

CHINA BUSINESS UPDATE

44 South Mt. Holyoke Drive, P.O. Box 1368, Amherst, MA 01004, U.S.A. Tel. (413) 253-5477 Fax (413) 253-2775
<http://www.cbuauto.com>

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NEWS OF THE WEEK

Volkswagen Brazil is negotiating with Shenzhou Automobile Manufacturing Co., Ltd. under the Wuxi Weifu Group based in Jiangsu Province to set up a joint venture to produce buses, according to a report on *chinacars.com* quoting an official from the Wuxi municipal government.

NEW PRODUCTS

The Toyota Prado SUV made by Sichuan FAW-Toyota Automobile Co., Ltd. will roll off the production line at the end of August, according to a *Xinhua News Agency* report.

The Fengshen G (Fengshen III MT) model was put into quantity production at Fengshen Automobile Co., Ltd. ; ffb Xiangfan plant in Hubei Province on May 12, according to a report on *oauto.com*.

The 2.0-liter Zhonghua Wind AT made by Brilliance Jinbei Automobile Co., Ltd. was officially introduced to the market on May 20 at a price of ¥186,600.

The 2.4-liter 4x2 Paladin XE SUV priced at ¥209,800 made by Zhengzhou-Nissan Automobile Co., Ltd. was officially introduced to the market last week.

The Southeast (Fujian) Automotive Industry Co., Ltd. recently introduced a new version of the Lioncel model to the market equipped with a Bosch ABS and four-wheel disc brakes, according to a report on *sconline.com.cn*. The model is priced at ¥132,800.

The 2.8-liter Baowei (Treasure Power) SUV made by Jiangling Motors Corp. was recently introduced to the market, according to a report in *Nanfang Daily*.

A type of multi-purpose fuel cleaner developed by the Botao Science & Technology Development Co., Ltd. under the Jiujiang Petrochemical Plant in Jiangxi Province recently passed the SinoPec Science and Technology product appraisal in Beijing, according to a report on *chinacars.com*.

SALES & DISTRIBUTION

Guangzhou-Honda produced and sold a record of 11,367 and 11,255 units of cars, respectively, in April, according to company news release.

The Tianjin FAW-Xiali Automobile Co., Ltd. produced 35,000 units and sold 36,000 units of cars in the first four months of the year, up 50 and 11.1 percent respectively from the same period of last year,

Sales of the Audi A4 made by FAW-Volkswagen reached 922 units in April, the first month of its launch, according to company news release.

National orders for the Mazda M6 made by FAW Car Co., Ltd. have surpassed 10,000 units since the model was introduced to the market on April 12, according to a report in *Beijing Youth Daily*.

The 1.6-liter Saima made by Hafei Automobile Co., Ltd. was recently introduced to the Nanjing market priced at ¥99,800, according to a report in *Yangzi Evening News*.

The prices of the Changhe CH6321Ei, CH6321BEi and CH6328Ei minivans made by Changhe Automobile Co., Ltd. were reduced by ¥2,600 to ¥2,800 last week, according to a report in *West Central China Daily*.

HEAVY DUTY NEWS

The China Heavy-Duty Truck Group Corp. produced and sold more than 3,000 and 2,910 units of vehicles in April, both monthly records, according to a report in *Dazhong Daily* citing company sources.

The Anhui Ankai Automobile Co., Ltd. recently introduced two Xinglong brand luxury coach to the market, according to a report in *China Industry News*.

The 320 horsepower CA6DL electronic controlled common rail diesel engine made by FAW Wuxi Diesel Engine Plant was recently ignited by FAW president Zhu Yanfeng during a ceremony held at the company.

FACTS & FIGURES

China's cargo transportation reached 3.453 billion tons in the first three months of the year, up 5.4 percent from the same period of last year, according to statistics from the State Statistics Bureau.

China approved the setup of 12,198 foreign invested enterprises in the first four months of the year with contractual and actual investment of \$30.528 billion and \$17.823 billion, respectively, up 34.19, 50.13 and 51.03 percent from the same period of last year, according to statistics from the Ministry of Commerce.

