



MONTHLY UPDATE ON CHINA

April 2019



Investments, BRI Investments

Tatheer Zahra Sherazi

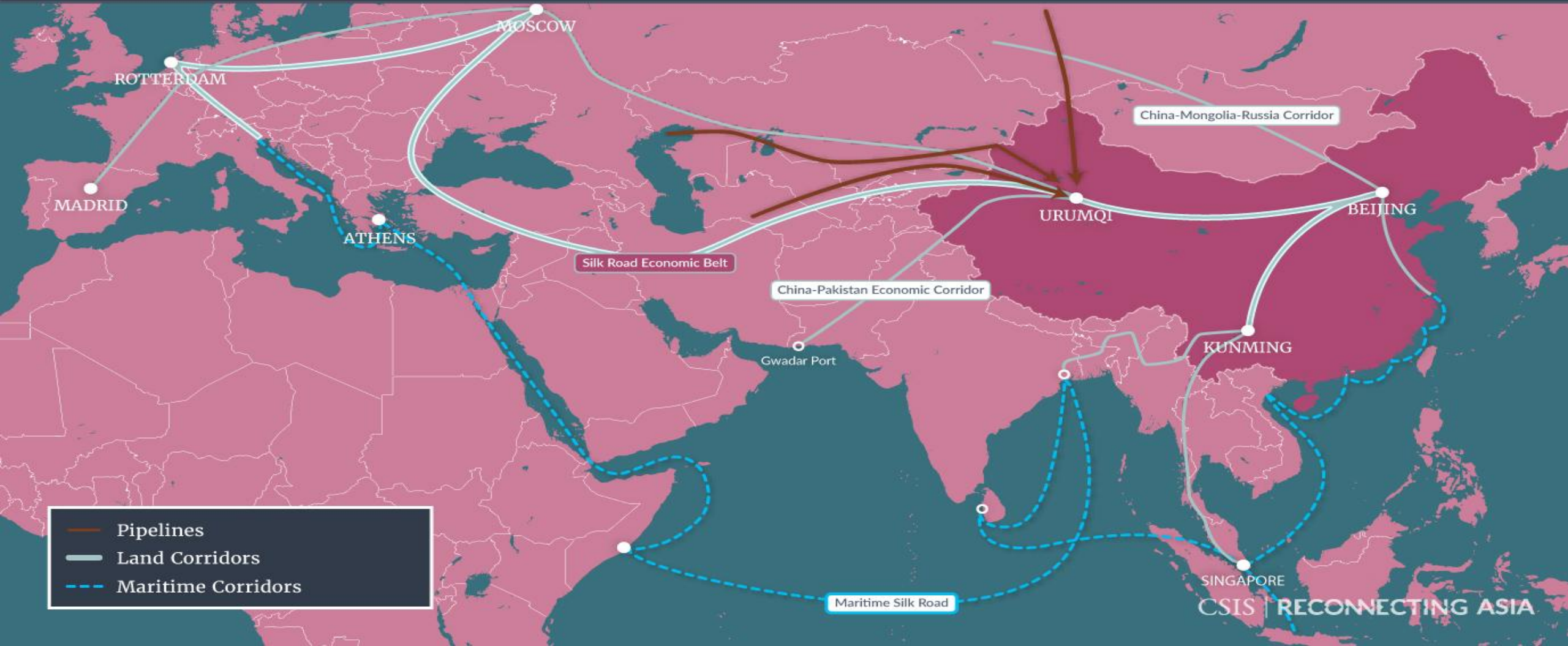
3/4/2019

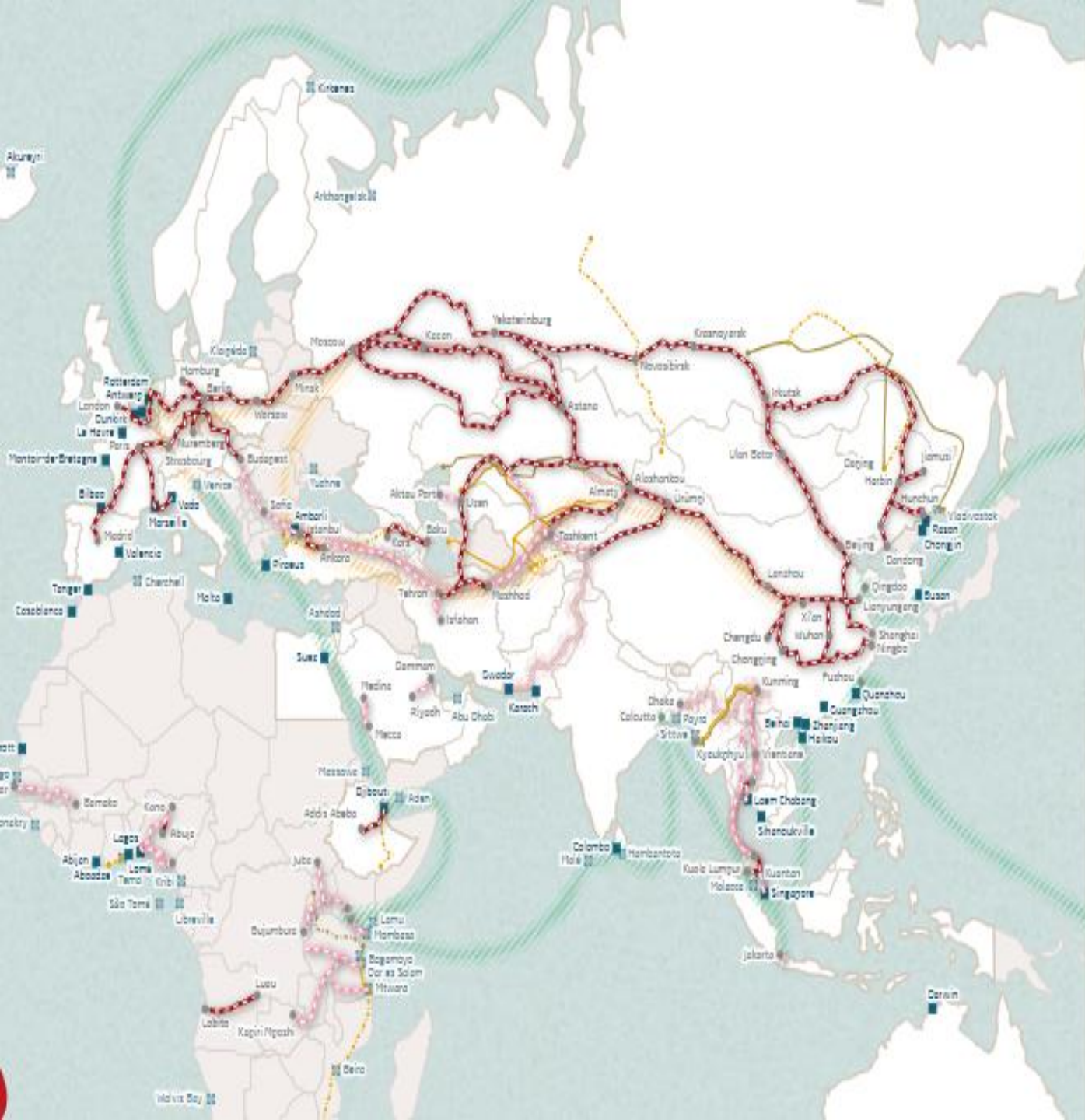
BRI

- ▶ Theoretically, the BRI could stretch to 2049, the 100th anniversary of the People's Republic of China and Xi's target date for establishing China as
 1. fully developed
 2. rich
 3. and powerful
- ▶ Total investments \$340 billion during 2014-2017
- ▶ it would take six to seven years for the BRI to reach the \$1 trillion mark
- ▶ It seems BRI would cross the \$2 trillion threshold in the 2030s and onwards






















