

The NewsLine

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CHINA

Economy speeds up slightly

Gregor Eder
Phone +49.69.24431-3358
gregor.eder@allianz.com
Allianz SE
<https://www.allianz.com/economic-research/en>

Although growth momentum accelerated a tad in the third quarter 2013, not too much should be read into this slight pickup in the economy. For the last seven quarters now GDP growth rates have been fluctuating chiefly in a range between 7.5% and 8%.

As China's National Statistics Office announced today, the Chinese economy grew in the third quarter by 7.8% on a year earlier. Second-quarter growth had stood at 7.5%. The pickup in momentum had already started to emerge in the preceding months. Industrial production in the third quarter was around 10% up on a year earlier, slightly topping the previous quarter's figure. Soft indicators such as the purchasing managers' index for the manufacturing sector suggest that the Chinese economy will more or less maintain the present momentum in the fourth quarter as well. This means that our current forecast of 7.6% growth this year could be slightly exceeded.

We believe that not too much should be read into the latest modest pickup. Since the beginning of 2012 Chinese GDP growth has been fluctuating chiefly in a narrow range between 7.5% and 8%. In our view, the fact that growth is successfully being kept relatively stable, despite the awkward global economic backdrop and the radical changes the Chinese growth model is currently undergoing, is far more important than whether the latest growth rate is 0.3 percentage points higher or lower than in the preceding quarter.

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These assessments are, as always, subject to the disclaimer provided below.

ABOUT ALLIANZ

Together with its customers and sales partners, Allianz is one of the strongest financial communities. Around 78 million private and corporate customers rely on Allianz's knowledge, global reach, capital strength and solidity to help them make the most of financial opportunities and to avoid and safeguard themselves against risks.

In 2012, around 144,000 employees in over 70 countries achieved total revenue of 106.4 billion euros and an operating profit of 9.3 billion euros (restated on January 1, 2013 due to a change in accounting standard and presentation).

Benefits for our customers reached 89.2 billion euros.

This business success with insurance, asset management and assistance services is based increasingly on customer demand for crisis-proof financial solutions for an aging society and the challenges of climate change. Transparency and integrity are key components of sustainable corporate governance at Allianz SE.

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The statements contained herein may include prospects, statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those expressed or implied in such forward-looking statements.

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