



Following the Money

Chinese OFDI in the United States and Europe

Thilo Hanemann

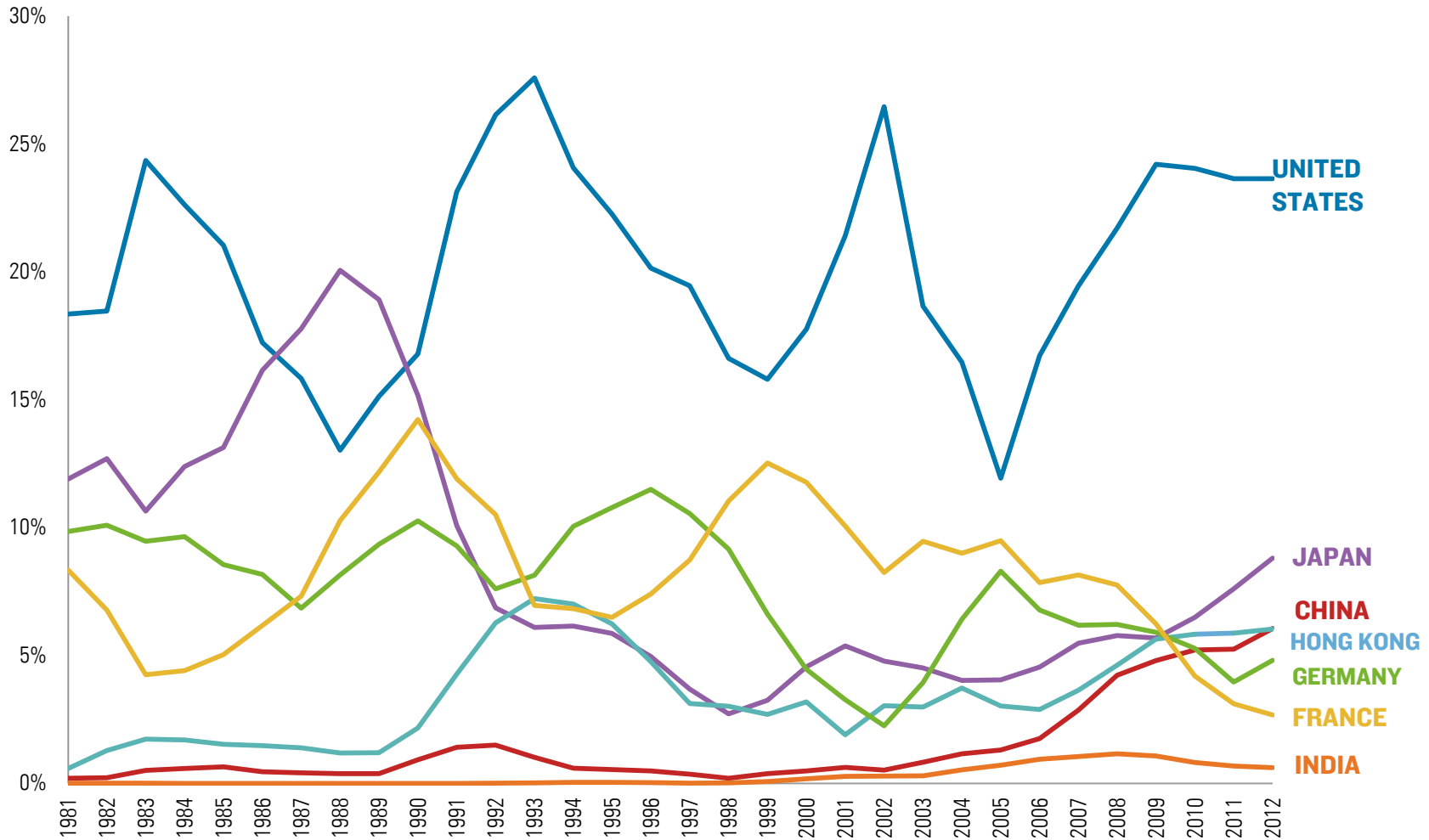
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Tsinghua University | Beijing | September 23, 2013

China's Ascent to the World's Third Largest FDI Exporter

Countries' % share of total global OFDI flows, 3 years moving average

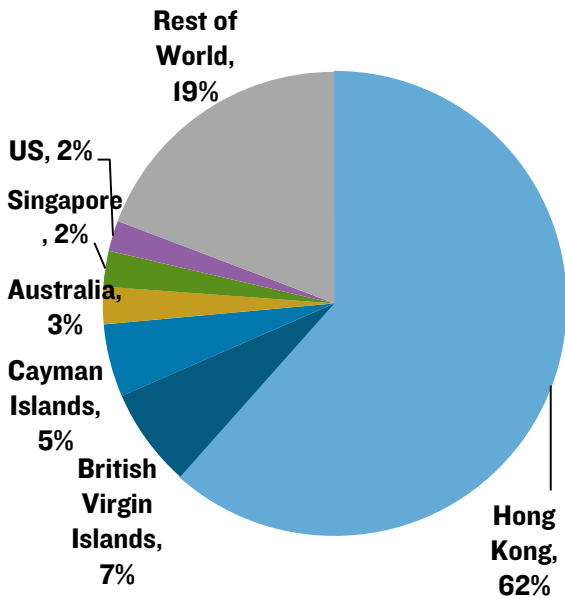


Source: UNCTAD, Rhodium Group.

