

## INVESTMENTS FROM CHINA

Many manufacturing jobs have moved overseas, particularly to China. What has been overlooked is that Chinese investors are investing in the U.S. Although tales of lost jobs and repeated fights over the yuan dominate the news, stories about Chinese investments are beginning to elbow their way in. A recent story in *The Wall Street Journal* describes how an RV company received a much-needed \$310 million infusion of cash from a Chinese investor. <http://online.wsj.com/article/SB10001424052748704615504576172410117309984.html?> That \$310 million is just one of the reported \$5 billion dollars of investments in the U.S. from China. Of course, that dwarfs the more than \$55 billion that U.S. companies poured into China. But that is not surprising considering that the U.S. is the much wealthier country.

Now that China has built up some wealth, some of it is flowing back. Beijing has strongly encouraged more overseas investments, so expect to see more of a balance in the flow of money. But don't expect that all investments will be of this magnitude. As I stated in *The Wall Street Journal* article, most of the deals will be less than \$10 million and will be ways for China to enter the U.S. market and export goods and services back to China. On my trips to China, I always meet with investors who are eager to break into what they view as a very lucrative market. Almost with the same enthusiasm that U.S. companies had about entering the Chinese market.