BRI ranges from \$1 trillion to \$8 trillion

China's Vision

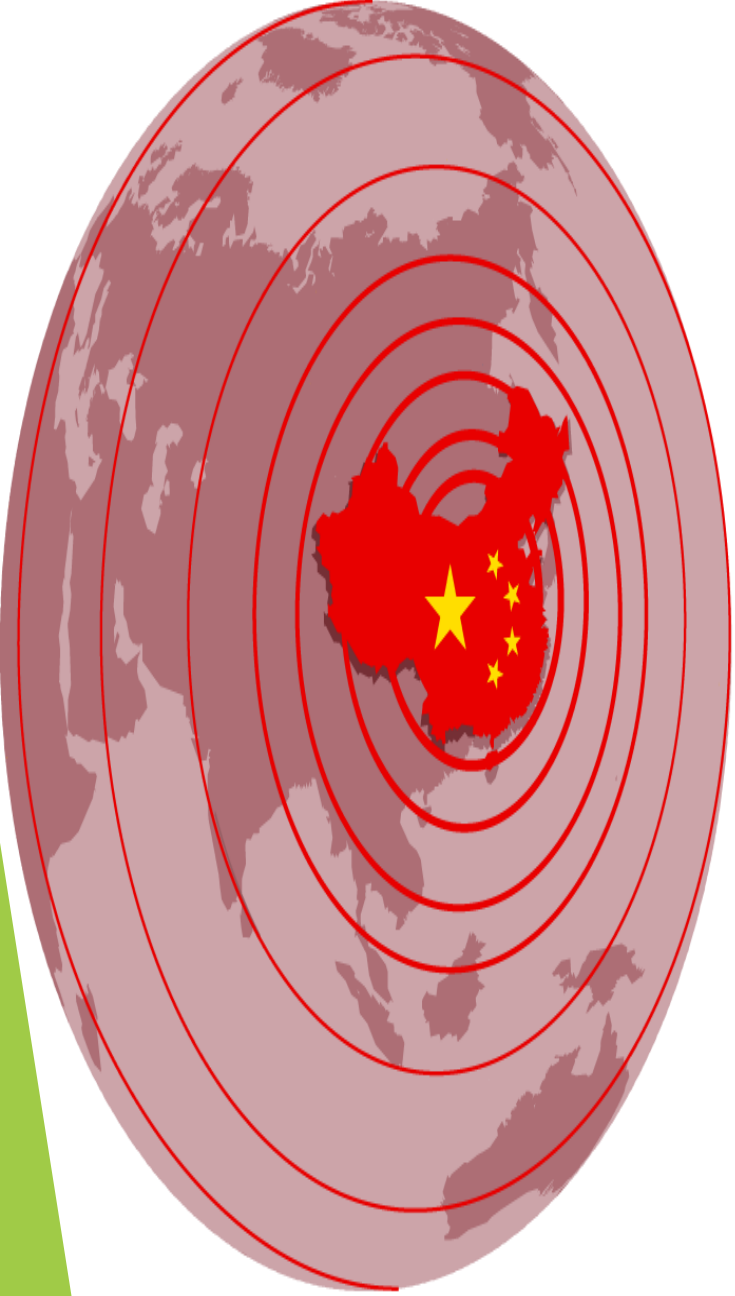




SELECT CATEGORY

	Existing	Planned
 Railroads		
 Oil pipelines		
 Gas pipelines		
 Ports		
 Silk Road Economic Belt		
 Maritime Silk Road		
 Economic Corridor		
 AIIB member states		





