoBIO are among the options for the booster shots.



People wearing face masks line up to receive the COVID-19 vaccines at a vaccination site in Jiangxia District in Wuhan, central China's Hubei Province, June 9, 2021. (Photo:Xinhua)

AUSTRALIA ANNOUNCES RECOGNITION OF SINOVAC'S COVID-19 VACCINE

CGTN, OCT 02

Australia has officially listed a COVID-19 vaccine developed by Chinese pharmaceutical company Sinovac as a "recognized vaccine" on Friday after completing its assessment of the jab.

The inclusion of Sinovac's shot as a recognized vaccine in Australia would mean that **over 80,000 Chinese international students** will be allowed to study in the country when it reopens its international borders from November, according to the Sydney Morning Herald newspaper.

BUSINESS

CHINA FINES MEITUAN \$533 MILLION TO END ANTITRUST PROBE

CAIXIN GLOBAL, OCT 09



Meituan's 3% penalty was less both in value and percentage than a record 18 billion yuan fine handed to Alibaba in April.

China's market regulator levied a 3.44 billion yuan (\$533 million) fine on Meituan for anti-competitive practices, ending a months-long probe on the food-delivery giant and lifting the regulatory uncertainty weighing on its stock.

The fine was calculated as 3% of the company's domestic sales for 2020, a relatively lenient penalty, according to China's Anti-Monopoly Law, which sets fines on abuse of market dominance at up to 10% of a firm's revenue for the previous year.

Meituan will also have to return 1.29 billion yuan of merchant deposits which were taken as part of exclusivity agreements that the regulator ruled unlawful.

The firm was also ordered to improve its commission mechanism, protect the interests of businesses on the platform and the rights of delivery drivers, and submit self-inspection and compliance reports to the State Administration for Market Regulation (SAMR) for three consecutive years.

Meituan said in a statement that it accepted the penalty and will implement the regulators' instructions as well as ensure fair competition.

DEVELOPER FANTASIA HOLDINGS DEFAULTS ON \$206 MILLION NOTE

CAIXIN GLOBAL, OCT 07

Another Chinese developer failed to repay a \$206 million note due Monday, adding the concerns on the nation's property sector amid the **crisis** of industry leader China Evergrande Group.

Shenzhen-based developer **Fantasia Holdings Group Co. Ltd.** became the latest property company to face liquidity shortage as the housing market slows and regulators choke off credit to developers.

The missed payment is part of a \$500 million note with a 7.375% coupon rate. Fantasia bought back part of the note between May and July, and the remaining \$206 million of the principal balance was due Monday.

At a conference call with investors in June, the company disclosed plans to offload certain assets to repay offshore debts, including projects in Beijing, Hefei, Qingdao and Chengdu.

Fantasia said last week it's selling its commercial property service unit to CG Services, the property-service unit of developer Country Garden. Fantasia has originally planned a spinoff and listing of the unit.

The company's Hong Kong-listed shares have plunged 67% from its peak in August 2020. The trading of the stock has been suspended since September 29.

Fantasia bought 20 parcels of land with an expected sales value of \$48.3 billion yuan in 2020.

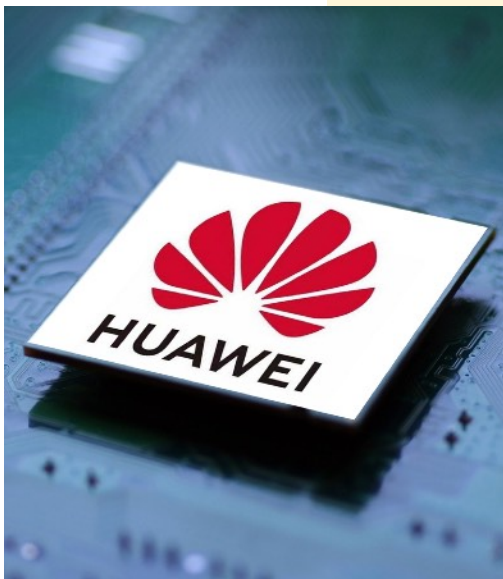


Chinese government has maintained strict rules that force indebted developers to reduce leverage, as well as measures aimed at preventing a bubble in home prices, such as caps on mortgage lending for banks as well as the [“three red lines”](#) imposed on developers, which determine the bottom lines for their liability-to-asset ratio, net gearing ratio and cash-to-short-term debt ratio. The result is that refinancing debt is becoming increasingly difficult to obtain for the sector.

HUNGARY TO BUILD EUROPE'S FIRST 5G SMART RAILWAY PORT TOGETHER WITH HUAWEI

GLOBAL TIMES, OCT 07

Chinese telecommunications equipment giant Huawei on Wednesday signed a cooperation agreement with Hungary's East-West Intermodal Logistics and British telecommunications operator Vodafone, in a joint effort to build Europe's first smart railway hub managed by a 5G private network to be empowered by Huawei.