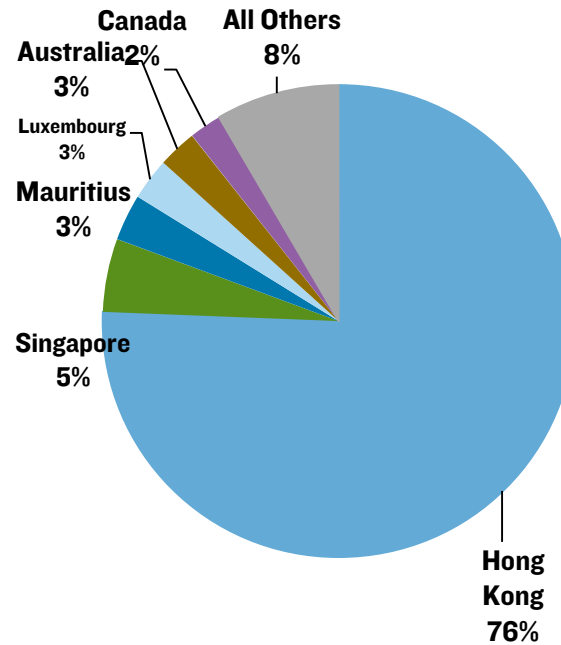
China's Global OFDI: Three Different Perspectives

Percent share of global OFDI stock

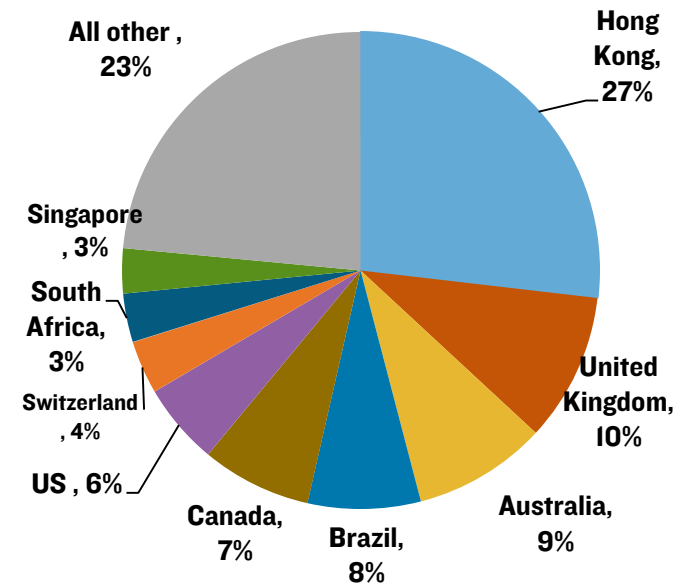
MOFCOM (2011): \$425 BN



87 CDIS ECONOMIES (2011): \$510 BN



M&A (2000-2012): \$252 BN



Source: MOFCOM, IMF, Bloomberg, Thomson Reuters, *transactions ending in final stake of 10% or more.

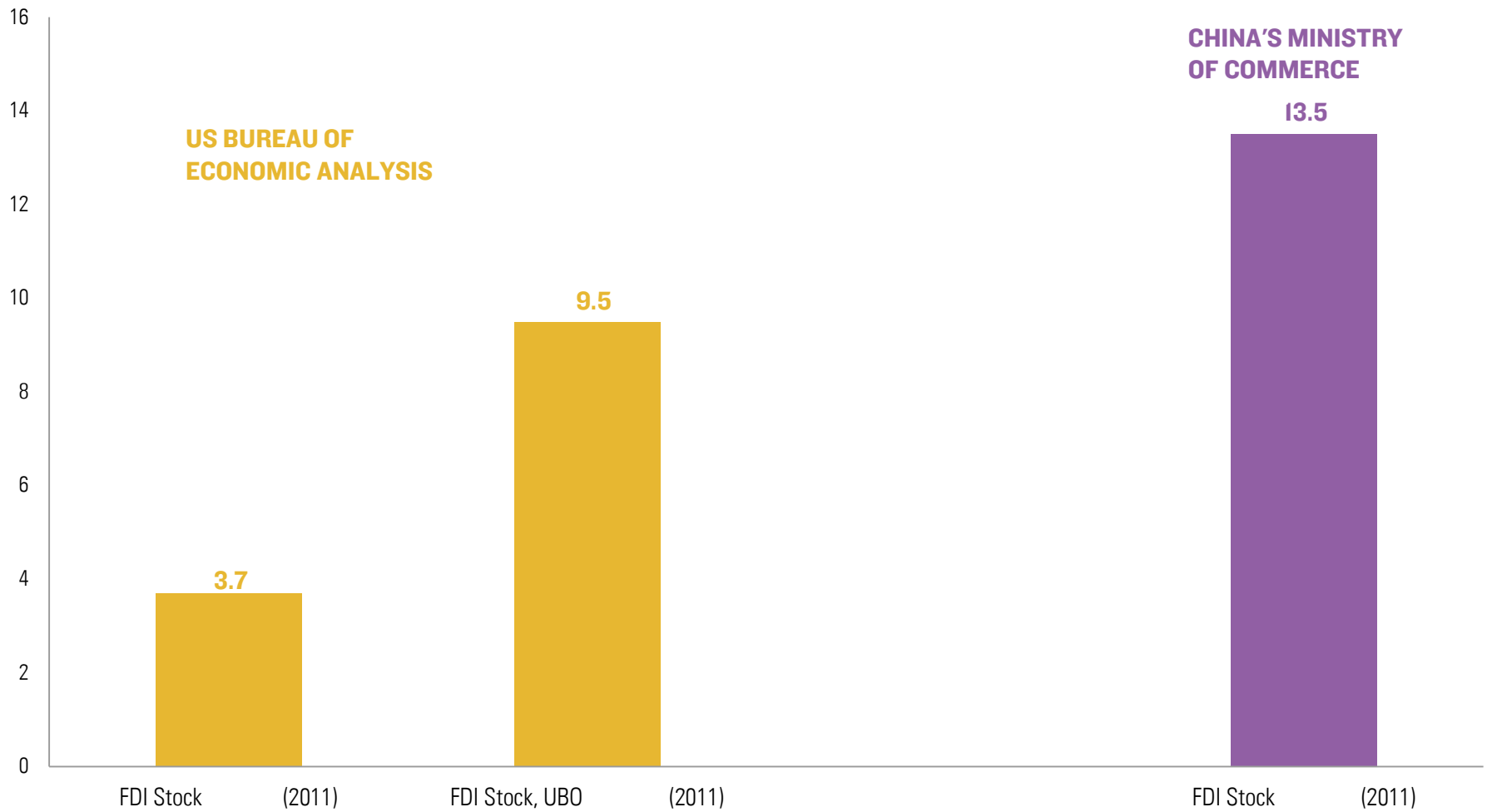
China's Global OFDI: Alternative Approaches

