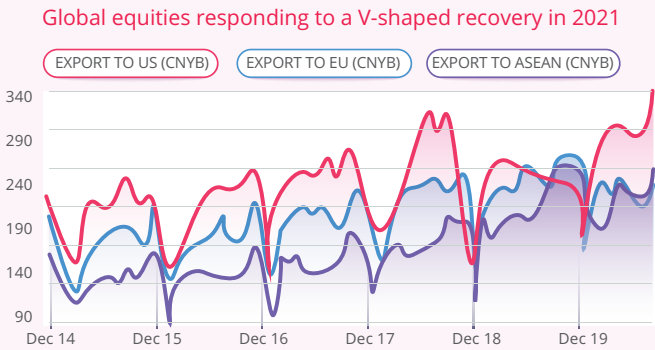


Take the lead with China equities



WHAT HAPPENED?

While the world was busy battling the pandemic, China’s exports to major trade partners recovered strongly, fortifying its position as the world’s leading manufacturer.



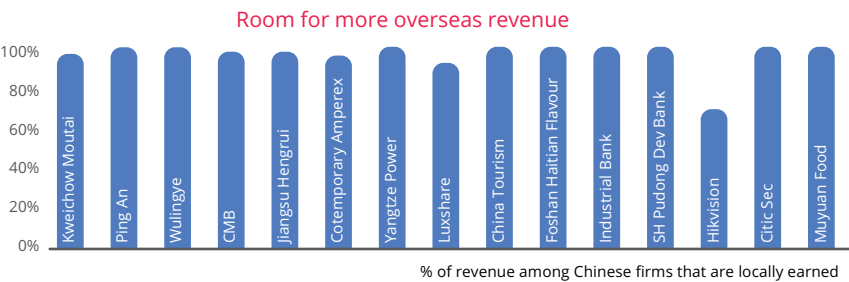
China has also enhanced its position as one of the world's major trade partner through:

- 1 Regional Comprehensive Economic Partnership (RCEP) with 14 nations
- 2 European Union (EU)-China Comprehensive Agreement on Investment



WHAT DOES THIS MEAN?

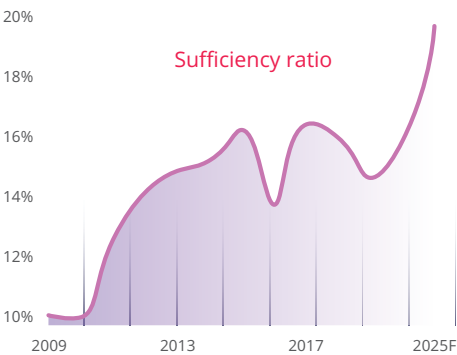
These trade treaties will enable China firms to tap external markets and widen their revenue mix.



It will also further boost China’s foreign direct investment inflow from EU firms, especially in sectors like:

- Manufacturing
- Automotive
- Basic Materials

Additionally, there should be increased technology capex spending, which will help China move towards higher self-sufficiency in technology.



WHAT SHOULD YOU DO?

Remain constructive on North Asia equities

Stay engaged with China’s multi-pronged long-term growth plans



To learn more about our quarterly cross-asset views, please see full report [here](#).