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## Yuan could move 3pct to 5pct a year - Mr Li Daokui

*Monday, 01 Nov, 2010*

China Daily citing Mr Li Daokui central bank adviser said China can afford a yuan appreciation of 3% to 5% annually, but he expressed concern that the US Senate might back a trade sanction bill that would increase pressure on a faster yuan revaluation.

Mr Li said "Based on historical experience, yuan appreciation of 3% to 5% is affordable for China. He said that the pace of yuan appreciation should be based on domestic factors, rather than foreign pressure. He added that "The yuan should rise in a controllable and gradual way, so the country's export companies will not go bankrupt."

Mr Muhtar Kent chairman of the US-China Business Council said "China has shown positive will on the currency issues, and is moving in the right direction, and we (China and the US) need more communication about real issues that matter to bilateral ties."

He said no one can pressure other countries regarding their monetary issues.

Mr Yuan Gangming an economist with Tsinghua University said on "In the future the pace of appreciation could probably go beyond our expectations.. He said the pace should not exceed 5% annually."

China has been under great pressure to appreciate its currency as some countries led by the US are blaming the country undervalued yuan and excessive current account surplus for global trade and economic imbalances.

(Sourced from China Daily)

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