INSTITUTION	DATABASE	GEOGRAPHIC FOCUS	COVERAGE
Heritage Foundation	China Investment Tracker	Global	Non-Bond Investments over \$100 million
A-Capital	Dragon Index	Global	M&A and some unexplained residual
TAC	ChinaObs/FDI Monitor	Europe	M&A and greenfield transactions
Antwerp Management School	Euro-China Investment Report	Europe	Chinese companies
University of Sydney	Demystifying Chinese Investment	Australia	M&A transactions
Rhodium Group	China Investment Monitor	United States and Europe	M&A and greenfield transactions

Source: Rhodium Group

Chinese FDI in the US: Official Data (2011)

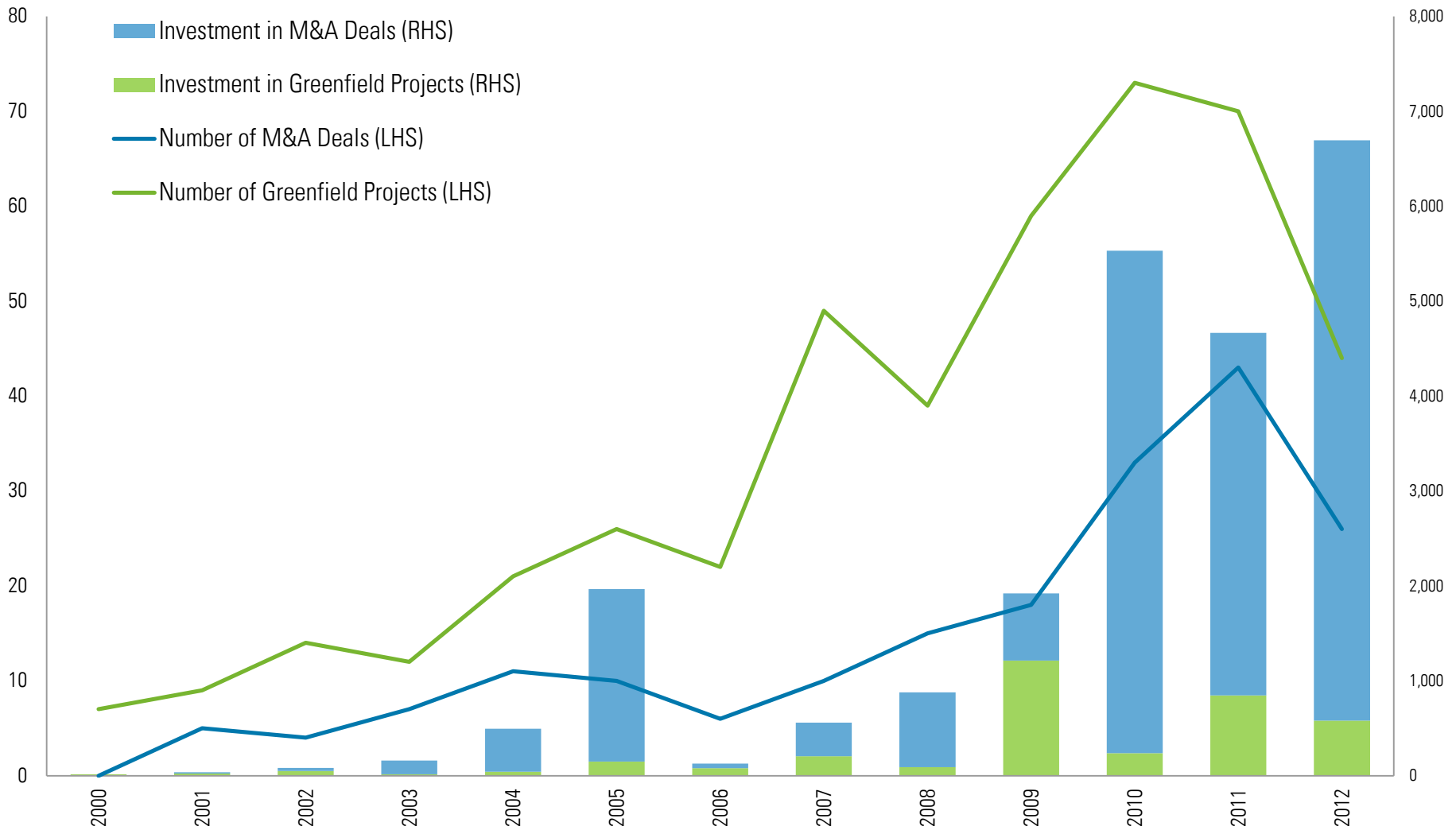
USD billion



Source: Rhodium Group.