CHINA

GLOBAL INVESTMENT TRACKER

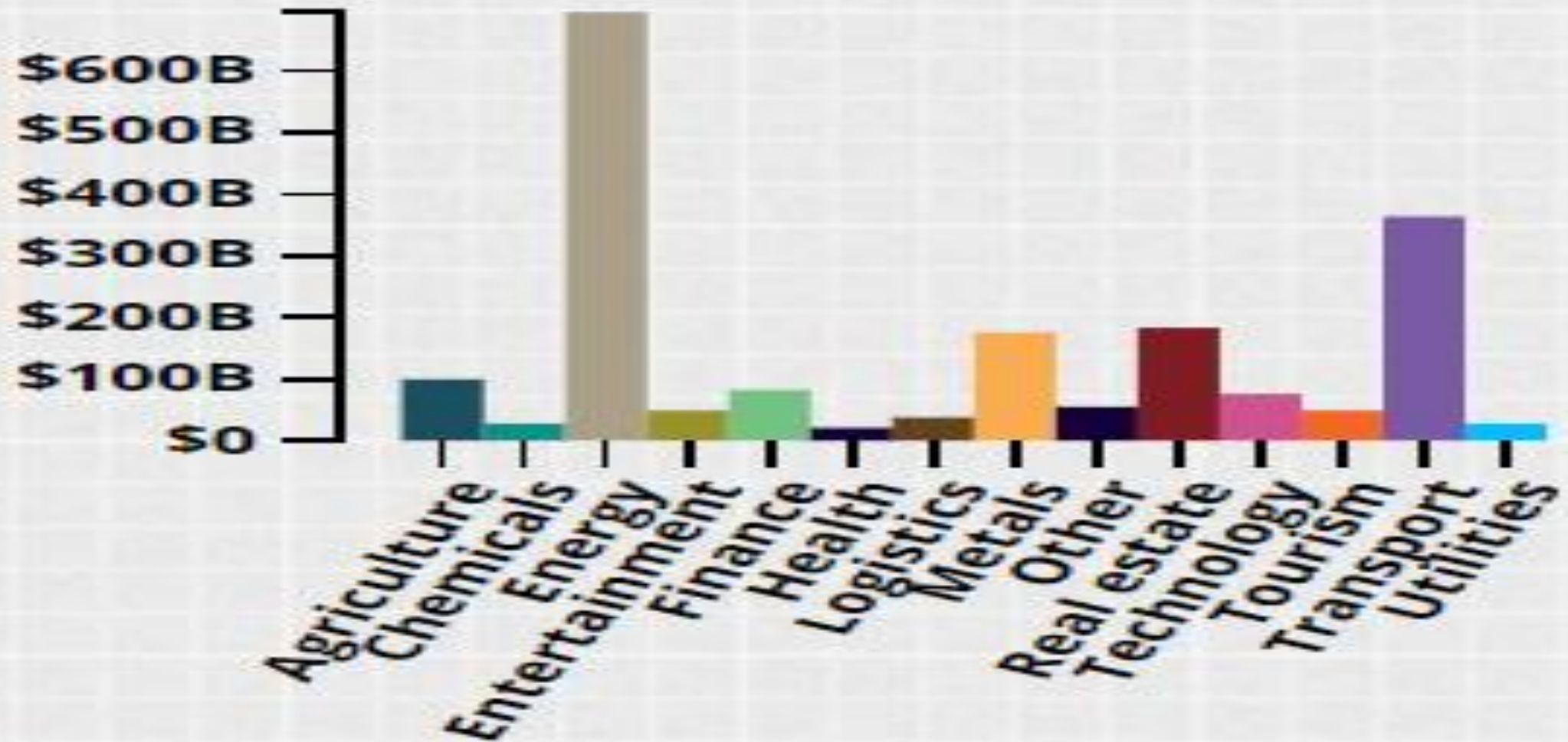
All Regions Investments

- ▶ Europe \$385.1B
- ▶ US \$182.64 B
- ▶ North America \$69.85B
- ▶ South America \$169.4B
- ▶ Australia \$111.62B
- ▶ Sub Saharan Africa \$299.66B
- ▶ Arab \$182.2B
- ▶ East Asia \$265.92B
- ▶ West Asia \$275.14B
- ▶ Euro-America: \$ 806.99 b
- ▶ Euro-America , Australia =\$ 918.61 b
- ▶ Asia : \$1,022.88 b
- ▶ Total: \$1941.53B

Regions of Investments

Region	Amount (million \$)	%age
Europe	385,100	20
Sub-Saharan Africa	299,660	15
West Asia	275,140	14
East Asia	265,920	14
USA	182,640	9
Arab Middle East and North Africa	182,200	9
South America	169,400	9
Australia	111,620	6
North America	69,850	4
	1,941,530	100

