CHINA ECONOMIC OUTLOOK 2017 pdf

1: Global Economic Outlook - Home | The Conference Board

IMF staff have revised up China's growth outlook compared to last year's report. Growth between and for the world's second largest economy is now expected to average percent, compared to percent last year.

The problem is that such activity has been fueled by rising debt, much of which might not be easily repaid. Moreover, in recent years, high levels of investment in infrastructure and property have not translated into stronger economic growthâ€”which is what one would normally expect. This raises questions about the efficiency and usefulness of such investments, some of which are resulting in an excess supply of property. Here are some details: Fixed asset investment increased 8. This was a modest rate of growth compared with recent years, but quite strong nonetheless. The components, however, are especially interesting. Investment by manufacturers was up only 4. This included a Thus, overall investment is largely being driven by infrastructure. Investment in real estate increased 8. Housing starts were up The floor space of homes sold was up This means that the easy government policy toward housing last year continues to have a big positive impact on housing market activity. However, recent tightening of policy could hamper such growth in The tightening reflects concern about the debt created by this development. Chinese industrial production was up 6. This included a 6. There was slow or negative growth for traditional and low-wage industries, but strong growth for more technology-intensive industries. For example, output by steel companies declined 9. On the other hand, output by IT equipment makers was up Retail sales in the first two months increased 9. When adjusted for inflation, real retail sales were up 8. This is a deceleration from last year. The expiration of tax incentives for automotive purchases led to a decline in auto sales in early Online sales did well and now account for 11 percent of total retail spending in China. In addition, Premier Li Keqiang indicated that the economy faces risk from excessive debt. What this will mean in practice is hard to say. The TPP, on the other hand, included new rules governing cross-border investment, protection of intellectual property, labor rights, and environmental standards. Japan is now concerned that China will attempt to lead the RCEP and be the dominant economic player in the region. As such, Japan is joining forces with other Asian countries in an attempt to gain control of the RCEP and shift it toward something deeper involving cross-border investment and trade, potentially luring the United States into the agreement. Whatever the RCEP winds up being, it will liberalize trade in Asia and, in the process, fuel growth in the region. For the United States, lack of free access to this market will be a competitive disadvantage. It means that living standards in China have risen substantially. Rather, it stems from other factors such as the skill level of workers, the degree to which workers use technology, the supply of skilled managers, the transport and power infrastructure, and the legal framework. The study found that the productivity of Chinese manufacturing workers actually increased faster than wages. Interestingly, in many other countriesâ€”such as Mexico, Brazil, and Portugalâ€”wages have declined in the past decade after accounting for inflation. The case of Mexico is especially interesting. In , average hourly wages in manufacturing in Mexico were about twice that of China. This is one reason that, prior to concerns about the future of the North American Free Trade Agreement, Mexico was rapidly becoming a favored destination for manufacturing investment, especially given its free access to the US market and close physical proximity to the United States. This will cause a further shift in the composition of Chinese manufacturing, away from low-value-added processes such as apparel and textile production toward higher-value-added processes. Specifically, China ended its long-standing policy of allowing urban families to have only one child. This change was made in order to avert a long-term demographic disaster. While the one-child policy had the desired effect of slowing population growth, it also set the stage for a substantial decline in the working-age population and a rapid rise in the ratio of retirees to workers. Ending the one-child policy was expected, over a period of time, to reduce these imbalances. Yet, since the policy changed 18 months ago, the birth rates clocked in major provinces have barely budged. It appears that, as in many other countries, there are other factors leading women to have fewer children. These include more female education and labor force participation, greater availability of government pensions to support the elderly which reduces the need to have many children for retirement support , and higher incomes that provide greater opportunities for personal fulfillment. Some Chinese provinces are reported to be examining policy shifts that might encourage people to have more children, including subsidies for child care costs, and paid paternity and maternity leave. Credits Cover image by:

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2: Early Look: Chinaâ€™s Rosy Economic Outlook Has a Few Thorns - China Real Time Report - WSJ

China Economic Outlook. October 16, Available data suggests that economic growth decelerated in the third quarter, mainly due to lackluster infrastructure investment and negative spillovers from financial deleveraging.