Chinese FDI in the US: RHG Transactional Data, 2000-2012

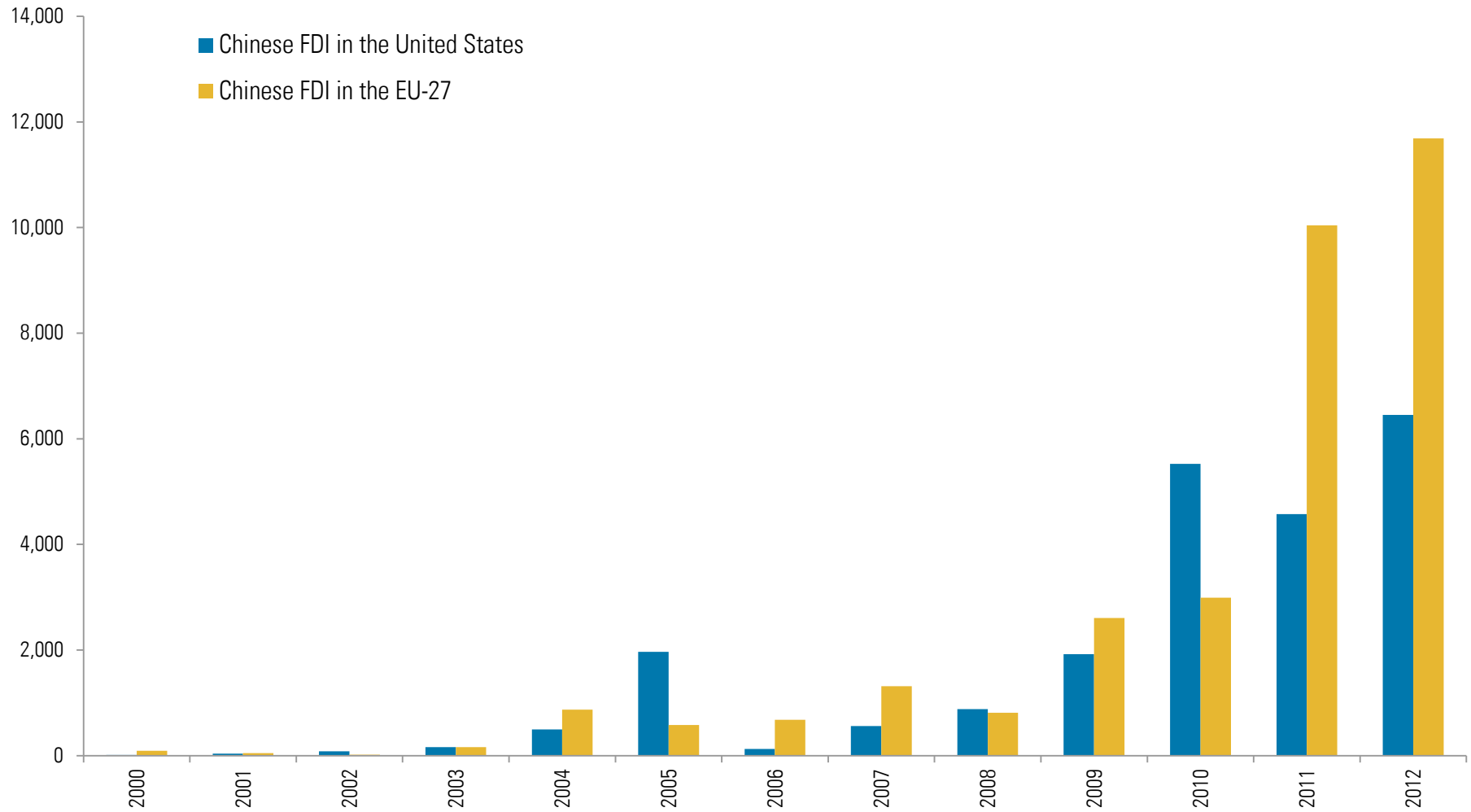
Number of deals and USD million



Source: Rhodium Group.

