

CHINA IN THE NEWS



Joanna Zhou (周娜), now residing in Knoxville TN, immigrated to Indianapolis with her husband from Beijing in 2013, where she worked in Human Resources for a U.S. Fortune 500 company. She enjoys her new life with her husband and kept in touch with her IAAT friends and readers by contributing to this column.

China to speed up bullet trains on Beijing-Shanghai route in Sept.

China's new generation bullet train, the Fuxing, will run on the Beijing-Shanghai high-speed railway from September 21 at 350 kilometers per hour, China Railway Corp. said Sunday. It will be the world's fastest commercially-used bullet train and will cut travel time between the two cities to 4.5 hours from 6 hours. China started to run its first 350-km high speed train between Beijing and Tianjin in Aug. 2008 and opened at least three more such high-speed lines nationwide in the following years, until the authorities ordered speeds to be cut to between 250-300kmh in 2011. The Fuxing trains were unveiled in June and are capable of top speeds of 400 kmh. 京沪高铁拟9月提速至每小时350公里

7月27日, 中铁总安排“复兴号”在京沪高铁开展时速350公里体验运营, 共300余人参加。中铁总介绍称, 今年以来, 中铁总安排“复兴号”在京沪高铁开展了时速350公里实车、实重和实速检验检测、可行性研究和运营安全评估, 组织两院院士、铁路专家进行了评审咨询。通过全面系统的科学论证和综合评估, 一致认为, 京沪高铁满足按设计速度350公里/小时运营要求。下一步, 中铁总将进一步做好技术准备、设备精调、人员培训、运营准备等工作, 预计在9月京沪高铁实施新的列车运行图后, 今年“复兴号”按时速350公里正式上线运营。届时, 京沪高铁全程运行时间在4个半小时左右。

Cargo train links China's Qinghai with Russia

Hu Tianhong, driver of a new China-Europe freight train service linking Russia with Golmud in Qaidam Basin, northwest China's Qinghai Province, drives the train away from Golmud, Aug. 20, 2017. The train, loaded with containers of chemical, left China through the Alataw Pass in Xinjiang, and will pass Kazakhstan before reaching Perm in Russia. The trip covers about 6,360 kilometers and takes 10 days, 30 days less than the previous sea route.

青海格尔木至俄罗斯中欧班列首发

8月20日, 随着一声汽笛长鸣, 青海省首次发往俄罗斯彼得堡的中欧班列从青藏铁路公司格尔木车站驶出。班列编组41辆, 运输的货物为青海柴达木盆地循环经济示范区生产的盐湖产品。这趟中欧班列由中铁集装箱公司提供全程物流服务, 列车从青海省海西蒙古族藏族自治州格尔木市出发, 从阿拉山口出境, 途经哈萨克斯坦, 最终到达俄罗斯彼得堡。班列行程约6360公里, 其中国内段3450公里, 国外段2910公里。预计用时10天左右, 较以前选择的通过天津港海运节省30天时间。

135 Chinese companies debut on "new third board"

China's National Equities Exchange and Quotation (NEEQ), also known as the "new third board," saw 135 new small and medium-sized enterprises debut in the past week. The newcomers brought the total number of companies on the board to 11,523, according to data from the NEEQ. Turnover on the board stood at 2.65 billion yuan (about 397.3 million U.S. dollars) last week, down 17.24 percent from the previous week. NEEQ was launched

in early 2013 to supplement the Shanghai and Shenzhen stock exchanges in serving small and medium-sized enterprises.

It is seen as an easy financing channel for small businesses with low costs and simple listing procedures.

新三板挂牌公司达11523家总市值突破5万亿元

根据全国中小企业股份转让系统(新三板)披露数据, 截至18日新三板总市值达50006.28亿元, 挂牌公司达11523家。8月14日-18日新三板新增135家挂牌公司, 成交金额26.50亿元, 较上周下降17.24%。截至18日, 挂牌公司总股本达到6720.72亿股, 其中无限售股本为3167.32亿股。挂牌公司今年累计发行股票金额达794.77亿元, 共1783家公司完成了股票发行融资。本周新三板挂牌公司中成交金额最大的为东海证券, 成交金额约1.52亿元。

Egypt sees sharp rise in trade volume with China

The volume of trade exchange between Egypt and China recorded 5.178 billion dollars from January to June 2017, state news agency MENA reported on Monday. China's exports to Egypt decreased by 20.79 percent on a year-on-year basis to 4.518 billion dollars, MENA cited the latest statistics released by the Chinese General Administration of Customs as saying. While Chinese imports from Egypt increased by 298.37 percent to reach 660 million dollars, in June the volume of trade exchange between Egypt and China amounted to 928 million dollars. Chinese imports from Egypt upped by 181.69 percent on annual basis to 80.58 million dollars, while exports dropped by 17.83 percent to reach 847 million dollars. Egypt ranked 52nd in list of China's largest trading partners.

