

China's Manufacturing Sector Continues To Ease

BEIJING (AP) — China's manufacturing sector eased in April, a survey showed Sunday, suggesting that the government's efforts to cool the economy may be having some effect.

The state-affiliated China Federation of Logistics and Purchasing reported that its purchasing managers index, or PMI, fell to 52.9 in April, down from 53.4 in March.

The government-sponsored survey quoted federation analyst Zhang Liquan as saying the decline of the index in April was in line with demand.

"The growth in demand slowed down, resulting in the adjustment of inventory and increasing the possibility that the growth rate of the economy will fall," Zhang was quoted as saying.

Indicators for new orders, production, new export orders and purchasing prices fell, the purchasing manager's survey showed.

A second and competing survey by London-based HSBC said Friday that its China Manufacturing Purchasing Managers Index remained 51.8 in April, matching its March level and just above a seven-month low of 51.7 in February. Figures above 50 signal expansion.

China's economy expanded by a rapid 9.7 percent in the first quarter of this year — little changed from the previous quarter's 9.8 percent — despite government efforts to steer growth to a sustainable level following last year's double-digit expansion.

Beijing has made taming inflation its priority. A double-digit jump in food costs in March pushed inflation to a 32-month high of 5.4 percent. That was despite four interest rate hikes since October, curbs on bank lending and government orders to producers to hold down price increases.

Source URL (retrieved on 01/29/2015 - 5:57pm):

<http://www.impomag.com/news/2011/05/chinas-manufacturing-sector-continues-ease>