RHG: Chinese Direct Investment in the US vs. EU, 2000-2012

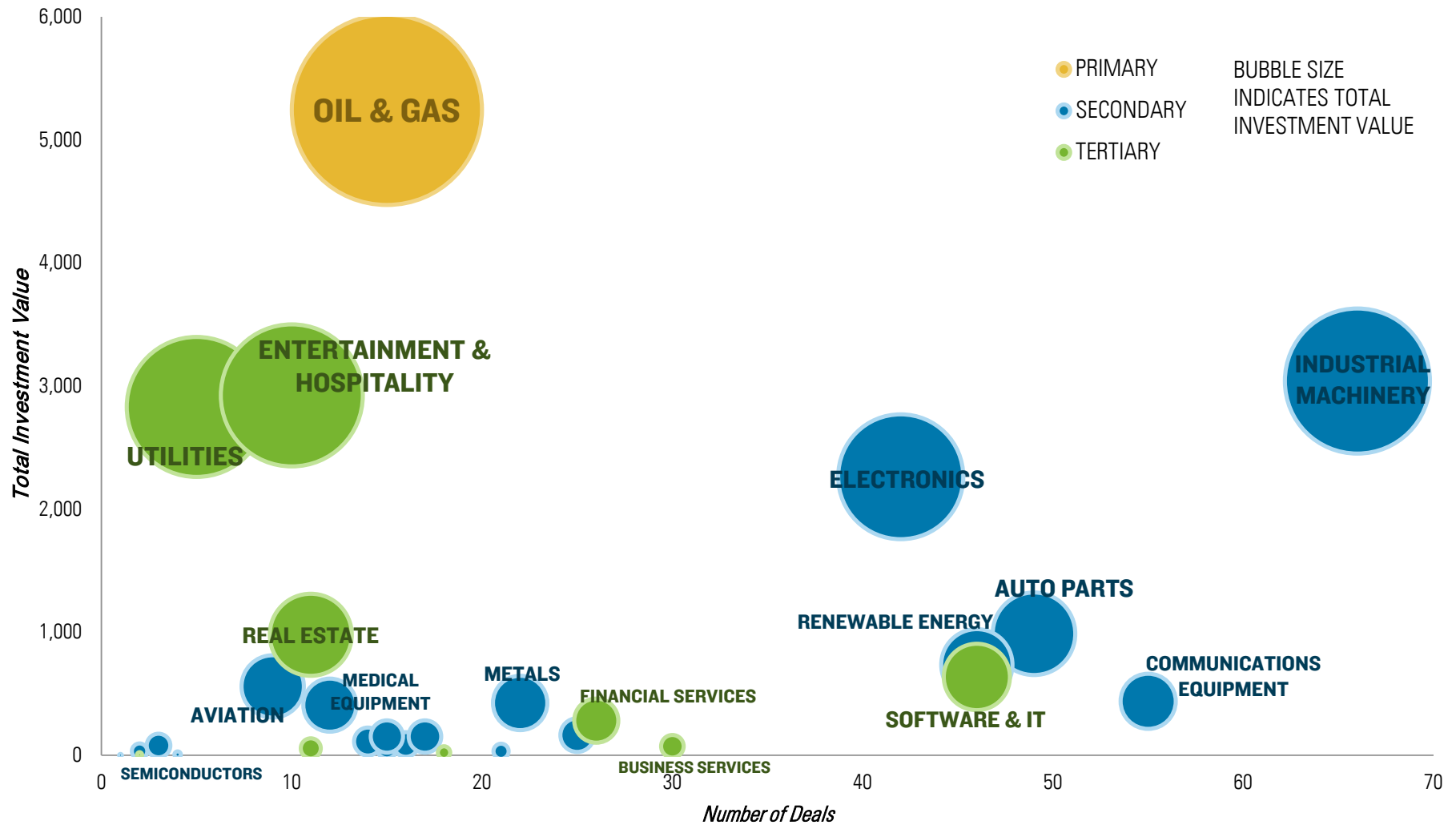
USD million



Source: Rhodium Group.

RHG: Chinese FDI in the United States by Industry: 2000 – 2012

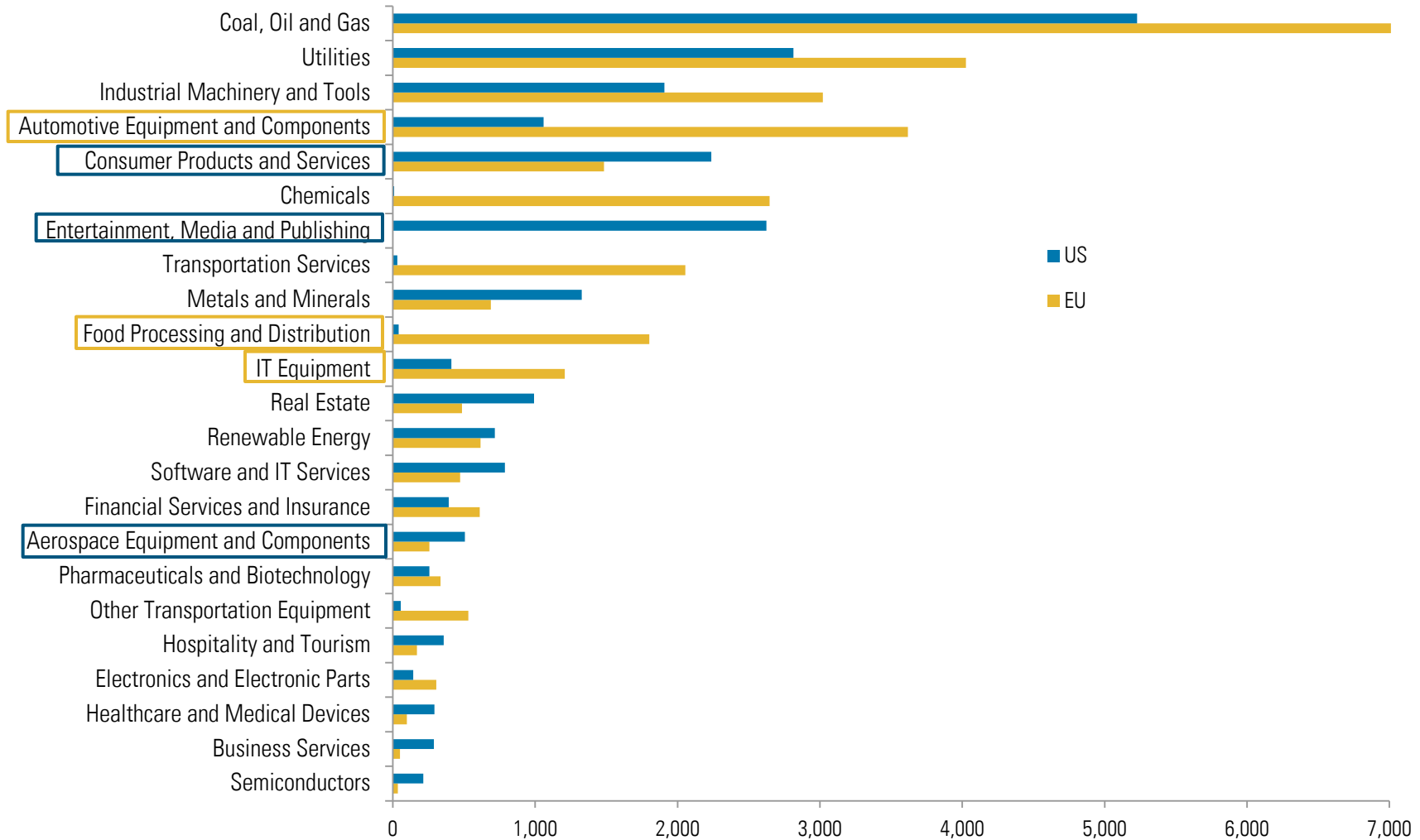
Number of deals, total investment value in USD



