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Key chip firms say US export ban lifted

Siemens: 'We have resumed sales and support to Chinese customers'

By **MA SI, ZHONG NAN** and **WANG KEJU**

Three key chip companies said on Thursday that the US had lifted export restrictions on chip design software for China and that they have resumed or are in the process of resuming sales and support to Chinese customers.

Siemens AG said in a statement that it has been informed by the United States Department of Commerce's Bureau of Industry and Security that export control restrictions on electronic design automation, or EDA, software and technology to Chinese customers have been lifted.

The restrictions, outlined in a letter sent by the US government to the German tech giant on May 23, are no longer in effect, the company said in a statement.

As a result, "We have resumed sales and support to Chinese customers," Siemens said.

US-based firms Synopsys and Cadence Design Systems also said in separate statements that the US had lifted export restrictions on EDA for China, and that they were working to restore access to the recently restricted products in China.

Dubbed the cradle of integrated circuits, EDA software enables the design of billions of transistors on modern chips. It is essential for designing, verifying and testing integrated circuits, forming the backbone of modern chip creation.

Xiang Ligang, director-general of the Zhongguancun Modern Information Consumer Application Industry Technology Alliance, a telecom industry association, said the move showed that Washington wants to ease trade frictions with Beijing.

"Previous US restrictions have ironically catalyzed China's progress in chips. The US government knows that the two nations are highly complementary to each other in the semiconductor sector," Xiang said.

As the world's largest semiconductor market, China is of great appeal to international companies, he added.

Meanwhile, Chinese chip design software companies are also making progress. Empyrean Technology Co, a chip unit of China Electronics Corp, is also a major Chinese player in the development of EDA tools. It has also gradually emerged over the years as a leading enterprise with a complete product line and strong, comprehensive technical strength in EDA for the entire semiconductor industry chain.

Shanghai UniVista Industrial Software Group is also a key player. UniVista said it already has over 200 clients — including most major Chinese high-end chip designers — and its tools have undergone rigorous refinement through real-world applications, backed by what it describes as a "highly capable" technical support team.

On Thursday, the Ministry of Commerce said China will take countermeasures to safeguard its interests and firmly opposes any attempt to reach a trade deal that harms the nation's well-being.

He Yongqian, a spokeswoman for the ministry, made the remarks at a news conference, responding to questions about a new trade deal the United States reached with Vietnam.

Under the trade agreement between the US and Vietnam, the US will impose a 20 percent tariff on Vietnamese exports to the US, and a 40 percent tariff on goods transshipped through Vietnam.

The ministry said that China has taken note of the trade deal and is conducting an assessment.

"China is pleased to see any parties resolve their trade differences with the US through equal consultations, but China firmly opposes any attempt to reach a deal at the expense of China's interests," said He.

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Flying high

Attendees check out an unmanned aircraft on display at China Transpo 2025, an international exhibition on transport technology and equipment held in Beijing from Tuesday to Thursday.
CHEN XIAOGEN / FOR CHINA DAILY

Nation well-positioned to meet 2025 growth target

By **OUYANG SHIJIA** and **LIU ZHIHUA**

Underpinned by resilient domestic demand, emerging technological drivers, and a deepening commitment to institutional opening-up, China remains on track to achieving the around 5 percent growth target for this year, a renowned economist said.

"Looking ahead to the full year, I believe that China has the confidence and capacity to meet the around 5 percent annual growth target in 2025," said Chen Deqiu, vice-president of the University of International Business and Economics.

Despite facing challenges, the dual engines of consumption and investment will play a more prominent role in the short term, Chen said in an exclusive interview with China Daily recently.

He noted that China's ultra-large domestic market will continue to serve as an anchor of stability. Chen said government stimulus measures, such as trade-in deals for consumer goods, have lifted consumer confidence significantly.

China's retail sales grew 6.4 percent year-on-year in May compared with a 5.1 percent rise in April, the fastest pace since late 2023, according to the National Bureau of Statistics.

"Our internal market resilience is strengthening, and the potential of domestic demand is expanding," Chen said. "This is the ballast stone of our growth."

Meanwhile, China's high-tech enterprises are also demonstrating increased creativity, with accelerated growth in emerging areas such as integrated circuits and new energy vehicles, he said.

