

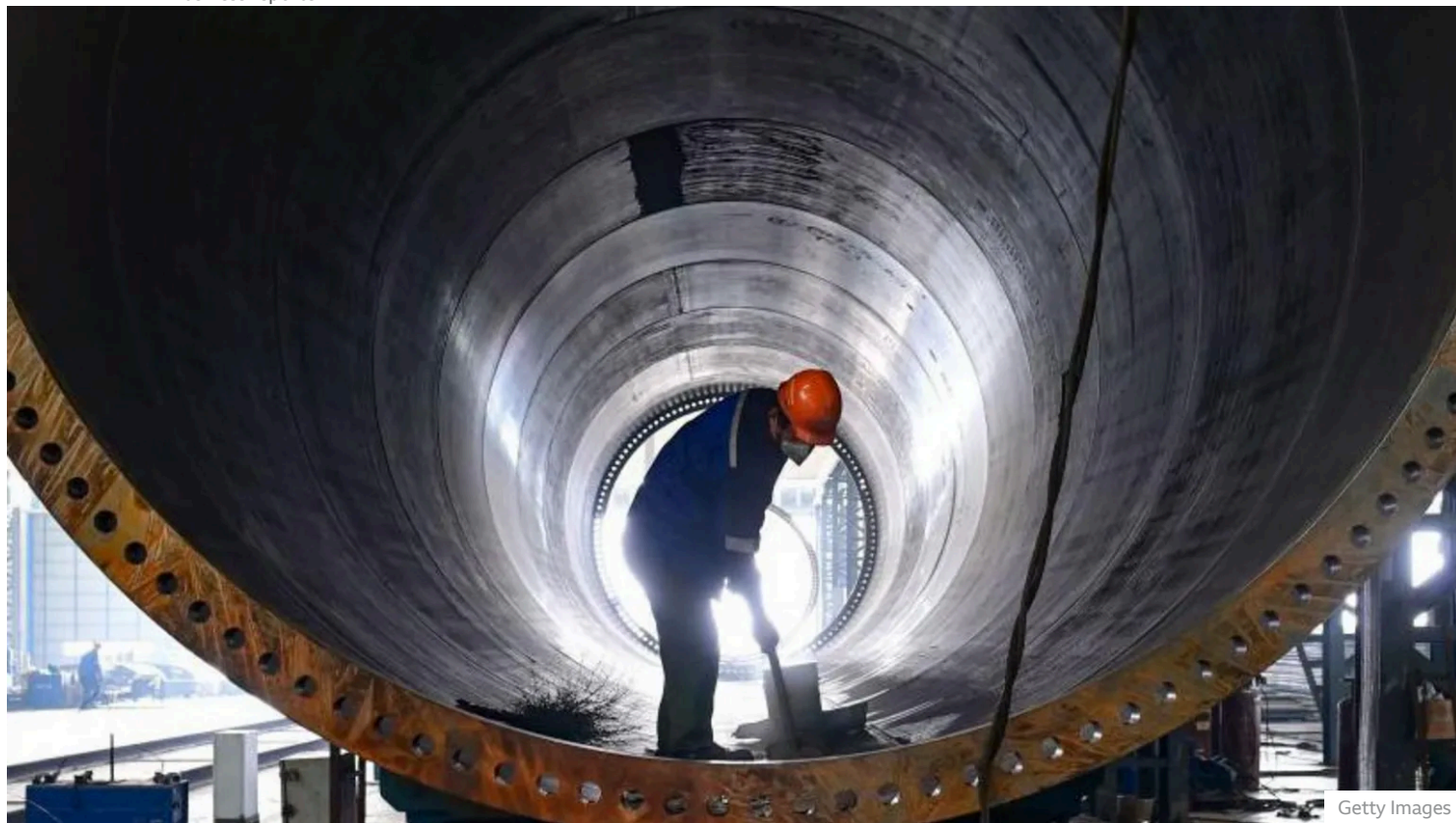
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China's economic slowdown deepens

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Gross domestic product rose by 4.6% on a yearly basis, below the government's "around 5%" annual target. China's economy expanded in the third quarter at the slowest pace since early last year, as the country struggles to boost flagging growth.

On an annual basis, gross domestic product (GDP) rose by 4.6% in the three months to the end of September, according to China's National Bureau of Statistics.

That is less than the previous quarter and below the government's "around 5%" target for this year.

But it was slightly better than analysts expected, while other official figures released on Friday, including retail sales and factory output, also beat forecasts.

In recent weeks, Beijing has announced a number of measures aimed at supporting growth.

This is the second quarter in a row that China's official measure of economic growth has fallen below the 5% target, which will add to government concerns.

"The government's growth target for this year now appears in serious jeopardy," the former head of the International Monetary Fund's (IMF) China division, Eswar Prasad told BBC News.

"It will take a substantial stimulus-fuelled boost to growth in the fourth quarter to hit the target."

But Moody's Analytics' economist, Harry Murphy Cruise, was more optimistic. The stimulus measures are "likely to propel the economy to its around 5% target for the year", he said.

"But more is required if officials are to address the structural challenges in the economy."

Official figures also showed new home prices fell in September at the fastest pace in almost a decade, indicating that the downturn in the property sector is worsening.

As communist China turns 75, can Xi fix its economy? Xi Jinping is worried about the economy - what do Chinese people think?

"The property market unsurprisingly remains the biggest drag on China's growth," said Lynn Song, chief economist for greater China at banking giant ING.

"New investment is unlikely to see a substantive recovery until prices stabilise and housing inventories decline... until then property will remain a notable headwind to growth."

Earlier on Friday, China's central bank said it had held a meeting to call on banks and other financial institutions to boost lending to help support growth.

Last month, the People's Bank of China (PBOC) announced the country's biggest stimulus package since the pandemic, including large cuts to interest and mortgage rates.

The plans also included help for the flagging stock market and measures to encourage banks to lend more to businesses and individuals.

Since then, the Ministry of Finance and other government bodies have unveiled further plans aimed at boosting economic growth.

The world's second largest economy has been hit by a number of challenges, including a property crisis, as well as weak consumer and business confidence.

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