

# Competitive horizons

## *China seen as a key adopter of future innovative technologies*

Growing significance of big data should inspire technological innovation that will impact on various fields, UBS claims. The international investment banking group regards China as being ideally positioned to exploit the investment opportunities that such technologies offer. Along with India and other Asian countries, China is expected to account for the majority of the anticipated 2.5 billion new internet users over the next decade. As reported by [www.chinadaily.com](http://www.chinadaily.com), the number of millennials in the nation is significant. This segment is likeliest to embrace developments in technology and the sectors where its effect is greatest. The report notes the growing emphasis on artificial intelligence and its likely significance in the development of most areas. This will lead to top investment opportunities and emergence of more creative jobs. On the downside, up to 75 million low-skilled positions might be affected. UBS believes that the growing presence of Chinese IT firms on the international stage will also be aided by an increase in the number of mergers and acquisitions.

## *UK small- and medium-sized enterprises more confident about export prospects*

Optimism about export opportunities is rising among small- and medium-sized enterprises (SMEs) in the United Kingdom (UK), according to the latest Confederation of British Industry (CBI) survey. A rise in the number of new orders has prompted a substantial increase in confidence about export activities in the year ahead. Strong immediate growth in exports is predicted, [www.prw.com](http://www.prw.com) reports. Weaker sterling is helping these prospects but leading to rising costs in the domestic market. Uncertainty has increased as a result. However, many SMEs still express a willingness to invest and the CBI believes that the UK government should focus on measures to encourage this. Taking out company investments in new plant and machinery from business rate calculations is one suggestion offered in the report.

## *Huge growth in demand for digital printing expected within textile industry*

The latest report from Smithers Pira predicts that digital textile printing will grow by an annual average of 12.3 per cent in the five years to 2021. By this time, the market will have more than doubled to reach €2.42bn. Greater emphasis on inkjet printing is set to be a key component of this strong growth, the industry expert notes. Increased merger and acquisition activity among conglomerates in the USA and Japan is another significant factor. As reported by [www.innovationintextiles.com](http://www.innovationintextiles.com), massive impact in such as graphics and ceramics has further intensified enthusiasm for digital printing. Leading print companies are turning their attention to textiles, as considerable scope exists for digital printing in the sector. Growth during this period is predicted to be especially robust in clothing as this contains key areas like sportswear and fashion. Next strongest will be household textiles, Smithers Pira anticipates. There is less potential in displays and signage, but double-digit growth over the five years is still considered achievable. Limited focus on niche markets like technical textiles will lead to lower market expansion in these areas.

## *The global economy*

According to a report by Moody's Investors Service, the next two years should see the global economy perform better than the weak growth experienced during 2016. However, ongoing risks are expected to limit growth to 3 per cent during this period. The report, as published by [www.bnamericas.com](http://www.bnamericas.com), expects India to expand most among leading advanced and emerging economies. Growth will be the weakest in Brazil, Italy and Japan. The US economy is predicted to grow by 2.2 per cent in 2017 as tax cuts, and greater investment in infrastructure is tempered by ongoing political uncertainty in the wake of the recent presidential election. The report claims that reforms will help increase growth in India and Indonesia, while economies including Brazil and Argentina should benefit from political improvements. Emerging market economies are predicted to grow more substantially over the next two years and at an average of 5 per cent for G20 economies. Moody's believes that introduction of measures to counter the earlier slowdown in trade is a key reason why growth should be much stronger.