中国和埃及贸易呈上升趋势

美国国家通讯社星期一报道, 埃及与中国的贸易流量2017年1月至6月达到了51.78亿美元的新高。中国海关对埃及的出口下降了20.79%, 达到45.18亿美元。而中国从埃及进口则增加了298.37%, 达到6.6亿美元。六月份, 埃及与中国的贸易交流额达9.28亿美元。中国从埃及进口额为80.68亿美元, 同比增长181.69%, 出口下降17.83%, 达8.47亿美元。埃及在中国最大贸易伙伴名单中名列第52位。

Trains bring more German products to China

Railway freight is bringing an increasing number of German products to China, according to Chinese customs authorities. A shipment of baby formula and beverages from Germany arrived at a transborder e-commerce zone in Hangzhou last week. This is the 58th shipment received by Dolphin Cross-Border Technology Co., Ltd, an e-commerce company. Hangzhou customs said German goods are some of the most diverse imported goods they see.

Since May last year, over 64 million yuan (about 9.4 million U.S. dollars) worth of German products have been imported via the China-Europe rail link, about 37 percent of the total amount of imported products via the route, according to Hangzhou customs. The goods arrive in Yiwu, then travel to the neighboring cities of Hangzhou and Ningbo before being distributed nationwide.

更多德国商品进入中国市场

据中国海关统计, 铁路货运正在向中国带来越来越多的德国产品。来自德国的一批婴儿配方奶粉和饮料上周抵达杭州的跨境电商商务区。这是海豚跨境科技有限公司收到的第58批货物(这是一家电子商务公司。)杭州海关表示, 德国商品是他们看到的最多样化的进口商品。据杭州海关报道, 去年5月以来, 通过中欧铁路连接进口的德国产品价值超过6400万元(约合940万美元), 约占进口产品总量的37%。

货物抵达义乌, 然后前往杭州, 宁波等邻近城市, 全国分发。

INDY BUSINESS BULLETIN



Indiana Unemployment Numbers to be Released

New state unemployment numbers will be released today. The rate released last month remained at 3 percent, the lowest level since the mid-1990s.

Gen Con Breaks Attendance Record

As expected, Gen Con LLC is reporting record attendance for last weekend's convention. The organization says turnstile attendance was nearly 208,000, marking an increase of about 4 percent over 2016. For the first time in its 50-year history, the convention sold out of all attendee badges before the event began.

Indiana State Fair Draws over 900K

This year's Indiana State Fair attracted nearly 907,000 attendees. The figure represents a 24 percent increase over last year and is the sixth-highest attendance total in the event's history.

Purdue Research Looks at 'Repurposing' Drugs

A Purdue University researcher says a \$1.6 million grant from the National Institutes of Health could help address an "urgent need" for a certain type of drug. Mohamed Seleem says the funding will support his research on whether two FDA-approved drugs could be repurposed to treat life-threatening drug-resistant bacteria.

Hoosier Trade Officials to Visit Japan

A trade delegation led by Governor Eric Holcomb will visit Indiana's largest foreign investor next month. The week-long trade mission to Japan will start September 7 and feature meetings with executives from companies invested in Indiana including Subaru, Toyota and Honda. More than 280 Japan-owned businesses are located in Indiana, supporting over 58,000 jobs in the state.

Indiana Manufacturers Sweep Top Spots on '50 Best' List

Hoosier manufacturers fare well in an annual ranking of the highest-performing public manufacturers in the country. Elkhart-based companies swept the top three spots on the 2017 Industry Week 50 Best U.S. Manufacturers list.

Building Permits on Rise in Central Indiana

The Builders Association of Greater Indianapolis says single-family building permits jumped 14 percent in July, compared to the same month last year. The increase is the largest in any month this year.

