

Apple chief shrugs off China's economic slowdown

October 22 2015

US technology giant Apple will keep investing in China despite slowing growth in the world's second-largest economy, chief executive Tim Cook said, as the company prepares to open its newest store in the mainland.

"I know some people are worried about the economy. We'll continue to invest," Cook told the official Xinhua news agency, according to a report late Wednesday.

"China is a superb place to be. Nothing has changed that," Cook said while on a visit to the country.

China's economy logged its worst performance in the third quarter since the global financial crisis six years ago, with gross domestic product growing just 6.9 percent, the government said Monday.

Cook has previously said that he expects China one day to surpass the United States to become Apple's largest market.

The launch of the company's large-screen iPhone 6 and iPhone 6 Plus last year boosted its sales in China, though it faces sharp competition from domestic competitors such as Xiaomi and Huawei.

On his Chinese Sina Weibo—or microblog—account, Cook on Wednesday posted a photo of himself climbing the Great Wall and said he was "Happy to be back" in China.

The US company will open its 21st mainland China store in the northeastern city of Dalian on Saturday, according to its website.

Apple has in the past been criticised for having only a limited number of stores in China despite demand for its products, which encourages smuggling, especially from neighbouring Hong Kong.

Apple is due to report quarterly earnings next week.

It recently began offering Apple Music and other digital content in the world's most populous country and is reportedly planning to launch online payment service Apple Pay.

As part of Cook's visit, Apple on Thursday announced programmes aimed at reducing the carbon footprint of its manufacturing partners in China.

They include building solar projects able to produce 200 megawatts of power and helping manufacturers, including major supplier Taiwan's Foxconn, to become more efficient and reliant on clean energy, it said in a statement.

Apple suppliers in China have faced criticism over treatment of their workers. New York-based workers' rights group China Labor Watch on Thursday urged Apple to improve factory conditions following an investigation into the facilities of Pegatron Corp in Shanghai.

© 2015 AFP

Citation: Apple chief shrugs off China's economic slowdown (2015, October 22) retrieved 5 May 2024 from <https://phys.org/news/2015-10-apple-chief-china-economic-slowdown.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private

study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.