# China Manufacturing Growth In January Weak

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BEIJING (AP) — China's manufacturing activity expanded in January in a new sign of recovery for the world's second-largest economy but growth was weak, two surveys showed Friday.

The government-sanctioned China Federation of Logistics and Purchasing said its purchasing managers' index stood at 50.4 on a 100-point scale on which numbers above 50 indicate an expansion. Separately, HSBC Corp. said its PMI stood at 52.3 on a similar 100-point scale.

"We see increasing signals of a sustained growth recovery in the coming months," said HSBC economist Hongbin Qu in a statement.

China's economic growth rebounded from a three-year low to 7.9 percent in the three months ending in December. Analysts warn, though, that it could face a setback if trade or investment growth weakens.

In a reflection of the shaky state of China's recovery, the logistics group's index showed a small decline from December's 50.6 level.

HSBC said its PMI showed a steady expansion of activity from December's 51.5 reading. Companies responding to the survey said orders "increased at a solid pace" and new exports rose following a reduction in December.

The latest Chinese data add to signs of possible improvement in other major global economies.

The European Union's main economic sentiment indicator rose in January for a third month for the 17 countries that use the euro. Japan's government reported this week that December industrial production picked up in in a sign the world's third-largest economy may be stabilizing.

China's manufacturing uptick is a positive sign for trading partners that supply its factories with components and commodities ranging from iron ore to rubber.

The country's economic slowdown was largely the result of government controls imposed to cool inflation and surging housing prices. The slump deepened when global trade weakened unexpectedly.

Many forecasters expect China's rebound to peak in coming months before settling back to deliver growth of about 8 percent for the year. That is below the double-digit rates of the past decade but in line with communist leaders' desire for slower, more sustainable growth driven by domestic consumption instead of exports and investment.

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