Source: Rhodium Group.

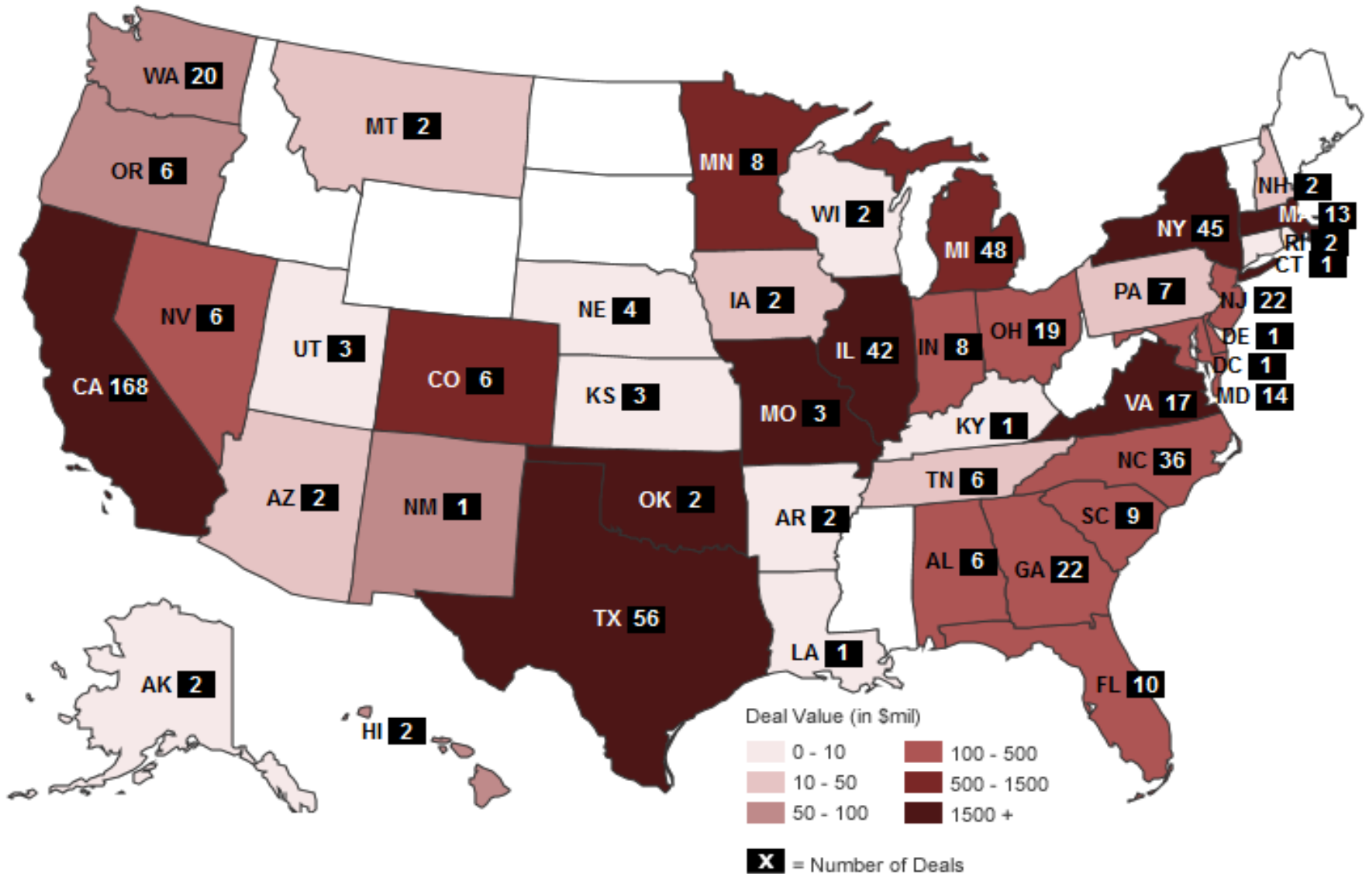
RHG: Chinese FDI in the EU and US by Industry, 2000-2012