"In the medium term, new quality productive forces are entering a period of harvest," he said. "In the long run, institutional opening-up will further enhance China's global appeal for production factors, helping mitigate risks from decoupling by some Western countries."

Although Chen acknowledged mounting pressures, particularly due to external uncertainties amid the China-US trade dispute and economic structural issues at home, he remained optimistic.

"We have strong policy coordination, clear development direction, new growth drivers, innovation momentum and resilient domestic demand," he said. "I remain confident in China's economic prospects."

Chen also highlighted the strategic importance of the "Shopping in China" initiative, a government-backed campaign designed to boost consumption and enhance the nation's global appeal.

Chen Deqiu

"The launch of this campaign is a strategic choice in response to domestic and international economic shifts," he said. "It promotes consumption upgrading and high-standard opening-up. At the same time, it is a tactical move to ease short-term external trade pressure and unleash consumption potential."

More broadly, "It is a path to elevate 'Made in China' to 'Brands of China', and to rebuild the global influence of China's consumer market. It also opens a new channel for exports of Chinese consumer goods," Chen said.

To further expand the campaign's impact, Chen proposed several measures, including expanding the coverage of the departure tax refund system and creating synergies between shopping and cultural tourism. It is also advisable for the government to build a precise database of foreign consumer preferences to help companies tailor products.

Looking ahead, Chen sees the external challenges amid China-US trade tensions as a catalyst for the country to accelerate innovation.

"Our strategic response must focus on technological breakthroughs," he said. "We need to strengthen fundamental research and explore hybrid models of organized and curiosity driven science."

Chen also called for "nurturing an innovation ecosystem", with capital markets like the technology-focused STAR Market of the Shanghai Stock Exchange playing a vital role in scaling up hard tech firms, and deepening collaboration among academia, industry and research.

Liu Dian, a researcher at Fudan University's China Institute, echoed Chen's views.

China's policy tools need to be further refined and optimized to boost technological innovation, he said.

"Policy support should be more targeted, tailored to the characteristics of various industries and enterprises. For instance, high-tech manufacturing and strategic emerging industries should be offered preferential loan rates and longer-term financing," Liu said.

"Pressure is often the best catalyst for spurring innovation," Chen added. "China is fully capable of transforming from a follower to a global leader in this new era."

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Facility inspection

Two employees from State Grid Suqian Power Supply Co inspect the 220 kilovolt substation at Jiangsu Hui Ran Industry Co Ltd in Suqian, Jiangsu province. The plant can produce 180,000 metric tons of nickel and iron per year, consuming 650 million kWh of electricity. The substation has two 220 kV transformers with a total capacity of 250 megavolt-amperes. MENG FEI / FOR CHINA DAILY

China's global financial ranking on rise

By **ZHU WENQIAN**
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China ranks fourth in terms of its global financial competitiveness this year, following the United States, United Kingdom and Japan, with China's rank one place higher than last year, according to a new report released at the Digital Finance Forum during the Global Digital Economy Conference 2025 in Beijing.

The report, which evaluates 31 countries globally and was released by the Chinese Academy of Social Sciences on Thursday, states the gap between the scores of China and the US has narrowed for four consecutive years.

Global financial competitiveness is defined as the ability of an economy's financial system to allocate financial resources and manage risks more effectively on a global scale compared to other economies, thereby promoting economic growth and social development, according to the CASS.

"For segmented indicators, China's financial technology competitiveness has ranked third for two straight years, and this year's score is significantly higher than last year, driven by notable development potential of China's fintech industry," said Liu Dongmin, a senior research fellow at the Institute of World Economics and Politics of the CASS.

Meanwhile, the score of China's fintech industry development potential index increased from 35.12 last year to 57.25 this year, and this ranking has risen from 12th last year to fourth place globally this year. Among the sub indicators, the AI talent index in China has risen from eighth place last year to fourth place this year, the report said.

Major economies globally are actively promoting the growth of the digital economy, and China's digital finance market is highly dynamic and ranks top in the world in terms of its market size, said Li Dongrong, former deputy governor of the People's Bank of China.

Last year, the market size of global digital finance exceeded $4.5 trillion, and China's digital finance market size reached $3.2 trillion, becoming an important engine driving global growth, according to industry research company ChinaIRN.

