



CHINA WATCH

China's economic confidence stays strong

With growth resilient and progress made in the pursuit of high-quality development, economic confidence remains positive in China. In the second quarter, business confidence among Chinese entrepreneurs continued to improve, according to a central bank survey. The entrepreneur confidence index climbed for the ninth straight quarter, rising to 75.8 from 74.2 in the first quarter. The business climate index for Q2 held steady at 58.5 percent, 3.9 percentage points higher than the same period last year, the central bank said. Optimism has spread among officials and economists. "China has the conditions and capability to fulfill the annual target set at the beginning of the year and ensure the stable and long-term growth of the economy," said a National Development and Reform Commission (NDRC) official.

China's GDP expanded 6.8 percent year on year in the Q1, above the target of around 6.5 percent. The NDRC official pointed out that despite increasing uncertainties in the global markets, recovery in the world economy is likely to continue, offering more room for trade. Foreign trade rose 8.6 percent year on year last month, accelerating from 7.1 percent in April. Retail sales of consumer goods grew by 8.5 percent. "By cooperating with other countries in a more open manner, China is seeing improving external environment for its high-quality development," said Li Xunlei, chief economist with Zhongtai Securities. Output of high-tech and equipment manufacturing sectors grew 12 percent and 9.3 percent, respectively, in the first five months, substantially outpacing the

6.9 percent growth in overall industrial output. The head of the department of industrial statistics of the National Bureau of Statistics, said the fact that high-tech industries make up a larger share of total industrial output is a sign of more favorable conditions.

Along with a stable economy, unemployment in urban areas declined to 4.8 percent in May, down 0.1 percentage points from April and 0.1 percentage points lower than last May. Earlier this month, the World Bank upgraded its forecast for China's economic growth in 2018 to 6.5 percent, 0.1 percentage points higher than its January forecast. The World Bank's latest China Economic Update said that economic activity had remained resilient, and new economy sectors are now more prominent sources of growth. "The Chinese economy is performing well and reforms are making good progress," said David Lipton, first deputy managing director of the International Monetary Fund. "Given China's record of successful reforms in the past decades, and the authorities' strong commitment and determination, we are confident that China will rebalance to a sustainable growth model," he said upon concluding a visit to China last month.

Tech giants tap into AI health care market

Before 2017, gastroenterologist Cheng Chunsheng had to inspect over 1,000 gastroscopy pictures to search for possible esophageal cancer symptoms, a cancer which appears in the food pipe. However, this painstaking process is no longer needed since the People's Hospital of Nanshan District in Shenzhen where Cheng works introduced "Tencent AIMIS", an AI medical imaging software released in August last year.

"The AI system screens through each report and notifies the doctor if further inspection is needed," said Cheng. The system has significantly boosted his efficiency. A doctor's experience is the most important tool when diagnosing esophageal cancer at an early stage. Cheng said the system, developed by Tencent, would assist younger doctors in making more precise diagnoses.

"It is often difficult for new doctors to judge whether an erosion or an ulcer is related to cancer. The AI application would recommend younger doctors to discuss the case with an expert instead," he added. Tencent's vice president, said the program has scanned hundreds of thousands of gastroscopy images and is over 90 percent accurate in diagnosing preliminary esophageal cancer. "By accumulating mass data, the analysis is expected to become even more reliable," he added.

Tencent AIMIS is now used in more than 100 hospitals across China. The company has also partnered with over 10 hospitals to build AI medical laboratories. It is said that through the AI laboratories, Tencent AIMIS can be used to screen more diseases such as lung nodules, diabetic retinopathy, cervical cancer and breast cancer. Apart from Tencent, other internet corporations are also exploring the AI health care market.

In 2016, Baidu launched Melody the Medical Assistant, an AI-powered chatbot designed to converse with patients and collect data on their conditions to save physicians time. ET medical brain, an AI health care system produced by Alibaba, can aid doctors in medical imaging, drug development and health management. China's State Council issued a guideline in April to promote health services using internet technologies.

The guidelines on "Internet Plus Health care" say internet technologies should be used to offer medical and public health services, promote family doctor practices, improve drug supply and medical bill payments, and provide medical education. According to a 2017 industry report released by VCBeat Research, more than 80 companies are working on AI for the Chinese health market by developing products such as medical imaging devices, AI to analyze patients' clinical history and chatbots.

Luo Xudong, head of People's Hospital of Nanshan District in Shenzhen, said the advancement of AI-assisted healthcare can help alleviate the problem of inadequate and imbalanced medical resource allocation in China. "AI-powered medical products support remote medical consultation and training. Through an application, villagers in remote areas can also enjoy similar quality services as those urban residents," Luo said.

Chang Jia, who manages Tencent's "internet plus" healthcare center, said that a small error in the medical field could be a matter of life or death."The industry still positions AI as an assistant to the doctors. On one hand, medicine is a mix of humanities, ethics and science, and there are no easy answers; on the other hand, AI-based medical technologies remain in a fledging state and still need time to learn before they mature," he said.

IBM's Summit becomes world's fastest supercomputer beating China's Sunway TaihuLight

IBM's supercomputer Summit overtook China's Sunway TaihuLight to become the world's fastest supercomputer, according to a biannual ranking of the world's 500 fastest supercomputers, or the Top500, published Monday. Summit, recently unveiled at the U.S. Department of Energy's Oak Ridge National Laboratory in Tennessee State, captured the number one spot with a performance of 122.3 petaflops on high-Performance linpack (HPL), the benchmark used to rank the Top500 list, the statement said.

Shan Hongzhang, a computer scientist at the Lawrence Berkeley National Laboratory, told Xinhua that the structure of Summit potentially reduced the traditional performance overhead of transferring data between the central processing unit and graphics processing unit. Summit is designed for research in energy, advanced materials and artificial intelligence (AI). Sunway TaihuLight, developed by China's National Research Center of Parallel Computer Engineering and Technology and installed at the National Supercomputing Center in Jiangsu Province, ranked number two after leading the list for the past two years.

China's Tianhe-2A, developed by the National University of Defense Technology and installed at the National Supercomputer Center in Guangzhou, moved down two notches

into the number four spot. But a major upgrade of its hardware increased the system's performance from 33.9 petaflops to 61.4 petaflops. Japan's new AI Bridging Cloud Infrastructure is the fifth-ranked system on the list, with 19.9 petaflops. The Top500 list is considered one of the most authoritative rankings of the world's supercomputers. It is compiled on the basis of the machines' performance on the Linpack benchmark by experts from the United States and Germany.

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