Date Selected For Return of Terre Haute Air Show

After more than a decade, the Terre Haute Air Show will return. Officials from the Terre Haute Air Show Committee and Terre Haute Regional Airport announced details this morning of the event, which is set for August 18-19 of next year.

FINANCIALLY SPEAKING

Are passively-managed funds too "dumb" to vote?



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into bust," I theorized passive investors had assumed that role and warned of the risk of a mindless buyer distorting prices and valuations.

Lund similarly contends the growth of passive funds "will distort and dampen the market for corporate influence." The presence of active managers "provides a check against managerial slack, primarily because they identify underperforming firms as part of their investing strategy and are incentivized to discipline wayward management."

Because passive funds do not choose stocks based on performance potential, Lund asserts they "lack a financial incentive to ensure that each of the companies in their very large portfolios is well run."

"First, passive funds tend to have very large portfolios and thus, an investment in improving governance at a single firm is especially unlikely to enhance the fund's overall performance." By definition, every S&P 500 index fund owns a whopping 500 stocks, so the smallest positions have little impact on overall performance. In contrast, our portfolios at Kirr, Marbach contain about 50 stocks, so every position is important to performance.

"Second, passive funds face an acute collective action problem because investments in governance interventions equally benefit all funds tracking the index, while only the activist fund bears the costs." If the Big Three own XYZ and BlackRock spends to challenge XYZ's management, Vanguard and State Street get a "free ride."

"Third, governance interventions are especially costly for a passive fund" because it has to "expend additional resources gathering firm-specific information, as well as developing governance expertise."

In sum, the danger to corporate governance of "passive" crowding-out "active" is passively-managed funds (as commodity products that compete on fees) "have no financial incentive to invest in improving firm governance because any such investment will hurt the fund's relative performance." Because passive funds are loath to incur costs to become informed investors, Lund believes they should be restricted from voting at shareholder meetings.

FURRION ON NEW TECH: 'WE LIKE CRAZY'



Furriion says the Prosthesis can run 21 miles per hour and jump 10 feet high

A global technology company that recently opened its U.S. headquarters in Elkhart says its latest endeavor shows "we dream big and then make it happen." Furriion, which manufactures high-end products for the RV industry, has debuted its latest product, Prosthesis, a mechanized racing suit which it says uses robotics to deliver super-human power to users. In the latest Indiana Connections e-newsletter, founder and Chief Executive Officer Aaron Fidler says the product is the first step in building a new sport featuring "mechanized athletes."

Furriion, which has its main office in Hong Kong, celebrated the grand opening of its U.S. headquarters in May. At the time, the company said the facility would initially house 30 employees, with the potential to add 50 more over the course of the next year. It is home to the company's U.S. sales and marketing operations as well as product testing, research and development and robotics space.

The company has made its name supplying luxury appliances and consumer electronics for RVs and yachts. It partners with Elkhart-based Lippert Components on products including TVs, camera systems and kitchen appliances. The company also has locations in China and the United Kingdom.

As for Prosthesis, Furriion says it has big plans. The 14-foot tall, 16-foot wide machine weighs more than 8,000 pounds. The company will continue to develop the product in Elkhart. From there, the robots will go to Vancouver, where the company is launching Furriion Robotics. Ultimately, Fidler says he has a vision of "a whole new Olympics of future sports," which would range from bionic man competitions to drone racing and mech fighting.

PURDUE - INFOSYS DEAL MORE THAN TRAINING

While a big focus of the recently-announced partnership between Indian tech giant Infosys and Purdue University is training, the five-year agreement will go much deeper. It calls for Purdue to train 10,000 future Infosys employees in the U.S., including 2,000 in Indiana. But it also calls for creation of an Infosys Solutions Center to address business challenges in the manufacturing, pharmaceutical and agriculture sectors, key focus areas for the company. Purdue and Infosys will also explore cutting edge technology in areas like autonomous vehicles, cyber security and digital farming. "We wanted our centers to be in and around very vibrant university ecosystem and Purdue was a great choice for us," said Infosys

President Ravi Kumar.

Purdue Executive Vice President Suresh Garimella calls the partnership "a great package solution."

In May, Infosys announced plans to create 10,000 jobs in the U.S., including 2,000 at an Indianapolis tech and innovation hub.