China's tax revenue in the first four months of the year reached ¥707.7 billion, up 25.8 percent from the same period of last year, according to statistics from the State Administration of Taxation.

Beijing's motor vehicle parc has reached 1.964 million units by the end of April, 1.248 million units of which are privately owned, according to statistics from the city's traffic administration bureau.

NEWS IN BRIEF

The China Construction Bank Shanghai Branch has provided more than ¥540 million in automobile loans this year by mid-May, 22 times that in the same period of last year, according to sources from the Bank.

The construction of the Qingkou Automotive Parts Market, the largest automotive parts market in Fujian Province based in Fuzhou, recently began, according to a *Xinhua News Agency* report.

The City of Guangzhou plans to become the first city in China to use diesel fuel with sulfur content less than 0.05 percent on public transportation buses to effectively reduce pollution, according to information from the municipal government.

UPCOMING EVENTS

June 5-8, 2003: China International Environmental Vehicle, Special-Purpose Vehicle and Related Technological Equipment Exhibition, Beijing Exhibition Hall

July 1-4, 2003: The 5th Shanghai International Die Equipment Exhibition, Shanghai New International Expo Center

July 3-8, 2003: The 3rd China Shenyang International Automotive Industry Exhibition, Shenyang International Exhibition Center

July 15-22, 2003: The 3rd China Changchun International Automobile Exhibition, Changchun

International Convention & Exhibition Center
September 3-6, 2003: The 2nd China (Guangzhou) International Automotive Products Exhibition, China
 Export Commodity Trade Exhibition Hall, Guangzhou
September 25-28, 2003: The 3rd Hong Kong International Automobile Parts & Components,
 Maintenance and Test Equipment Exhibition, Hong Kong Convention & Exhibition Center
September 25-28, 2003: Beijing International Commercial Vehicle and Automotive Parts and Related
 Products Exhibition, Beijing Exhibition Hall
October 11-14, 2003: The 5th China (Wuhan) International Automobile Industry Exhibition, Wuhan
November 6-9, 2003: Beijing International Motorcycle Exhibition, Beijing Exhibition Hall
November 6-13, 2003: The 6th Chengdu International Automobile Exhibition, Chengdu International
 Convention and Exhibition Center
November 14-18, 2003: The 7th Shenzhen International Automobile Exhibition, Shenzhen High and New
 Technology Results Trade & Exhibition Center

NEW BOOKS/DOCUMENTS FROM CBU

China's Automotive Policies, Laws and Regulations 2003 (coming soon)
Directory of Chinese Vehicle, Motorcycle, Component and Parts Manufacturers 2003 (coming soon, with CD)
Methods of Administration on the Market Entry of Motorcycle Production (available now)
Methods of Administration over Automobile Financing Institutions, October 8, 2002, (available now)
Administrative Regulations on the Recall of Defective Automobiles (Draft), October 2002 (available now)
China ; f§ Automobile Industry Annual Report and Long-Term Forecast 2002 (available now)
Directory of Chinese Vehicle, Motorcycle, Component and Parts Manufacturers 2002 (available now, with CD)
Types of Motor Vehicles and Trailers -- Terms and Definitions (GB/T3730.1-2001) (available now)
Classification of Motor Vehicles and Trailers (GB/T5089-2001) (available now)
China ; f§ 10th Five-Year Plan for the Development of the Automotive Industry (available now)
China ; f§ 10th Five-Year Plan for Saving and Comprehensive Utilization of Resources (available now)
China ; f§ 10th Five-Year Plan for Saving and Substituting Fuel Oil (available now)
China ; f§ 10th Five-Year Plan for the Development of New and Renewable Energy Sources (available now)
China's Automobile Industry Annual Report 2001 (available now)
China's Automotive Policies, Laws and Regulations 2000 (available now)
Global Sourcing and China ; f§ Auto Industry, CBU 2001 international conference documents (available now)
China ; f§ Automobile Industry in the New Millennium, CBU 2002 int ; f¶ conference documents (available now)
China ; f§ Post-WTO Automobile Sales, Distribution and the Aftermarket, CBU 2003 int ; f¶ conference
 documents (available now)

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