USD million



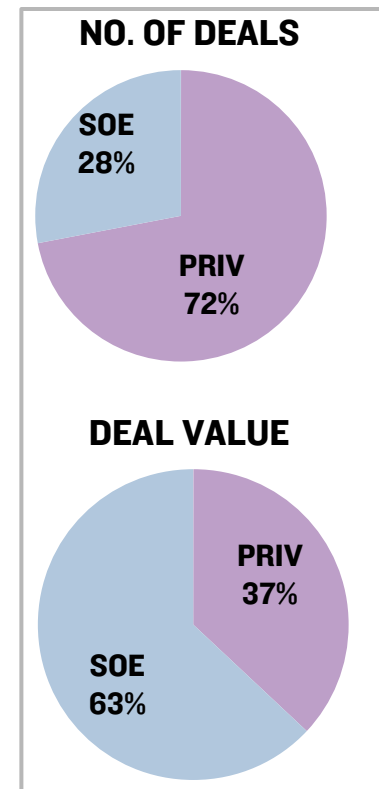
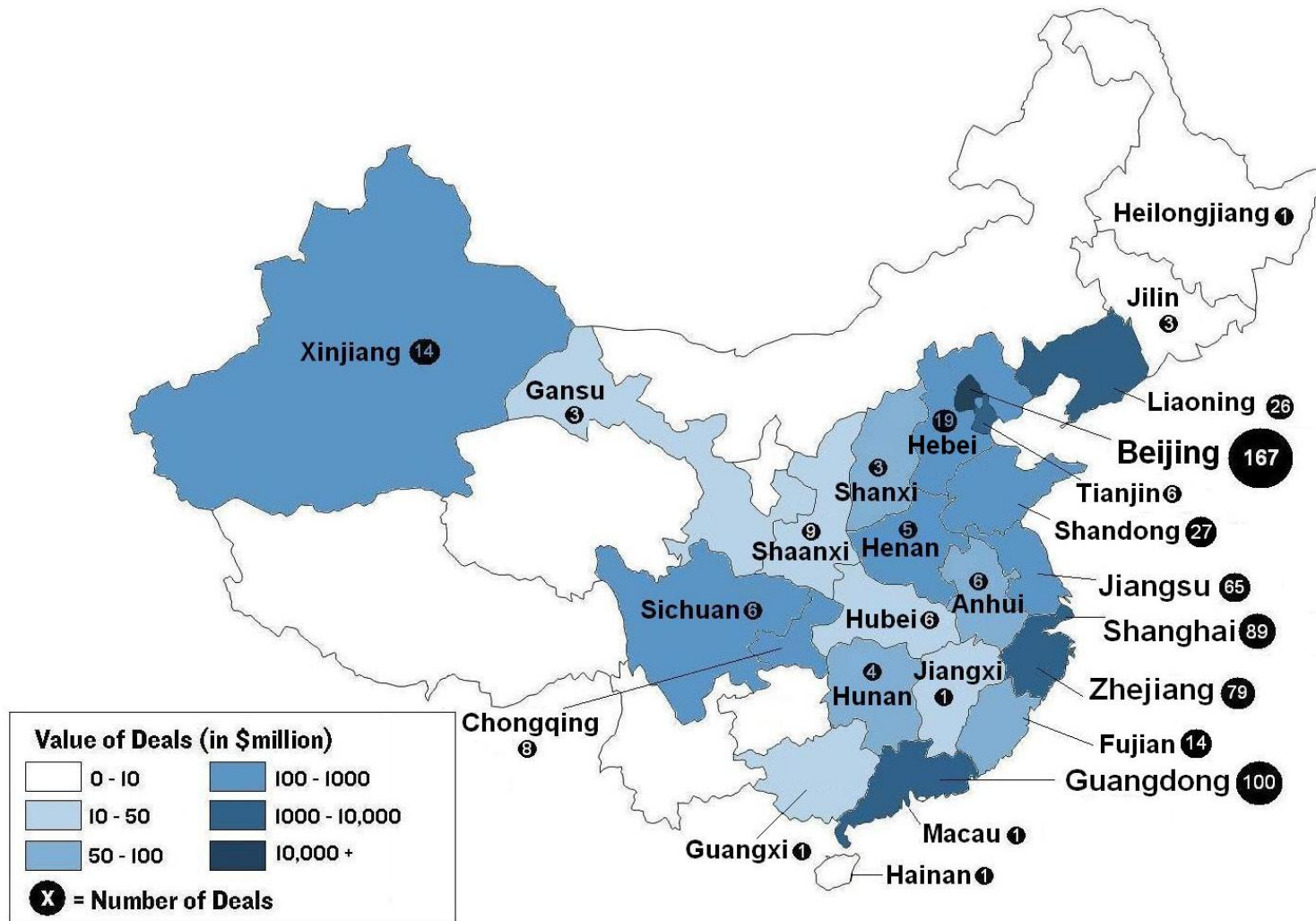
Source: Rhodium Group.

RHG: Chinese FDI in the US by State: 2000 – 2012



Source: Rhodium Group.