"China's development of digital finance technology, especially mobile payment technology, is globally leading. Leveraging on the growth of digital technology, China's financial services have effectively covered areas that were previously difficult to reach and the country has made effective breakthroughs in inclusive finance," Li said at the forum.

Chen Wenhui, former vice-chairman of the former China Banking and Insurance Regulatory Commission, said China's application of artificial intelligence technology in the financial industry is accelerating. The digital wave has brought and will bring comprehensive transformation to the economy and society. AI is on a track with high certainty, and the financial sector should pay close attention to it.

Briefly

Transport volume tops 250,000 TEUs

In the first half of this year, the volume of sea-rail intermodal container transport at Beibu Gulf Port in South China's Guangxi Zhuang autonomous region surpassed 250,000 twenty-foot equivalent units, reaching the halfway mark of its annual target, the port operator said. By the end of May, the port had opened 84 container shipping routes, including 52 international routes.

Yuan strengthens against greenback

The central parity rate of the Chinese currency renminbi, or the yuan, strengthened 23 pips to 7.1523 against the US dollar on Thursday, according to the China Foreign Exchange Trade System. In China's spot foreign exchange market, the yuan is allowed to rise or fall by 2 percent from the central parity rate each trading day.

XINHUA - CHINA DAILY

Mainland financial players eye HK virtual asset chances

By **LI XIAOYUN** in Hong Kong
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Chinese mainland brokerages with international operations are ramping up efforts to secure virtual asset trading licenses from Hong Kong's securities regulator, with the aim of capitalizing on the city's push to become a global innovation hub for digital assets and serving more international investors.

Industry insiders told China Daily that this trend would enhance liquidity of the special administrative region's financial markets and channel mainland capital into global virtual asset markets through Hong Kong, while also accelerating the alignment of mainland's financial regulations with international standards.

Guotai Junan International, a subsidiary of Shanghai-based Guotai Haitong, recently received a greenlight from the Hong Kong Securities and Futures Commission (SFC) to upgrade its Type 1 license for dealing in securities, which allows the firm to offer virtual asset trading services and related advisory services.

The announcement made a big splash in the market, given that the parent company is partially owned by the State-owned asset regulators of Shanghai and Shenzhen.

Tom Chan Pak-lam, a director at the Institute of Securities Dealers in Hong Kong, said the involvement of a State-backed institution signals that the central government may take a positive view of Chinese brokerages participating in virtual assets outside the mainland, which is an encouraging message for the market.

Soon after, TF International Securities — with a mainland owner — also secured SFC approval to provide virtual asset trading services through omnibus account arrangements. Its peers, including China Merchants Securities International, are reportedly preparing to apply for similar license upgrading.

Under current regulations, authorized brokers can establish omnibus accounts on licensed virtual asset trading platforms — now 11 in Hong Kong — and offer clients regulated access to major cryptocurrencies such as bitcoin, ethereum and stablecoin.

License upgrading "is undoubtedly an important signal for traditional financial institutions," said Jeffrey Ding, chief analyst of HashKey Group, an Asian digital asset financial services firm.

It demonstrates the growing readiness of established financial institutions in regulation and technical capabilities to participate in the virtual asset market, while it also reflects that Hong Kong's regulatory environment is becoming more mature, creating the conditions for these traditional players to conduct business in this innovative field, Ding said.

He added that more conventional financial institutions are expected to follow suit and assess their capabilities and business in digital asset custody, trading and issuance, so as to tap into the opportunities of fintech innovation.

Alvin Ngan, an equity strategist at Zhongtai Financial International, said the core edge of mainland brokerages is to act as a bridge between mainland resources and the markets of Hong Kong.

These firms could facilitate the establishment of a regulated cross-border channel, enabling mainland capital to participate in the global virtual asset market through Hong Kong. This would promote the integration of mainland financial rules with international standards, Ngan said.

As for international investors in Hong Kong, HashKey's Ding said that mainland financial players will offer them a broader range of compliant virtual asset products within the local market.

However, given that virtual currency trading remains prohibited on the mainland, Chinese mainland brokerages venturing into Hong Kong SAR markets will adopt a measured approach over the short term, Ngan said.