Blog Placeholder After a lackluster outturn in , economic activity is projected to pick up pace in and , especially in emerging market and developing economies. However, there is a wide dispersion of possible outcomes around the projections, given uncertainty surrounding the policy stance of the incoming U. The assumptions underpinning the forecast should be more specific by the time of the April World Economic Outlook, as more clarity emerges on U. With these caveats, aggregate growth estimates and projections for â€”18 remain unchanged relative to the October World Economic Outlook. The outlook for advanced economies has improved for â€”18, reflecting somewhat stronger activity in the second half of as well as a projected fiscal stimulus in the United States. Growth prospects have marginally worsened for emerging market and developing economies, where financial conditions have generally tightened. Near-term growth prospects were revised up for China, due to expected policy stimulus, but were revised down for a number of other large economiesâ€”most notably India, Brazil, and Mexico. This forecast is based on the assumption of a changing policy mix under a new administration in the United States and its global spillovers. Staff now project some near-term fiscal stimulus and a less gradual normalization of monetary policy. This projection is consistent with the steepening U. This WEO forecast also incorporates a firming of oil prices following the agreement among OPEC members and several other major producers to limit supply. While the balance of risks is viewed as being to the downside, there are also upside risks to near-term growth. Specifically, global activity could accelerate more strongly if policy stimulus turns out to be larger than currently projected in the United States or China. Notable negative risks to activity include a possible shift toward inward-looking policy platforms and protectionism, a sharper than expected tightening in global financial conditions that could interact with balance sheet weaknesses in parts of the euro area and in some emerging market economies, increased geopolitical tensions, and a more severe slowdown in China. Developments in the second half of Global output growth is estimated at about 3 percent at an annualized rate for the third quarter of â€”broadly unchanged relative to the first two quarters of the year. This stable average growth rate, however, masks divergent developments in different country groups. There has been a stronger-than-expected pickup in growth in advanced economies, due mostly to a reduced drag from inventories and some recovery in manufacturing output. In contrast, it is matched by an unexpected slowdown in some emerging market economies, mostly reflecting idiosyncratic factors. Among advanced economies, activity rebounded strongly in the United States after a weak first half of , and the economy is approaching full employment. Output remains below potential in a number of other advanced economies, notably in the euro area. Preliminary third-quarter growth figures were somewhat stronger than previously forecast in some economies, such as Spain and the United Kingdom, where domestic demand held up better than expected in the aftermath of the Brexit vote. The growth rate in China was a bit stronger than expected, supported by continued policy stimulus. But activity was weaker than expected in some Latin American countries currently in recession, such as Argentina and Brazil, as well as in Turkey, which faced a sharp contraction in tourism revenues. Activity in Russia was slightly better than expected, in part reflecting firmer oil prices. Commodity prices and inflation. Oil prices have increased in recent weeks, reflecting an agreement among major producers to trim supply. With strong infrastructure and real estate investment in China as well as expectations of fiscal easing in the United States, prices for base metals have also strengthened. Headline inflation rates have recovered in advanced economies in recent months with the bottoming out of commodity prices, but core inflation rates have remained broadly unchanged and generally below inflation targets. Inflation ticked up in China as capacity cuts and higher commodity prices have pushed producer price inflation to positive territory after more than four years of deflation. In other EMDEs, inflation developments have been heterogeneous, reflecting differing exchange rate movements and idiosyncratic factors. Long-term nominal and real interest rates have risen substantially since August the reference period for the October WEO , particularly in the United

