

# THE SIGNIFICANCE AND PERFORMANCE OF INFRASTRUCTURE IN CHINA

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## ABSTRACT

The significant economic growth of China in recent years has seen increased importance given to infrastructure development. This includes airports, toll roads, communications, ports, power plants and water. A significant contribution to the development of this infrastructure in China has been via the Hong Kong-listed China infrastructure companies.

The purpose of this paper is to assess the significance and performance of infrastructure in China. Using these Hong Kong-listed China infrastructure companies, the risk-adjusted performance analysis and portfolio diversification benefits of China infrastructure over 1996-2006 will be assessed; benchmarked against the performance of the other major asset classes. Specific infrastructure sub-sector analyses for toll roads and power plants will also be carried out. The strategic investment issues for infrastructure in a portfolio will also be identified.

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