

# Opinion: China's Economy Stable amid Tough Period for World Economy

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"There are areas where China still needs to grow and develop, but China starts at a better base. It doesn't have the structural problems that the western economy is facing", said the experienced investor focusing on both the U.S. and China markets for many years.

According to his analysis, the financial crisis in the U.S. was a result of the country's advanced financial tools that actually hindered the efforts of the banks to precisely evaluate the true value of assets. But the structural problem is still far from being addressed. "It has been papered over", said Han.

Han's opinion echoed the response that China's government made to the UK newspaper The Guardian, saying that China was the key reason for the world's economic recession from 2007 to 2009, namely that the western world should look into themselves rather than blaming other countries.

Han also noted that currently many criticisms on China's economy were more political than economic. For example, the appreciation of yuan wouldn't help the world economy much, and it could make China's exports more expensive for other countries. He also mentioned that the increasing trade tension between U.S. and China is possibly a result of the pressure upon the U.S. government to solve unemployment, but protectionism can't solve the problem.

Han believes that China's large amount of reserves is a strong support for the country's stimulus policies, and makes China's stimulus plans safer compared with the countries making the stimulus on debt.

Han switched its business focus from the western market to China two years ago when the financial crisis exploded. Now his company manages a private equity fund in China's central Xi'an city and a research agency interpreting China's policies for the foreign investors looking into China.



Derek Han

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Dow Jones	10,860.26	+1.86	Fri
Nasdaq	2,381.22	+2.33%	Fri
S&P 500	1,148.67	+2.12	Fri
FTSE100	5,598.48	+0.93%	Fri
DAX	6,298.30	+1.84%	Fri
CAC40	3,782.48	+1.94%	Fri
Shanghai	2,627.97	+1.41%	Mon
Shenzhen	11,409.81	+1.78%	Mon
HSI	22340.84	+1.00%	Mon

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