Kingdom and in the United States since the November election. As of January 3, nominal yields on year U. Treasury bonds have increased by close to one percentage point since August, and 60 basis points since the U. These changes have been mostly driven by an anticipated shift in the U. The increase in euro area long-term yields since August was more moderateâ€"some 35 basis points in Germany but 70 basis points in Italy, reflecting elevated political and banking sector uncertainties. Federal Reserve raised short-term interest rates in December, as expected, but in most other advanced economies the monetary policy stance has remained broadly unchanged. In emerging market economies, financial conditions were heterogeneous but generally tightened, with higher long-term interest rates on local-currency bonds, especially in emerging Europe and Latin America. Exchange rates and capital flows. The currencies of advanced commodity exporters have also strengthened, reflecting the firming of commodity prices, whereas the euro and especially the Japanese yen have weakened. Several emerging market currencies depreciated substantially in recent monthsâ€"most notably the Turkish lira and the Mexican pesoâ€"while the currencies of several commodity exportersâ€"most notably Russiaâ€"appreciated. Preliminary data point to sharp nonresident portfolio outflows from emerging markets in the wake of the U. Forecast Global growth for is now estimated at 3. Economic activity in both advanced economies and EMDEs is forecast to accelerate in â€"18, with global growth projected to be 3. Advanced economies are now projected to grow by 1. As noted, this forecast is particularly uncertain in light of potential changes in the policy stance of the United States under the incoming administration. The projection for the United States is the one with the highest likelihood among a wide range of possible scenarios. It assumes a fiscal stimulus that leads growth to rise to 2. Growth projections for have also been revised upward for Germany, Japan, Spain, and the United Kingdom, mostly on account of a stronger-than-expected performance during the latter part of These upward revisions more than offset the downward revisions to the outlook for Italy and Korea. As discussed in the October WEO, this projection reflects to an important extent a gradual normalization of conditions in a number of large economies that are currently experiencing macroeconomic strains. EMDE growth is currently estimated at 4. A further pickup in growth to 4. Notably, the growth forecast for was revised up for China to 6. However, continued reliance on policy stimulus measures, with rapid expansion of credit and slow progress in addressing corporate debt, especially in hardening the budget constraints of state-owned enterprises, raises the risk of a sharper slowdown or a disruptive adjustment. These risks can be exacerbated by capital outflow pressures, especially in a more unsettled external environment. Growth forecasts for were instead revised down in a number of other regions: In India, the growth forecast for the current â€"17 and next fiscal year were trimmed by one percentage point and 0. Elsewhere in emerging Asia, growth was also revised down in Indonesia, reflecting weaker-than-projected private investment, and in Thailand, in light of a slowdown in consumption and tourism. In Latin America, the growth downgrade reflects to an important extent more muted expectations of short-term recovery in Argentina and Brazil following weaker-than-expected growth outturns in the second half of , tighter financial conditions and increased headwinds from U. In the Middle East, growth in Saudi Arabia is expected to be weaker than previously forecast for as oil production is cut back in line with the recent OPEC agreement, while civil strife continues to take a heavy toll on a number of other countries. Risks Risks to the global growth outlook are two sided but are assessed to be skewed to the downside, especially over the medium term: Recent political developments highlight a fraying consensus about the benefits of cross-border economic integration. A potential widening of global imbalances coupled with sharp exchange rate movements, should those occur in response to major policy shifts, could further intensify protectionist pressures. Increased restrictions on global trade and migration would hurt productivity and incomes, and take an immediate toll on market sentiment. In those advanced economies where balance sheets remain impaired, an extended shortfall in private demand and inadequate progress on reforms including bank balance sheet repair could lead to permanently lower growth and inflation, with negative implications for debt dynamics. In addition to the risks already mentioned in the previous section, underlying vulnerabilities remain among some other large emerging market economies. High corporate debt, declining profitability, weak bank balance sheets, and thin policy buffers imply that these economies are still exposed to tighter global financial conditions, capital flow reversals, and the balance sheet implications of sharp depreciations. In many low-income economies, low commodity prices and expansionary policies have eroded fiscal buffers and led in some cases to a precarious economic situation, heightening their vulnerability to further external shocks. Geopolitical risks and a range of other noneconomic factors continue to weigh on the outlook in various regionsâ€”civil war and domestic conflict in parts of the Middle East and Africa, the tragic plight of refugees and migrants in neighboring countries and in