Sectors for Investments for total Investment



Projects, Value and Share

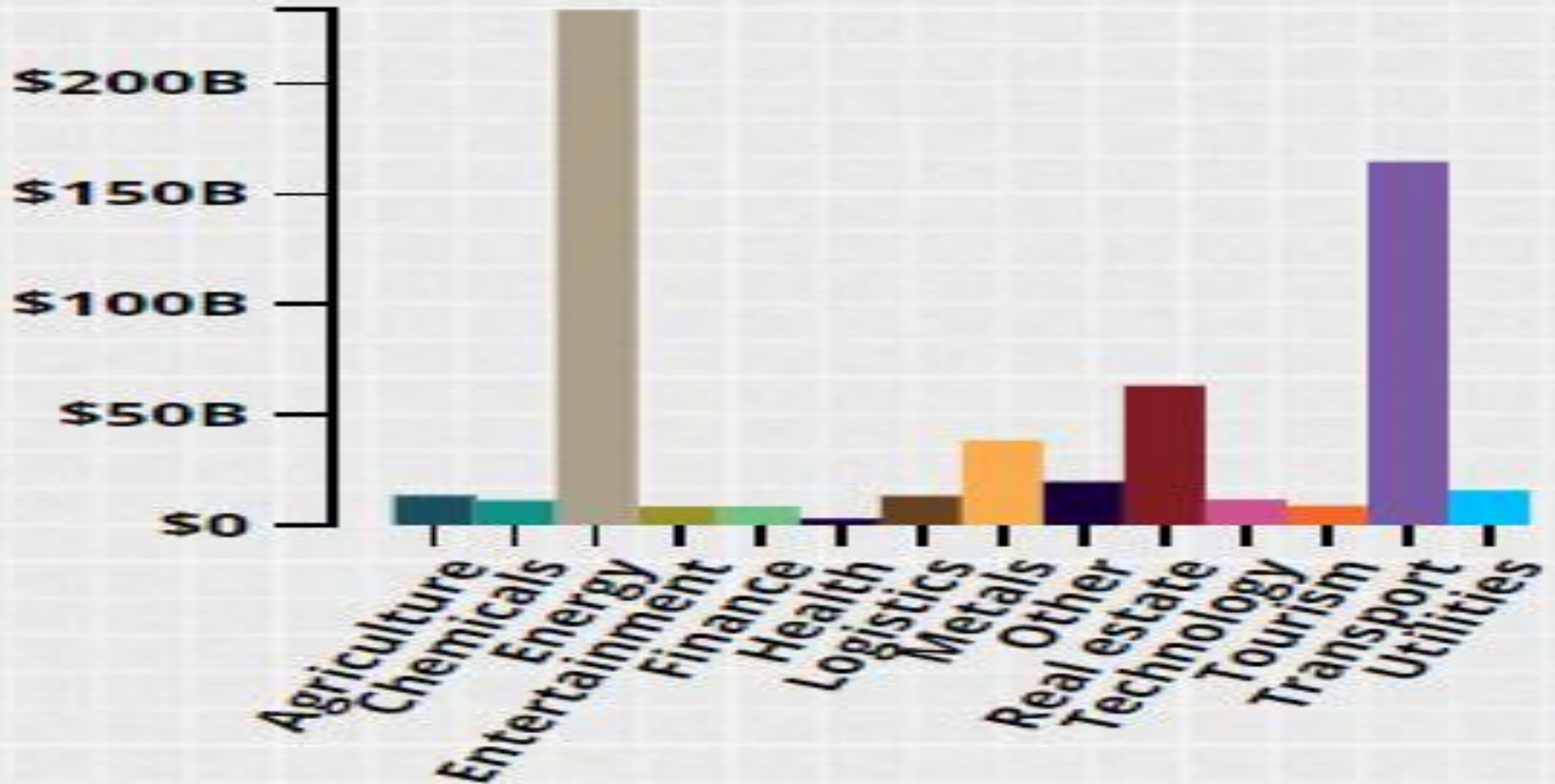
USA and Pakistan : From 2013 to 2019

\$138.64B , \$41.82B

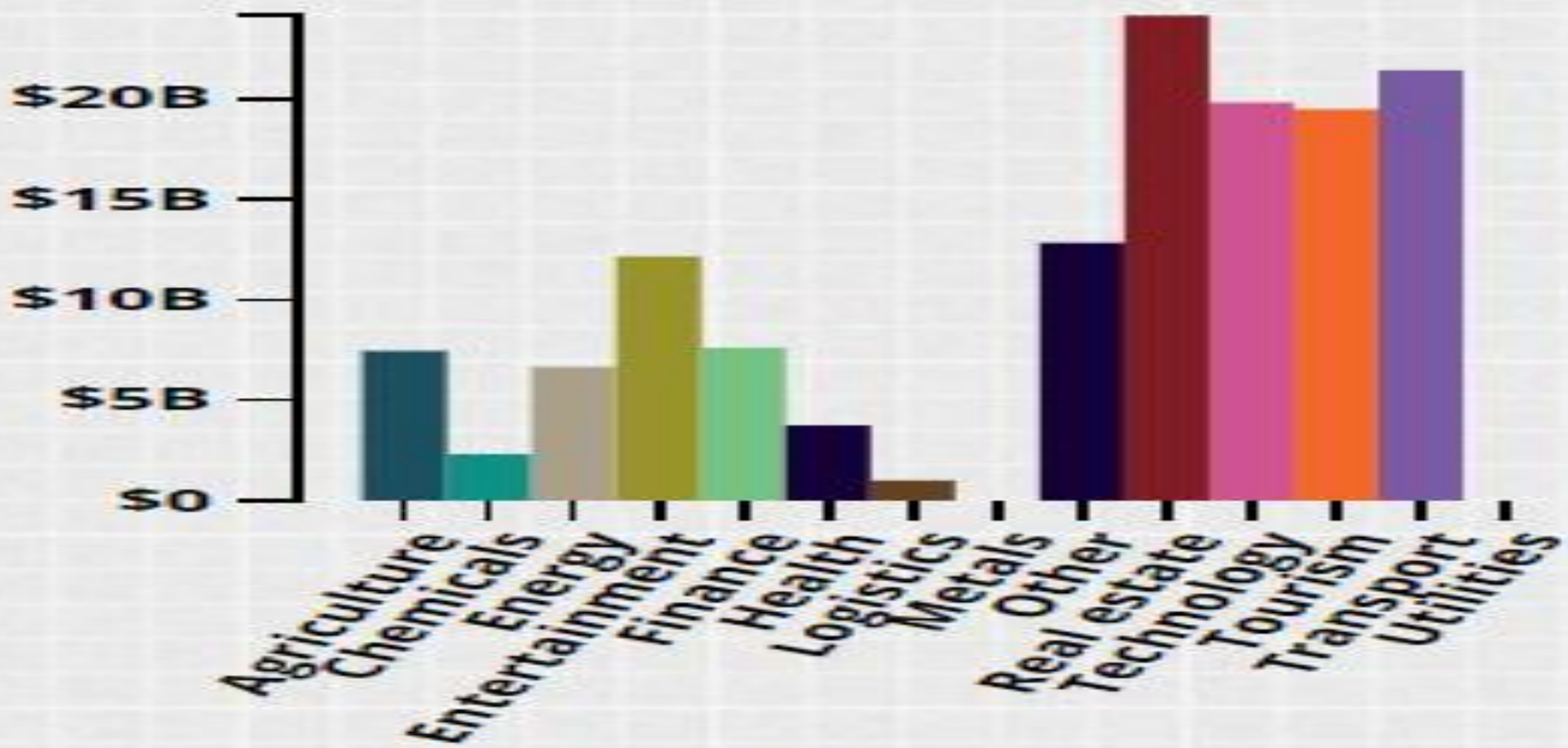
sr	Country	Projects	Value	1-20%	21-50%	51-70%	70+%
1	USA	250	180,000	36	23	14	72
2	Australia	139	94,490	26	13	11	43
3	Britain	100	80,880	15	11	3	34
4	Switzerland	16	60,890	3	1	3	5
5	Brazil	61	57,040	5	11	5	13
6	Canada	62	53,530	13	7	7	14
7	Germany	61	41,240	11	4	4	27
8	Singapore	39	33,040	4	6	5	11
9	Russian Federation	43	29,160	14	9	1	7
10	France	34	25,490	11	6	1	9
11	Peru	13	22,610		1	1	5
12	Italy	25	21,710	10	4	2	5
13	Malaysia	32	19,930		7		11
14	Kazakhstan	16	18,510	2	3	3	4
15	Indonesia	36	15,030	3	3	9	8
16	Finland	4	14,450				3
17	Netherlands	18	14,070	1	3	1	9
18	Nigeria	8	13,500	1	3	1	1
19	South Africa	18	12,540	1	5	3	4
20	Sweden	9	11,960	2			3
21	India	35	11,960	3	6	1	12
22	Pakistan	20	11,320	2	2	1	7

