

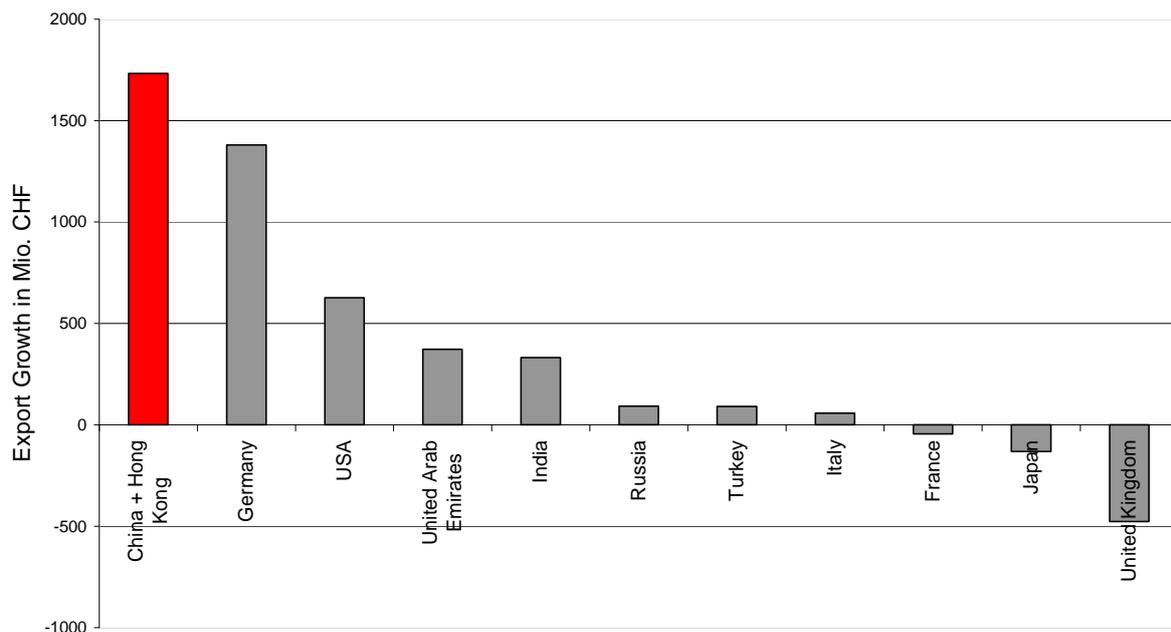
China fuels the Swiss export engine

- *With additional exports in the value of 1.7 billion Swiss francs to China (incl. Hong Kong) in the first six months of 2011 year-on-year, China remains the single largest contributor to Swiss export growth.*
- *Swiss companies exported goods in the value of 7.1 billion Swiss francs to China – an increase of 32%, while exports to the EU stagnated at +0.9%.*
- *If current rates of export growth are maintained, China will catch up to Germany and become the biggest importer of Swiss goods by 2020, projects the Swiss Center Shanghai.*
- *With a plus of 3.7 billion Swiss francs, the trade balance with China and Hong Kong is very positive – only the trade balance with the United States is better (+ 6 billion CHF)*

Shanghai (26 July 2011) – China remains the single largest contributor to Swiss export growth. In the first half of 2011, Swiss companies exported goods in the value of 7.1 billion Swiss francs to China and Hong Kong, according to recent figures of the Federal Customs Administration. “That is an impressive plus of 32% or 1.7 billion Swiss francs compared to the year before”, analyses Nicolas Musy, Managing Director of the non-profit organization Swiss Center Shanghai (SCS). The SCS is the largest cluster of Swiss companies in Asia, facilitating the market entry of Swiss enterprises in the Far East.

Exports to Germany, the second largest contributor to Swiss export growth, grew by 1.3 billion Swiss francs, while exports to other key markets like Italy (+58 million CHF), France (-45 million CHF) and the United Kingdom (-477 million CHF) remained static or decreased.

Swiss Export Growth by Country, Jan-June 2011 (Mio. CHF)



Swiss exports go East: China is the largest contributor to Swiss export growth.

The bigger picture shows stagnating exports to the EU (+0.9%) and booming exports in the Far East. Mr. Musy: "China fuels the Swiss export engine. It is not only the largest contributor to Swiss export growth in terms of Swiss francs. With a plus of 3.7 billion Swiss francs, the trade balance with China is the second best after the trade balance with the United States (+6 billion CHF). If the current growth rates are maintained, China will catch up with Germany and become the biggest importer of Swiss goods by 2020", outlines Mr. Musy.

Close economic ties with China

From China's perspective, the trade with Switzerland plays a special role. "Switzerland represents 1.7% of China's imports, compared to Germany with 5.4%. That is one third of the German exports to China while the Swiss economy is ten times smaller. And: The Swiss trade balance with China is almost as positive as the German one", reports Musy.

Booming machinery exports: +69%

The machinery sector traditionally is the strongest Swiss export sector to China. In the first six months of 2011, machinery in the value of 2.1 billion Swiss francs has been exported – a stunning plus of 69% compared to the year before. The second strongest industry is precision instruments and watches: Exports in the value of 1.1 billion Swiss francs represent an increase of 39%. As China shifts its economy from export-led growth to consumption-led growth, the trade opportunity with China will become more promising especially with high-end consumer goods and high-tech machinery and equipments.

June exports: major shift from West to East

While Swiss June exports to the EU decreased by 14.6% and exports to the United States stagnated at +1.3%, exports to China grew by 16.6%, and exports to Hong Kong went up by 20.1%. With exported goods in the value of 1.2 billion Swiss francs in June, China (incl. Hong Kong) overtook France to become the fourth biggest importer of Swiss goods, after Germany (3.1 billion CHF), the United States (1.6 billion CHF) and Italy (1.3 billion CHF).

Picture Legend: The Swiss Center Shanghai is the largest cluster of Swiss companies in Asia. It offers workshop space and supports Swiss enterprises to enter the Chinese market.

Picture Legend: "If the current growth rates are maintained, China will catch up with Germany and become the biggest importer of Swiss goods by 2020." Nicolas Musy, Managing Director Swiss Center Shanghai.

About Swiss Center Shanghai (SCS): Founded in 2000, SCS is by far the largest cluster of Swiss enterprises in Asia with a rich experience in business set-up and China operations management. SCS not only offers instant workshop, office and desk space, but also supports the companies with government relations and a broad network of experts. SCS served more than 100 companies in China – both SMEs and large enterprises. Among other, the SCS experts performed set-ups of 20 production companies and more than 30 offices and trading companies. For more information, please visit: www.swisscenters.org.

Media Contact:
Bernhard Hagen
press@swisscenters.org
Tel: +43 664 7348 3730