Europe, acts of terror worldwide, the protracted effects of a drought in eastern and southern Africa, and the spread of the Zika virus. If these factors intensify, they would deepen the hardship in directly affected countries. Increased geopolitical tensions and terrorism could also take a large toll on global market sentiment and economic confidence. Upside risks also include higher investment if confidence in the recovery of global demand strengthens, as some financial market indicators seem to suggest. Policies The baseline forecast for the global economy points to a pickup in growth over the rest of the forecast horizon from its subdued pace this year, in the context of positive financial market sentiment, especially in advanced economies. Nonetheless, the potential for disappointments is high, as underscored by repeated growth markdowns in recent years. Against this backdrop, and given the diversity in cyclical positions and policy space, priorities differ across individual economies: In those advanced economies where output gaps are still negative and wage pressures muted, the risk of persistent low inflation or deflation, in some cases remains. Monetary policy therefore must remain accommodative, relying on unconventional strategies as needed. But accommodative monetary policy alone cannot lift demand sufficiently, and fiscal supportâ€”calibrated to the amount of space available and oriented toward policies that protect the vulnerable and lift medium-term growth prospectsâ€—therefore remains essential for generating momentum. In cases where fiscal adjustment cannot be postponed, its pace and composition should be calibrated to minimize the drag on output. In those advanced economies without substantially negative output gaps, any fiscal support should be targeted toward strengthening safety nets including for aiding the integration of refugees in some cases and increasing longer-term potential output through high-quality infrastructure investment and supply-friendly and equitable tax reform. In such cases, well-anchored inflation expectations should allow for a gradual pace in the normalization of monetary policy. More broadly, accommodative macroeconomic policies must be accompanied by and support structural reforms that can counteract waning potential growthâ€”including efforts to boost labor force participation, encourage investments in skills, improve the matching process in labor markets, liberalize entry into closed professions, increase dynamism and innovation in product and service markets, and promote business investment, including in research and development. Emerging market and developing economies face starkly diverse cyclical positions and structural challenges. In general, enhancing financial resilience can reduce the vulnerability to a tightening of global financial conditions, sharp currency movements, and the risk of capital flow reversals. Economies with large and rising nonfinancial debt, unhedged foreign liabilities, or heavy reliance on short-term borrowing to fund longer-term investments must adopt stronger risk management practices and contain balance sheet mismatches. In low-income countries that have seen their fiscal buffers decrease over the last few years, the priority is to restore those buffers while continuing to spend efficiently on critical capital needs and social outlays, strengthen debt management, improve domestic revenue mobilization, and implement structural reformsâ€—including in educationâ€—that pave the way for economic diversification and higher productivity. For the countries hardest hit by the decline in commodity prices, the recent market firming provides some relief, but the adjustment to reestablish macroeconomic stability is urgent. This implies allowing the exchange rate to adjust in countries not relying on an exchange rate peg, tightening monetary policy where needed to tackle increases in inflation, and ensuring that needed fiscal consolidation is as growth-friendly as possible. The latter is particularly important in countries with pegs, where the exchange rate cannot act as a shock absorber. Over the longer term, countries highly dependent on one or a few commodity products should work to diversify their export bases. With growth weak and policy space limited in many countries, continued multilateral effort is required in several areas to minimize risks to financial stability and sustain global improvements in living standards. This effort must proceed simultaneously on a number of fronts. To share the long-term benefits of economic integration more broadly, policymakers must ensure that well-targeted initiatives are in place to help those adversely affected by trade opening and to facilitate their ability to find jobs in the sectors of the economy that are expanding. Economic fairness also calls for multilateral and national efforts to crack down on tax evasion and prevent tax avoidance practices. Efforts to strengthen the resilience of the financial system must continue, including by recapitalizing institutions and cleaning up balance sheets where necessary, ensuring effective national and international banking resolution frameworks, and addressing emerging risks from nonbank intermediaries. A stronger global safety net can protect economies with robust fundamentals that may nevertheless be vulnerable to cross-border contagion and spillovers. Last but not least, multilateral cooperation is also indispensable to address important longer-term global challenges, such as meeting the Sustainable Development Goals, mitigating and coping with climate change, and preventing the spread of global epidemics.

