



KEY TAKEAWAYS

- President Xi is putting China in a good position for an extended period of continuity and managed change
- China's reform and rebalancing efforts could benefit from a government that has a decision-making horizon measured in decades
- China's trade surplus with the US could enter President Trump's cross-hairs this year, but the US is extremely import-dependent and in a weak position
- China's mega-cap tech firms – the BATs – are modernising its economy and creating a new ecosystem of investment
- China is not without its risks, including a significant debt-to-GDP ratio, but the biggest risk for many investors today could be an “unconscious underweight” to Chinese equities