
Macroeconomic indicators - China economy to expand 9pct in 2010

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Xinhua reported that China economy is forecast to grow more than 9% next year on the growth of domestic consumption and improving exports.

According to the report the country retail sales are predicted to increase 18.2%YoY in 2010 boosted by domestic consumption and income growth.

According to the National Bureau of Statistics, China retail sales in October rose 16.2%YoY to CNY 1.17 trillion.

Mr Liu Yuanchun vice president of the School of Economics of the university and the compiler of the report said the world economy would be on the revival track next year, but a solid recovery was not an easy task. He said that China exports would rise 13.3% and imports 12.2% in 2010.

He urged the government to step up efforts on low-rent apartment construction next year for urban dwellers.

The report predicted that the world's third largest economy would expand by 8.56% this year. China gross domestic product expanded 7.7%YoY in the first three quarters largely due to the massive stimulus package unveiled in November 2008.

According to the report the country consumer price index a main gauge of inflation would dip by 0.7% this year.

The NBS said China CPI fell 0.5%YoY in October. Other leading economists have also voiced optimism on China economic prospects.

Mr Fan Gang director of the Beijing based National Economic Research Institute of China Reform Foundation said that the Chinese economy could grow between 8% and 9% in 2010.

He said that emerging markets were facing a risk of possible asset bubbles given the international excessive liquidity.

Mr Qiao Hong, a China economist at Goldman Sachs forecast last week in Beijing that China economy would expand 11.9%YoY in 2010.

(Sourced from Xinhua)

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