3: China - Economic forecast summary (May) - OECD

China's economy slowed down less than expected in Q3 , with a growth rate of % year-on-year. Looking at monthly indicators, industrial production growth has declined to %, while real retail sales growth is now slightly above 8%.

China weathered the global economic crisis better than most other countries. The massive stimulus program fueled economic growth mostly through massive investment projects, which triggered concerns that the country could have been building up asset bubbles, overinvestment and excess capacity in some industries. The global downturn and the subsequent slowdown in demand did, however, severely affect the external sector and the current account surplus has continuously diminished since the financial crisis. In order to tackle these imbalances, the new administration of President Xi Jinping and Premier Li Keqiang, beginning in , have unveiled economic measures aimed at promoting a more balanced economic model at the expense of the once-sacred rapid economic growth. At the Third Plenum of the 11th Central Committee of the Communist Party of China, held in December , Deng announced the official launch of the Four Modernizationsâ€”agriculture, defense, industry and science and technologyâ€”which marked the beginning of the reform and opening-up policies. The measures included, among others, breaking down the collective farms, opening up China to foreign investment, encouraging business entrepreneurship, establishing Special Economic Zones and introducing market incentives in the state-owned companies. In early s, Jiang Zeminâ€”the third generation of Chinese leadershipâ€”became the new paramount leader of the country and his administration implemented substantial economic reforms. Under his mandate, most of the state-owned companies, except large monopolies, were privatized or liquidated, thus expanding the role of the private sector in the economy at the cost of leaving millions unemployed. During the same period, President Jiang and Premier Zhu Rongji reduced trade barriers; ended state planning; introduced competition, deregulation and new taxes; reformed and bailed out the banking system; and drove the military stratum out of the economy. They increased subsidies, scrapped agricultural taxes, slowed privatization of state assets and promoted social welfare. However, the global financial crisis forced the Chinese authorities to launch an aggressive stimulus package and adopt a loose monetary policy. The fifth generation came to power in , when President Xi Jinping and Premier Li Keqiang took the reins of the country. In this regard, authorities expressed their willingness to tolerate lower growth rates as a necessary condition to push forward economic reforms. The Chinese dream has endured some growing pains. Although still solid, economic growth has slowed. In , the Chinese economy missed its 7. Investment in manufacturing and infrastructure is slowing as the nation shifts from an investment driven growth model to one more focused on consumer demand. The current account has recorded a surplus in every year since The capital account followed suit and only recorded two deficits in the last 20 years. This situation of surpluses in the both the current and the capital put pressure on the national currency and prompted the Central Bank to sterilize most of the foreign currency that entered the country. The current account surplus reached its peak in , when it represented Since then, however, the surplus has since narrowed as the currency strengthened and domestic demand increased. In this regard, Chinese authorities have started to implement some measures, such as removing a cap on foreign-currency deposit rates in Shanghai and releasing some controls on the currency. FDI has performed strongly in the last decade, with record inflows of USD billion in , thereby becoming the second largest recipient of foreign investment. Total trade multiplied by nearly to USD 4. This situation fostered trade growth, particularly after China joined the World Trade Organization in As an economy highly integrated into the global trade system, the country benefited from a steady improvement in its terms of trade since Moreover, the country has engaged in several bilateral and multilateral trade agreements that have opened new markets for its products. However, since the end of the commodities super cycle at the end of , global commodities prices have fallen partially due to a decrease in demand from China. The acceleration that many of those same developing and commodity-exporting economies experienced has dramatically decreased since the end of Purchases from Europe and the U. In parallel with skyrocketing exports, growth in imports of real goods and services soared in the period, recording an annual average expansion of Imports experienced a contraction in due to the global crisis, but recovered quickly in and In the period, imports recorded a modest increase of 7. As the construction boom fades in China, fewer natural resources are demanded. This has pulled down global prices for base metals, energy products, as well as other resources. Imports contracted a sharp The central government collected all revenues and allocated all the spending of the administration and public institutions. In parallel with the reforms implemented in the country for Deng Xiaoping, the government started to decentralize the fiscal system. The flagship of the reform was a new taxation system and the adoption of a tax-sharing scheme, where the most lucrative sources of tax revenues, such as the Value-Added Tax and the Enterprise Income Tax, were administered by the central government. The result of this reform was a steady increase in revenues, which jumped from While expenditures followed suit and increased at a double-digit rate in the same period, the fiscal deficit was kept in check. The new system, however, left local governments with fewer sources of revenue. In addition, local governments put in place off-budget local government financing vehicles to raise funds and finance investment projects. Although debt is still at manageable levels, an increase in the reliance on shadow banking and the rapid pace of debt accumulation is worrisome. This move paves the way for local governments to raise debt in the bond market. This situation shields the economy against government debt crises. In , public debt amounted to The Bank also uses the reserve requirement ratio to influence lending and liquidity. Other instruments that the Central Bank uses to manage and adjust liquidity in the banking system are short-term loans, short-term liquidity and standing lending facility operations. The speed and direction of the crawling peg is decided by Chinese authorities according to domestic and international economic developments. The PBOC classifies its regime as a managed floating exchange rate regime based on market supply and demand with reference to an undisclosed basket of currencies. The yuan fluctuates in an intraday trading band around an official midpoint rate. From to , China kept its currency fixed versus the U. This was the case until , when it switched to a managed float of the currency to facilitate a controlled appreciation of the CNY. However, in the wake of the global financial crisis, China pegged its currency to the USD at 6. Since then, the PBOC has made a number of revaluations to the currency in order to bring it closer to it market value. While the Chinese yuan is freely convertible under the current account, it remains strictly regulated in the capital account. Chinese authorities expressed their willingness to allow the yuan to be fully convertible in the near future. Chinese authorities are gradually enhancing the use of the currency in other parts of the world in order to promote the yuan as a global reserve currency. Although the process is far from being completed, China has already established trade settlements with selected countries and launched a series of currency swap agreements with more than 20 central banks. Sample Report Get a sample report showing all the data and analysis covered in our Regional, Country and Commodities reports.