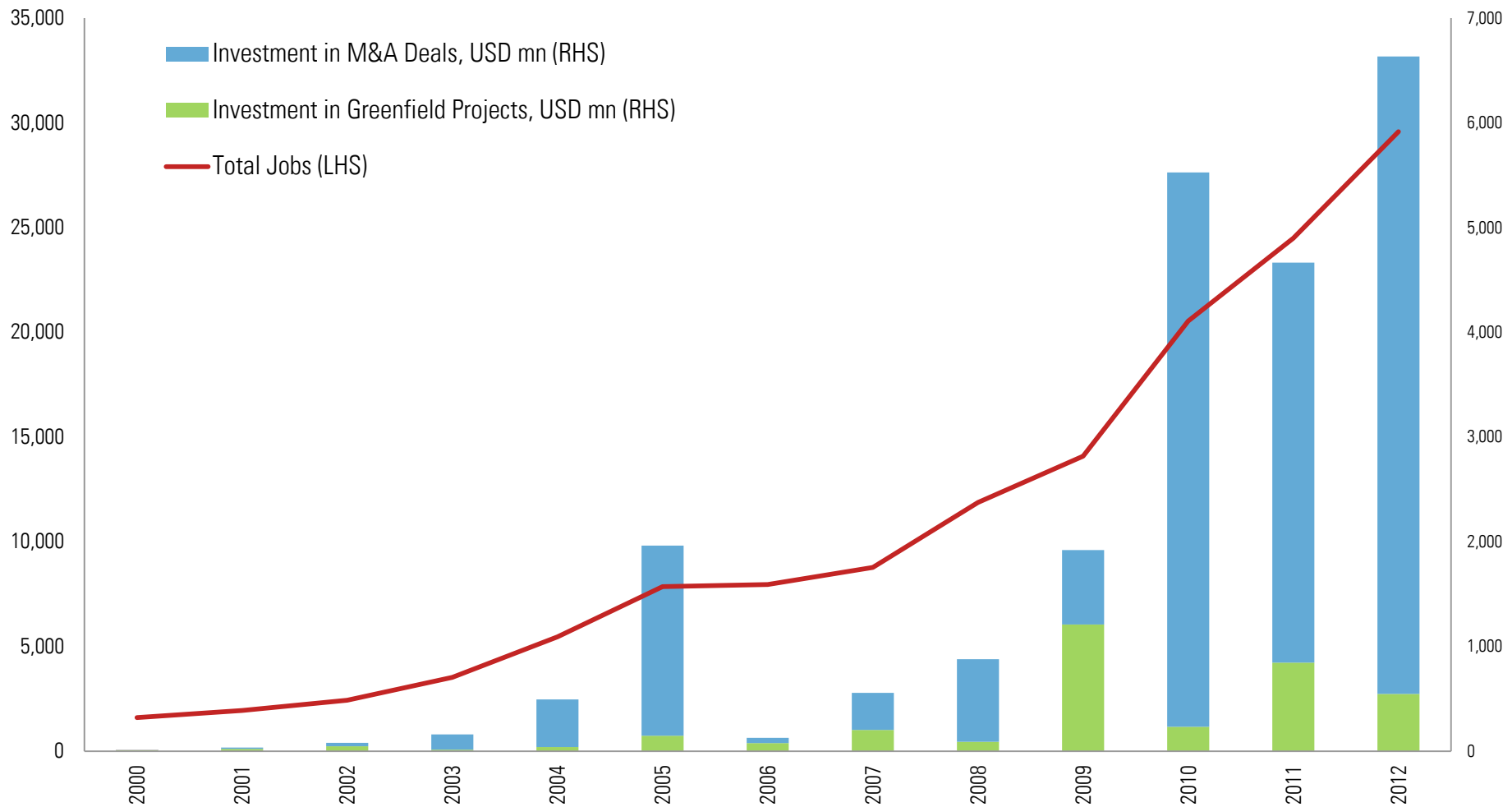
RHG: Chinese FDI in the US by Source Province*: 2000-2012



Source: Rhodium Group; * Source provinces coded by headquarter of the investing company.

RHG: Employment at Majority Chinese-Owned US Firms

USD million, number of jobs



Source: Rhodium Group.

RHG: Troubled Chinese Investments in the United States

YEAR	ACQUIRER	TARGET	STATUS
1990	China National Aero Tech	Mamco Manufacturing	Blocked by President
1995	CNIEC/Hua San/Sextant	Magnequench	Completed
2005	Lenovo	IBM	Completed
	Haier	Maytag	Withdrawn, Commercial Reasons
	CNOOC	Unocal	Withdrawn, Politicized
2009	Minsheng Bank	UCB	Blocked by Federal Reserve
	Huawei	3Com	Withdrawn after CFIUS Review
	Tengzhong	Hummer	Withdrawn after MOFCOM Intervention
	Northwest Nonferrous Intl.	Firstgold	Withdrawn after CFIUS Review
2010	Anshan Steel	Greenfield, Mississippi	Pending
	Tangshan Caofeidian	Emcore	Withdrawn after CFIUS Review
2011	China Aviation Ind.	Cirrus	Completed
	Huawei	3Leaf	Dissolved after CFIUS Review
2012	Ralls Corporation	Terna Energy Holding USA Corp.	Blocked by President
	Beijing Superior Aviation	Hawker Beechcraft Inc.	Withdrawn, Commercial Reasons
2013	Wanxiang Group	A123	Completed
	Shuanghui	Smithfield Foods	Pending

Source: Rhodium Group.