According to a report from the Xinhua News Agency, the project, which covers an area of 85 hectares in Fenyestitke, will become Europe's largest intelligent multi-modal railway hub and Europe's first railway port to use a 5G private network for internal communication and technical equipment networking management.

Vodafone Hungary and Huawei's Hungary subsidiary will provide a 5G private network for the project. 5G technology will be used to remotely control fully automatic gantry cranes for intelligent loading and unloading operations. It will be able to handle 1 million standard containers per year after project completion in the first quarter of next year.

ByteDance Inc., the owner of global short-video sharing sensation TikTok, is gearing up to enter China's highly regulated rental housing market after obtaining a real estate broker's license and making other recent moves that could help it compete against established real estate portals.

CAIXIN GLOBAL, OCT 11

Beijing Haofang Youxing Information Technology Co. Ltd., a wholly owned subsidiary of ByteDance, has quietly taken a 100% stake in Beijing Fuwang Real Estate Agency Co. Ltd., a unit of Beijing Maitian Real Estate Brokerage Co. Ltd., according to corporate information provider Tianyancha.



BYTEDANCE PUSHES INTO PROPERTY WITH NEW REAL ESTATE BROKER'S LICENSE

A Maitian branch in Xiamen, east China's Fujian province, on April 30. Photo: VCG

ECONOMY

CHINA'S COAL IMPORTS FROM RUSSIA, INDONESIA RISE, TAKING THE PLACE HELD BY AUSTRALIAN COAL

GLOBAL TIMES, OCT 07

Chinese provincial governments are encouraging more coal imports from Russia, Indonesia and Kazakhstan to resolve domestic market shortages.

According to the Ministry of Energy of the Russian Federation, in the first half of 2021, Russia exported 107.3 million tons of coal, a year-on-year increase of 9.8 percent. Exports to China reached 24.15 million tons in the first six months, compared with 16.2 million tons in the same period last year.

According to Chinese customs data covering the first eight months of the year, Indonesia remained the largest source of coal imports with a year-on-year increase of 19 percent. China's coal imports from the US soared seven times year-on-year, while imports from South Africa increased to 4.38 million tons last year.

In addition, coal imports from Canada, Russia and the Philippines were up 67 percent, 62 percent and 49 percent respectively, year-on-year



coal power plant Photo: VCG

BEIJING FINISHES OVER 80% OF NEW SERVICES TRADE ZONE, PILOT FTZ TO BOOST ACCESS

YICAI GLOBAL, OCT 08

In the past 12 months, Beijing has completed more than 80 percent of a plan to boost international trade by setting up a new national-level zone for the services sector and a pilot free trade zone.

China's capital city has implemented 207 of the 251 tasks listed in the plan for the Two Zones, which means 82 percent of the work needed to set up the Integrated National Demonstration Zone for Opening up the Services Sector and the China Beijing Pilot Free Trade Zone has been done, the government said in a recent statement.



Beijing Finishes Over 80% of New Services Trade Zone, Pilot FTZ to Boost Access

To promote trade, Beijing has also unveiled a series of new policies on cross-border e-commerce, including the first nationwide approval for cross-border pharmaceutical e-commerce operators to provide warehousing and third-party logistics services. And the city has opened the first so-called fifth-freedom air route at Beijing Capital International Airport, strengthening cargo links between Asia and North America. Fifth-freedom route operators fly between countries that are not their home bases.

Beijing has further improved its cross-border financial system. It has established a yuan-denominated international fund to carry out direct investment and loan business overseas. It has launched an integrated domestic and foreign currency fund pilot for multinational firms, and raised the overseas investment quota for Qualified Domestic Limited Partners to USD10 billion.

EDUCATION

CHINA TO REVOKE 'GAOKAO' PRIVILEGE FOR STUDENTS WITH SPECIAL TALENTS

SIXTH TONE, SEP 27

Authorities said those who excel in sports and arts would no longer have “shortcuts” to the college entrance exam in the future.

China’s top education authority has [proposed](#) a higher admissions standard for high school students with special talents in the fields of [sports](#) and [arts](#), suggesting there would be no more “shortcuts” to get into colleges with lower academic grades.

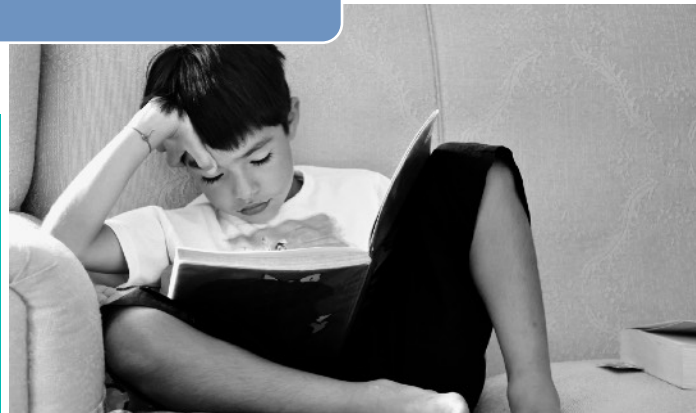
Starting 2024, students with special sports talent will have to score no lower than the required 80% set by undergraduate facilities to be admitted. That’s in contrast to the current 65% that opens the door to second-tier universities.