BRI Investment since 2005 to 2018

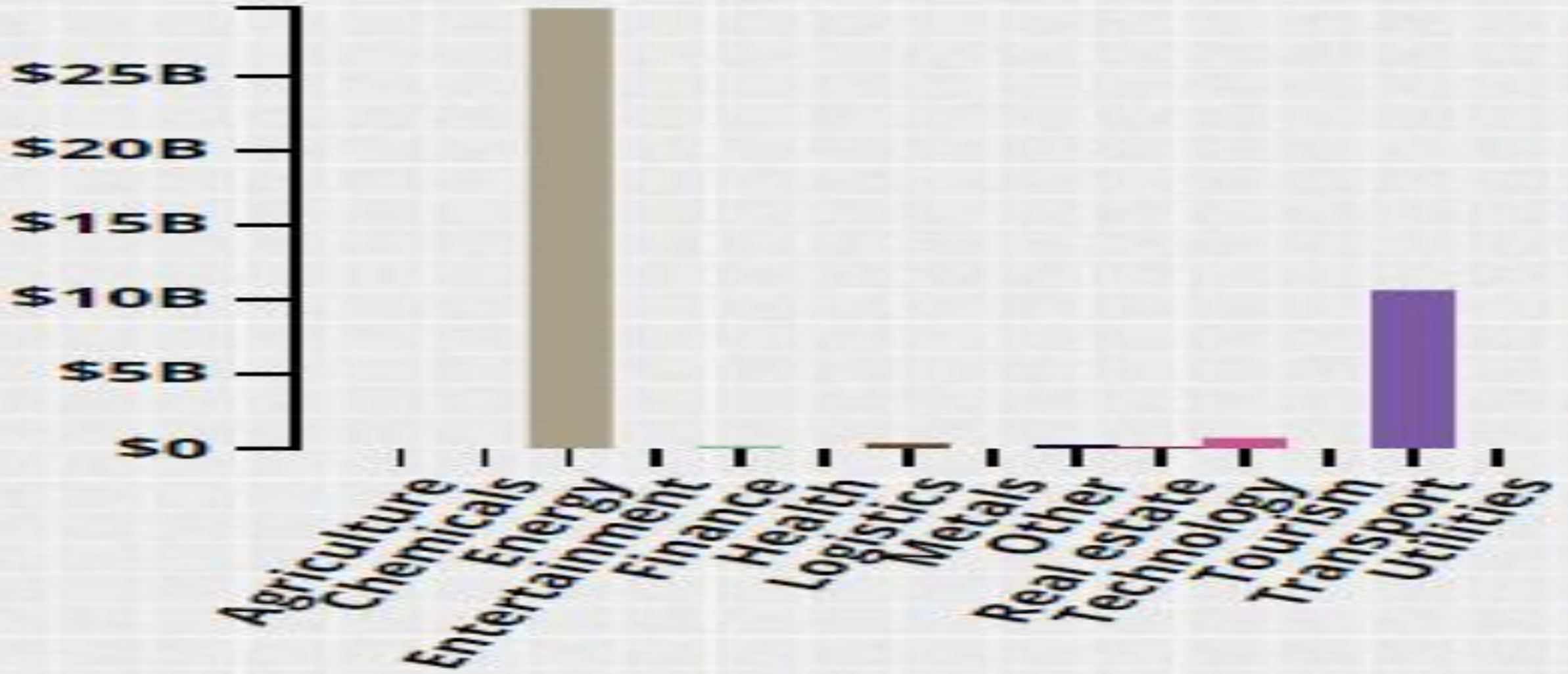
BRI \$613.89B b



Since 2013 Sectors of Investments in USA



Since 2013 Sectors of Investments in Pakistan



Funding of the Initiative

The funding of the Belt and Road Initiative will be secured by various institutional mechanisms such as:

▶ **1. Policy Banks**

- ▶ Agricultural Development Bank of China (ADBC)
- ▶ China Development Bank (CDB)
- ▶ Export-Import Bank of China (CHEXIM)

▶ **2. State Owned Banks**

- ▶ Agricultural Bank of China (ABC)
- ▶ Bank of China (BOC)
- ▶ China Construction Bank (CCB)
- ▶ Industrial and Commercial Bank of China (ICBC)

▶ **3. State Owned Funds (selection)**

- ▶ China Investment Corporation (CIC)
- ▶ Silk Road Fund (SRF)

▶ **4. International Financing Institutions (selection)**

- ▶ Asian Development Bank (ADB)
- ▶ Asian Infrastructure Investment Bank (AIIB)
- ▶ New Development Bank (NDB)

FDI and FPI

FDI and FPI

Foreign direct investment (FDI) and foreign portfolio investment (FPI) are two of the most common routes for investors to invest in an overseas economy.

FDI:It implies investment by foreign investors directly in the productive assets of another nation

FPI:FPI means investing in financial assets, such as stocks and bonds of entities located in another country

FDI and FPI

FDI: FDI investors cannot easily liquidate their assets and depart from a nation so very large and quite illiquid

FPI: FPI investors can exit a nation literally with a few mouse clicks, as financial assets are highly liquid and widely traded

References

- ▶ Based on Global Investment Tracker by AEI