

LEHMAN, LEE & XU

雷曼律师事务所



## PRESS RELEASE

### “CHINA FEELING LITTLE EFFECT FROM THE WORLD’S ECONOMIC WOES”

Beijing, China – Wednesday 15 October, 2008 –

This week Reuters reported that China’s latest export statistics suggested that recent global economic woes have had little if any impact on China’s manufacturers. This week, China posted a record trade surplus for the month of September, with exports leaping 21.5% over one year earlier.

Even as the global economy is facing significant uncertainty and demand for exports is lessening, China’s manufacturers have seen little impact on their operations as a growing percentage of their revenue is based on domestic sales. Domestic sales have caused China’s total economy to remain strong despite weaker demand for China’s goods abroad. China’s newly rich consumers eager to buy domestically manufactured goods, are now playing an ever increasing role in fueling China’s economy. In fact, a 2008 U.S. China Business Council survey showed that 92 % of American companies currently investing in China are investing to serve the domestic Chinese market, not to export. Harley Seyedin, chairman of the American Chamber of Commerce in south China, said China could help many companies make it through a U.S.-led global economic downturn. "Basically, what we see is the Chinese market as a savior to us for a world slowdown," he said.

Scott Garner of Lehman, Lee & Xu commented that “the strength of the domestic demand for domestically manufactured goods is certainly a phenomenon we have not seen to this degree in the past. For the past twenty years or so, China has been so export driven that domestic consumers were almost an afterthought. Clearly, the importance of this newly wealthy segment of consumers cannot be ignored. However, China remains the world’s low cost producer. Exporting will be a key component to China’s total economy for some time to come”

Lehman, Lee & Xu is a prominent Chinese corporate law firm and trademark and patent agency with offices in Beijing, Shanghai, Shenzhen, Hong Kong, Macau, and Mongolia. The firm is recognized as a leading expert in corporate law and an active member of the Beijing community.

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