Online, some students said they were [offended](#) that their hard work was seen as a “shortcut” to get into university, while many athlete students argued that balancing professional training and academic courses was difficult.

BEIJING SCHOOLS TO INCLUDE COMPULSORY MENTAL HEALTH EDUCATION

SIXTH TONE, OCT 11

In China, an estimated 24.6% of the country’s teenagers live with some form of depression, [according](#) to the latest report on mental health published by the Institute of Psychology under the Chinese Academy of Sciences. As many as 7.41 million children aged between 4 and 16 are said to suffer from mental or behavioral conditions, according to [media reports](#) citing a survey, while a separate report published in 2019 [estimated](#) that nearly 100,000 minors died from suicide annually.



Beijing’s education authority has instructed the city’s primary and junior middle schools to include mental health education in their curricula and ensure each school has at least one dedicated counselor to address the students’ psychological needs.

“Most trainees enrolled in internet addiction treatment camps carry the weight of their families’ hopes on their backs.”

WHY CHINA’S KIDS CAN’T QUIT ONLINE GAMING

SIXTH TONE, OCT 09

This summer, the Chinese government unveiled a series of new policies related to the education and healthy development of minors. Policymakers [shuttered](#) for-profit tutoring programs, called for new, more relaxed afterschool activities to solve the longstanding “[3:30 p.m. dilemma](#),” and implemented strict new rules that [limit](#) minors to just three hours of online gaming a week.

...But these policies have seemingly had little lasting impact. After the latest restrictions were announced, a mother told me that while kids can no longer play domestic games online whenever they want, they can still download international games or watch gaming streams. This fits the pattern in which [earlier rounds](#) of restrictive policies often only resulted in new problem areas in need of further regulation.

...In 2014, when I was a graduate student in anthropology, I interned and did ethnographic fieldwork at an internet addiction treatment camp in a large Chinese city. I found that most of the children there were from middle class families or above, perhaps because the treatment program cost 14,000 yuan (\$2,100) a month. Based on my interviews with the institution’s trainees, the three most common parental professions were teacher, police officer, and doctor.

...But to traditionally-minded parents who see gaming as a distraction and the cause of poor grades, rather than a response to them, the hobby is a provocation. They worry deeply about their children straying from the proper course of development, something that could lead to them dropping out of the middle class.

... Even if the country limits minors’ access to addictive online games, it won’t stop families from worrying about their kids’ education and pressuring them to work harder. It may in fact worsen their anxiety. Meanwhile, minors are unlikely to stop seeking out platforms where they can play games, further aggravating the perception of internet addiction as a problem and creating a vicious cycle of crackdowns and countermeasures. To truly solve the problem of gaming addiction among young people, it is essential to help them find meaning in their studies and lives, not just trap them in a world of alienation and constant competition.

[...FULL ARTICLE...](#)

CULTURE & TREND



KOREAN WAR EPIC DOMINATES CHINESE BOX OFFICE OVER WEEK-LONG NATIONAL DAY HOLIDAY

YICAI GLOBAL, OCT 08

The Battle at Lake Changjin, a film about Chinese soldiers fighting American troops during the Korean War, has become one of the top 10 grossing films at the Chinese box office, accounting for 70 percent of all takings during the seven-day National Day holiday that ended yesterday.

Ticket sales for the Battle at Lake Changjin came to almost CNY3.2 billion (USD496.3 million) between Oct. 1 and Oct. 7

The war epic has broken 16 records so far, including the best single-day hauls for both a war film and a historical movie.



‘SQUID GAME’ MERCHANDISE IS A HIT ON CHINESE E- COMMERCE SITES

The popular Netflix series is, however, unavailable in China.

SIXTH TONE, OCT 07

The South Korean survival drama “Squid Game” has gained popularity globally, even in places where the series isn’t officially available.

In China, the dystopian series based on a children’s game has become one of the most talked-about topics on social media sites over the past week. A [hashtag](#) including the show’s name had been viewed over 1.8 billion times on microblogging platform Weibo as of Thursday afternoon.



Dalgona cookie resembling ones from “Squid Game.” From Taobao

Several retailers on Chinese e-commerce platforms are trying to cash in on the show’s popularity by selling unauthorized “Squid Game” merchandise. On Taobao and JD.com, green tracksuits with individual numbers given to the participants, pink jumpsuits and face coverings worn by guards, and replicas of the iconic “red light, green light” doll are on sale.

Meanwhile, hundreds of thousands of people have [shared](#) photos and videos of them playing the games from “Squid Game” on social platforms. Many were particularly invested in carving dalgona cookies with certain images, trying to recreate the life or death scene from the series.



Welcome to the Suite life

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