

Macro Roundup Article

Headline: [Europe's Response to China Shock 2.0: Hold China Closer](#)

Article Link: <https://www.wsj.com/economy/global/europes-response-to-china-shock-2-0-hold-china-closer-38656bd0>

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Tweet: Chinese-made EVs have risen from 2.9% of the EU's EV market in 2020 to 21.7% last year; in response, European governments are encouraging greenfield investment by Chinese battery and EV makers.

Summary: European officials have largely been in favor of investments from Chinese battery makers such as CATL and from Chinese electric-vehicle manufacturers such as BYD in Hungary and Chery Automobile in Spain. While Chinese purchases of existing European businesses have collapsed in recent years, in part because of growing European scrutiny, greenfield investment—i.e. newly created companies or plants—has risen rapidly, reaching 78% of all Chinese foreign direct investment in Europe last year, according to data compiled by the Mercator Institute for China Studies and Rhodium Group.

Related Articles: [The World Is In For Another China Shock](#) and [EU To Hit Chinese Electric Cars With Tariffs Of Up To 48% and Can Trade Intervention Lead to Freer Trade?](#)

Primary Topic: Trade (not deficits)

Topics: GDP, News article, Savings Glut/Trade Deficit, Trade (not deficits)

Permalink: <https://www.edwardconard.com/macro-roundup/chinese-made-evs-have-risen-from-2-9-of-the-eus-ev-market-in-2020-to-21-7-last-year-in-response-european-governments-are-encouraging-greenfield-investment-by-chinese-battery-and-ev-makers?view=detail>

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