

8 October 2025

CHINA WATCH

This report offers updates on commercial, political, and economic developments in China and the Asian region.



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Who writes China Watch?

Sense China is a business unit under Danish Industry, the largest business association in Denmark with 20,000+ corporate members. Our goal is to keep Danish companies informed about important developments related to China and the Asian region.

SURVEY

DI is analyzing the implications of Chinese e-platforms on Danish and European business.

It would be greatly appreciated if you will spend two minutes on taking the survey below. Your inputs are very valuable to us, even if you don't have personal experiences with Temu or other platforms.



Is Temu the future of business in Europe?

[Take survey](#)

POLITICS

Top diplomat purged on corruption charges

Summary: The senior diplomat Liu Jianchao has now been formally stripped of all responsibilities, following his mysterious disappearance in July. Liu was widely tipped to be China's next foreign minister. He is the latest victim of Xi Jinping's anti-graft campaign.

Source: [The Guardian](#)

October plenum to shape next five-year plan

Summary: The Communist Party's inner circle will meet on October 20-23 to draft the 15th Five-Year Plan. The plan will set guidelines for meeting China's ambitious targets for tech development and is also expected to call for even tighter political control.

Source: [South China Morning Post](#)

Beijing reasserts Taiwan claim, rebukes the West

Summary: China's government used the National Day anniversary to reaffirm its stance on Taiwan, warning against separatism and criticizing Western interference. Xi underscored China's commitment to sovereignty while promoting continued cross-strait cooperation

Source: [Yahoo. News](#)

BUSINESS

AI industry expands to 5,300 companies

Summary: China's AI sector now counts over 5,300 firms, 15% of the global total, with industry value hitting 900 billion yuan in 2024, up 24%. Growth spans infrastructure, models, and AI-powered hardware like phones, computers, and cars.

Source: [Xinhua](#)

Factory activity hits fastest growth since March

Summary: A private PMI showed China's manufacturing expanded in September, rising to 51.2 from 50.5 as new orders and exports picked up. The growth, the strongest since March, contrasts with official data showing continued contraction, though job cuts persisted.

Source: [Reuters](#)

Chinese EV and robotics exports continue to grow

Summary: China's trade grew 3.5% in the first eight months of 2025, led by EVs, chips, and robots. High-tech goods now exceed 60% of exports, with demand rising in Central Asia, the Middle East, and emerging markets.

Source: [China Daily](#)

SOCIETY

Beijing airports brace for 3 million holiday travellers

Summary: Beijing's two airports will handle about three million trips during the National Day and Mid-Autumn Festival holidays, operating over 17,000 flights. Popular routes include Shanghai, and Tokyo, highlighting surging domestic and overseas travel demand.

Source: [China Daily](#)

Robot dogs tested for moon missions

Summary: Peking University built robotic dogs to explore lunar-like caves in Heilongjiang, mimicking moon lava tubes. They autonomously map terrain and 3D structures, advancing China's plans for future lunar bases.

Source: [South China Morning Post](#)

K-visa backlash amid youth job unemployment

Summary: China's new "K-visa" aims to attract foreign talent in science and technology, but it has sparked backlash as many young Chinese facing high unemployment fear it favours outsiders over local graduates.

Source: [CNN](#)

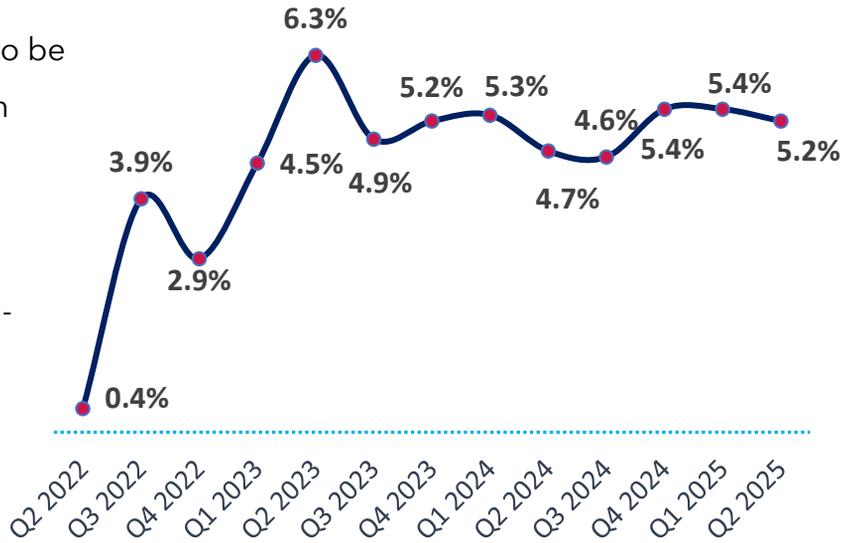
ECONOMIC INDICATORS

QUICK TAKE

China's GDP in 2025 is projected to be around \$19.5 trillion, with a growth rate around 4.6%.

China's economy is expected to maintain its position as the second-largest in the world.

China's GDP growth



| Industrial Output | Producer Prices | Manufacturing PMI |
|-------------------|--------------------|-------------------|
| 5.2% Y/Y (August) | -2.9% Y/Y (August) | 49.4 (August) |

SUPPLY

| Retail sales of consumer goods | Annual Inflation Rate | Unemployment (urban areas) |
|--------------------------------|-----------------------|----------------------------|
| +3.4 % Y/Y (August) | -0.4% Y/Y (August) | 5.3% (August) |

DEMAND

TRADE

| |
|--|
| Exports (US dollar terms) 4.4% Y/Y (August) |
| Imports 1.3% Y/Y (August) |
| Trade Balance \$102.33 billion (August) |

REAL ESTATE

| |
|--|
| New Home Prices -2.5% Y/Y (August) |
| New Home Sales CNY 43.6 billion (July) |
| Property Investments -12% Y/Y (July) |

NETWORK MEETING



December 17

Expectations for 2026

Help us take the temperature on Denmark's relationship with China!

We look back at 2025 and discuss expectations for the new year with China's ambassador to Denmark and other specially invited guests.

Venue: DI in Copenhagen. Final program pending.

[Register](#)