According to the report of VesselsValue on February, 2020, the shipbuilding volume of China, Japan and South Korea exceeds 76% of the total global merchant fleet. The top ten shipbuilding countries account for more than 90% of the global fleet 0.

In terms of the number of ships built alone, China is well deserved to be the first echelon in the world. However, most of the ships we are building are cheap and low value-added bulk carriers and container ships. Moreover, most of the core equipment is imported or manufactured authorized by foreign brands.

Some data show that the dependence of Chinese foreign trade on the shipping industry has reached 90%. According to statistics, in 2018, there were 510,000 crew members, plus about 1 million land and shore management personnel, shipping agents, freight forwarders and other related fields. In China, there is one maritime related practitioner in every 900 people.

One belt, one road crossing China and Europe and the United States, is one of the three main routes in the world. One is the trans Pacific Ocean, the other is China and the United States. Another is the Asia Europe route. It is a place for shipping in China and the Atlantic. It is also Chinese oil lifeline. However, even if the shipping scale is enough, the weak position of China and Chinese enterprises is very obvious when disputes are involved in the interests all over the world.

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## CHINA'S MONETARY POLICY IN THE FACE OF COVID-19

This paper analyses and studies the monetary policy adopted by the People's Bank of China to strengthen counter-cyclical adjustment under the new crown pneumonia epidemic, including open market operations, rate cuts, interest rate cuts to maintain a reasonable abundance of market liquidity and reduce financing costs for the real economy, and increased targeted support through special refinancing, re-discounting and temporary extension of debt service for loans to small and micro enterprises.

COVID is the most widespread and profoundly impactful global pandemic that has hit humanity. It is even a serious crisis and a severe test for economies worldwide. Since December 2019, a number of cases of unexplained pneumonia with a history of exposure to seafood markets in South China have been identified in some hospitals in Wuhan, Hubei Province, and later confirmed to be an acute respiratory infection caused by a 2019 novel coronavirus infection. COVID is rapidly sweeping the world with its quick transmission rate, high infectiousness and high lethality, causing a medical crisis, health crisis, public safety crisis and economic crisis worldwide. In the face of the global pandemic of COVID and the lack of optimism in the prevention and control of the epidemic, stock markets in Europe and the United States have fallen hard, oil prices have plummeted and the global economy has come to a standstill [0].

Since the outbreak of Newcastle Pneumonia, the core of the Chinese government's 'dynamic zeroing' measures has been to avoid mass movements and gatherings of people, who, out of fear of the epidemic and in obedience to government policy, have reduced their travel, leading to a massive contraction in mass demand, with the tourism, catering and transportation industries being the first to suffer, followed by the impact of the epidemic, which delayed the return of workers and the resumption of work, and caused enterprises to face the plight of shutting down and reducing production, especially in the manufacturing, real estate and infrastructure investment sectors, which were basically put on hold for a short period of time. The sharp drop in consumer demand and production capacity of enterprises had an obvious impact on investment, consumption and exports, and in the short term there was a simultaneous rise in unemployment and price increases [0].

China's monetary policy has been instrumental in the gradual return to normal economic and social activity under strict epidemic control policies, after the sudden onset of the Newcastle pneumonia epidemic interrupted the country's planned economic development rhythm. The People's Bank of China adopted a series of measures to maintain a reasonable abundance of liquidity, aiming to inject certainty and share risks, to hedge against the uncertainty and risks brought about by the epidemic, and to provide a good support role in winning the epidemic prevention and control blockade and stabilising economic operations [0].

In 2020, in response to the epidemic shock, the People's Bank of China released overall liquidity to maintain adequate liquidity in the financial system and stability in the equity market through standard reduction, medium-term lending facilities and reverse repos. While applying prudent monetary policy and maintaining stable interest rates, the continuity of open market operations was further enhanced to guide the fluctuation of short-term money market interest rates within a reasonable range through the continuous release of short-term policy rates. In view of the current high cost of bank liabilities, limited room to depress spreads and the fact that deposits in the corporate and residential sectors account for over 60% of total bank liabilities, it is not advisable to make frequent changes to policy rates and a moderate cut in the benchmark deposit rate at the right time will have a significant effect on the downward market movement of LPR. In addition, it is important to guide Chinese government bond yields down steadily, narrow the US-China spread to a moderate level, increase the flexibility of the RMB exchange rate, strengthen the monitoring and management of short-term cross-border funds, and prevent financial risks.

In the next phase, the People's Bank of China needs to continue to increase its open market operations and cut interest rates to maintain a reasonable abundance of liquidity and make greater efforts to reduce the cost of financing for the real economy. In view of the current high cost of bank liabilities, limited room to depress spreads and the fact that deposits in the corporate and residential sectors account for more than 60% of total bank liabilities, policy rates should not be changed frequently and a moderate cut in the benchmark deposit rate at the right time will have a significant effect on the downward market movement of LPR. In addition, it is important to guide Chinese government bond yields down steadily, narrow the US-China interest rate differential to a moderate level, increase the flexibility of the RMB exchange rate, strengthen the monitoring and management of short-term cross-border funds, and prevent financial risks. Even if the Federal Reserve cuts interest rates sharply, the People's Bank of China does not follow through, always maintaining its own characteristics.

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