4: World Bank raises Chinaâ€™s growth forecast, maintains outlook | South China Morning Post

The International Monetary Fund upgraded its growth forecast for China's economy in to percent, percentage points higher than their October forecast, on the back of expectations for.

5: China Economy, Politics and GDP Growth Summary - The Economist Intelligence Unit

3 Global growth to pick up slowly through , but downside factors still remain. After the slowdown global economic growth is expected to pick up gradually through

6: What is the global economic outlook for ? | The Conference Board

Data and research on economy including economic outlooks, analysis and forecasts, country surveys, monetary and financial issues, public finance and fiscal policy and productivity., China - Economic forecast summary.

7: Chinaâ€™s economic outlook for

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China Economic Outlook 1ST QUARTER | ASIA UNIT 01 The global environment improved in the last several months of and continued improving in early 02 In China, economic.

8: China's Economic Outlook in Six Charts

China 's GDP growth, consumer confidence and other indicators of economic activity were somewhat better than expected in the first quarter of Therefore, we have upgraded our outlook, with GDP forecast to rise by % in and % in

9: IMF World Economic Outlook (WEO) Update, January A Shifting Global Economic Landscape

This page has economic forecasts for China including a long-term outlook for the next decades, plus medium-term expectations for the next four quarters and short-term market predictions for the next release affecting the China economy.

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Slow growth in Britain Water And Liquids (Everyday Material Science Experiments) Insight Guide Puerto Rico (Puerto Rico, 3rd ed) Save the date Entrepreneurship 01/02 The cosmic perspective 8th edition Tool design vtu notes Letters From a Soldier 2 To 22 Days in Hawaii Canon ef lens repair manual Engineering drawing textbook by nd bhatt Living with Killer Bees Developing knowledge and skills of the emergent learner The one ring Genetic technology and sport V. 4-6 Bleak House The top 10 countdown to having a new teenager by Friday. Tea Bag Folded Greetings Cards (Greetings Cards series) Your Life Was Never Meant to be a Struggle Land and People of Rhodesia John Maddens Pro Football Annual, 1989 Railroad Depots of Northeast Ohio (OH (Images of Rail) Diary of a wimpy kid hard luck vk Sap idt tutorial point Principles anatomy physiology 14th edition New for Excel 2010 Power Pivot! Five Reasons to Use PowerPivot The Book of Sapphire Chrysanthemum Doll The Myth of Meaning in the Work of C.G. Jung Architecture in Britain and Ireland, 600-1500 Gideons Band a Tale of the Mississippi Bowles and Gintis revisited Chicken Soup for the Christian Family Soul Accuracy and Statistics Red armies in crisis The gap between worlds Sorenson, E.R. 86, 87 Bt-M.whelan Yr Wn89cal Archaeological Investigations in the Department of Jutiapa, Guatemala (Publication (Tulane University Mid British ornithologists guide to bird life