

China's GDP growth eases to 7.8% in 2012

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China's GDP growth rebounded "significantly" in the fourth quarter of 2012 and the momentum will extend throughout 2013, Ma Jiantang, head of the National Bureau of Statistics, told a news briefing on Friday.

China's economic expansion slowed to 7.8 percent year-on-year in 2012 amid external jitters and domestic woes, data from the National Bureau of Statistics showed on Friday.

The growth rate, the slowest one since 1999, was down from 9.3 percent in 2011 and 10.4 percent in 2010.

The economy's fourth-quarter growth quickened to 7.9 percent on strong trade data as well as improving consumption and investment figures.

The rate, which ended a seven-straight-quarter slowdown, was up from 7.4 percent in the third quarter, 7.6 percent in the second and 8.1 percent in the first.

According to preliminary statistics, gross domestic product reached 51.93 trillion yuan (\$8.28 trillion) in 2012.

Ma predicted that the international economic situation will still be challenging in 2013, but the US economy is likely to fare better than predicted. At home, the driving force for mid- and long-term economic growth has not changed in 2013 while constraints in resources, environment and labor supply increased.

In this context, more efforts should be taken to improve the economic structure and growth model and to fulfill "real GDP growth" while bringing more benefits to the citizens, Ma said.

"Government stimulus measures introduced since early 2012 have produced results. They have helped reverse the slowdown and stabilize the growth," said Wang Jun, an economist at the China Center for International Economic Exchanges, one elite think-tank in Beijing.

Last May, the government shifted its top priority from taming inflation to stabilizing growth. It has moderately eased its grip over lending, approved massive construction projects, and stepped up tax reductions to buoy the economy.

GDP figures headed a string of other encouraging economic data on Friday. Retail sales, a key indicator of consumer spending, rose 15.2 percent from a year earlier in December, up from 14.9 percent in November.

The growth of industrial production accelerated to 10.3 percent year-on-year in December from November's 10.1-percent pace. Fixed-asset investment, a measure of government spending on infrastructure, also increased 1.53 percent from November to December.

China's exports, a key driver of the economy, also trumped market forecasts to grow 14.1 percent year-on-year in December, up from November's 2.9 percent, customs data showed last week.

"I think the economy's growth has been stabilized, but whether the rebound will continue remains unclear," said Zhang Liqun, an analyst with the Development Research Center of the State Council.

China's major economic risks in 2013 still lie in uncertainties in its external markets and domestic property sector, Zhang said.

The government pared the full-year growth target for 2012 to 7.5 percent from 8 percent in early 2012. Many economists are expecting the target to remain unchanged for this year.