
Rays of recovery - South Korean factory output up by 5pct MoM

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Bloomberg reported that South Korean manufacturers increased output in September as global demand for the nation's cars and machinery recovered and consumers spent more before holidays.

National Statistical Office said that factory production gained 5.4% from August, when it fell a revised 1.2%. The median estimate in a Bloomberg News survey was for a 3.3%. From a year earlier, output rose 11%, after gaining a revised 1.1% in August. South Korea's economy grew at the fastest pace in 7 years in the third quarter from three months earlier, expanding 2.9%.

Mr Yoon Jeung Hyun finance minister of South Korea said that full year economic growth is possible in 2009 as compared with a previous forecast of a 1.5% contraction. He added that "Demand at home and abroad is recovering, even though it's at a slow pace. Still, there's the potential the global recovery may not be robust and it may be too early to say we're seeing a stable, full fledged recovery."

Recent reports showed manufacturers' confidence stayed near a two year high, consumer confidence climbed to a seven year high and exports fell at the slowest pace in 11 months in September. South Korean companies are showing rising profits.

(Sourced from www.bloomberg.net)

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