

Geely buys \$9bn stake in Daimler, now biggest investor



By Ilse van den Berg

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NEWSWATCH: Chinese manufacturer, Geely, which fully-owns Volvo as well as black cab maker, London Taxi Company, is now buying a \$9.2bn stake in German automaker, Daimler - which will effectively make it Daimler's biggest shareholder.

“ JUST IN: Chinese manufacturer Geely is buying a stake worth almost 7.5 billion euros (\$9.2 billion) in Daimler to become the largest investor in the German automaker <https://t.co/sPblw0QIRm> [pic.twitter.com/TE9bgg6kXn](https://t.co/sPblw0QIRm)— Bloomberg (@business) [February 23, 2018](#) ”

[According to reports](#), Geely has been pursuing cooperation with Daimler for some time now, specifically around autonomous driving and EVs.

[Steve Man](#) from Bloomberg Intelligence says this deal wasn't for passenger automotive but rather for commercial vehicles. In an interview, he notes that: "With Tesla's [recently launched](#) semi heavy duty truck, it's kind of given Geely a nudge into an aggressive push into commercial vehicles."



Daimler juices electric trucks with road tests, investments

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Another big reason for the investment could well be that Geely is seeking access to technology and innovation in exchange for the deal. [Financial Times](#) reports that chairman Li Shufu said: "In order to succeed and seize the technology highland, one has to have friends, partners and alliances."

“ Is Chinese state behind Geely's Daimler swoop? <https://t.co/bzNpQTl3uG>— Financial Times (@FT) [February 28, 2018](#) ”

AutoTrader CEO, George Mienie comments: "South Africans are loyal and traditional car buyers, favouring the German brands. We have seen this for many years – it's reflected in AutoTrader search statistics – the most searched-for vehicle in 2017 was the BMW 3 Series, followed by the Mercedes-Benz C-Class and the Volkswagen Golf."

“However, given international trends – and the fact that Daimler, the world’s most prestigious vehicle manufacturer, now has Li Shufu, chairman of Chinese automaker Geely, as its largest shareholder – we could see a shift in buying preferences, with South Africans aspiring to own Chinese vehicles,” Mienie comments.“

Although I don’t think that this will happen anytime soon, this scenario is not as far-fetched as some industry commentators may think,” Mienie concludes.

For more:

- [Geely Used \\$9 Billion-Collar Trade on Daimler Purchase](#)
- [Geely becomes Daimler’s largest shareholder with \\$9 billion stake](#)
- [Germany 'watchful' after Geely buys \\$9bn stake in Daimler](#)

ABOUT ILSE VAN DEN BERG

Ilse is a freelance journalist and editor with a passion for people & their stories (check out Passing Stories). She is also the editor of Go & Travel, a platform connecting all the stakeholders in the travel & tourism industry. You can check out her work [here](#) and [here](#). Contact Ilse through her website [here](#).

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