

Q3 GDP growth rises to 8.9% y-o-y

Written by CNN

Thursday, 22 October 2009 13:59

BEIJING, China (CNN) -- China's GDP increased 8.9 percent for the third quarter, moving closer toward the goal of 8 percent growth for the year.

Growth for the first three quarters of the year is up 7.7 percent; economists says 8 percent growth is needed to keep current employment levels.

The growth was in line with analyst expectations, although there are rising fears that the government's massive stimulus package may be inflating stock and property prices. The Chinese government spent \$586 billion to bolster its economy.

"We have obtained obvious achievements and further strengthened the steady upturn trend of the economy. The overall situation of national economy is good," said Li Xiaochao, of the National Bureau of Statistics.

"At present, it's a crucial stage for the national economy to realize stable growth," Li said. "Yet the basis of the economic recovery still needs to be consolidated, and the insufficient external demand is still severe with the arduous task of expanding domestic demand and adjusting the structures."

China's economy has been picking up pace the first three quarters of the year, growing at 6.1 percent the first quarter and 7.9 percent the second quarter.

Foreign trade has continued to drop, but its rate of decline is slowing. The total value of imports and exports in September was down 10.1 percent compared to the same month last year, but up 14.2 percent from August.

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