

Backing the wrong horse

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This is from an FT email this morning:

The government is rolling out [a carpet of deepest red](#) this week for the [five-day state visit of Chinese president Xi Jinping](#), in the hope that he in turn will help roll out a passel of infrastructure projects.

[Chinese investment is being counted on](#) for everything from the Hinkley Point nuclear reactor to the HS2 high-speed rail link and the "Northern Powerhouse" project, as [Mr Xi heads for Manchester on Friday](#).

And this is from another:

The Chinese economy grew faster than expected in the third quarter, as resilient growth in the emerging services sector helped compensate for weakness in manufacturing and property.

China's statistics bureau said on Monday that gross domestic product rose 6.9 per cent in the third quarter in inflation-adjusted terms, down from 7 per cent in the first two quarters and 7.3 per cent for full-year 2014. It was the slowest quarterly [growth rate](#) since the first quarter of 2009 but higher than expectations.

So just as Chinese growth is declining, its internal problems are becoming apparent, its financial markets' weaknesses are news and its decline in reserves is being noted the UK becomes its best friend.

Was there ever a more obvious case of backing the wrong horse?