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The immediate gains generated by the commercial relationship between Brazil and China may be wearing out. Ties between the two countries are entering a new phase that presents risks and opportunities. The bad news is that Brazil's manufactured goods are facing fierce competition from Chinese manufactured goods both at home and in Brazil's Latin American markets. The good news is that the long-awaited wave of Chinese investments in Brazil has finally begun to materialize. The crucial question is whether Brazil will have the ability to fully realize the potential of these investments.

Angelica Wiederhecker in Beijing, China, profiles Yin Mingshan, a legend in Chinese business. After being labeled as an enemy of the state during the regime of Mao Zedong, he was dispatched to a forced labor camp. Years of hardship followed, but finally Yin managed to save enough to establish Lifan, a Chongqing-based maker of cars and motorcycles. Today Lifan is the largest exporter of Chinese motorcycles to Brazil and is considering opening a car factory in Brazil. "Brazil is very promising, with a vast territory and large domestic market," Yin says. He adds: "There are Chinese entrepreneurs who commit the folly of ignoring trade with Brazil, but I'm not a fool."

The cover story for this issue analyzes the Brazilian mining sector, which is receiving a growing wave of investment, especially from Asian countries, especially in iron ore. The government's project of establishing a new regulatory framework for the sector is generating uncertainty, although some entrepreneurs favor setting up an agency to regulate mineral activities. The issues are discussed by Liliana Lavoratti and Kalinka Iaquina. 