PROPERTY NEWS

Alibaba and Tencent tap rental market

By Xinhua Time: 2018-2-1

INTERNET giants Alibaba and Tencent are seizing a big opportunity from China's growing property rental market and could see considerable growth in online shopping, Forbes magazine said.

The report noted that Alibaba, Tencent and JD.com have "staked out claims" in China's real estate industry in recent months, investing in apartment rental startups or preparing to launch their own home rental services.

The move comes as the Chinese government is encouraging renting, as high property prices have made it difficult for young people to buy an apartment in first-tier cities such as Beijing, Shanghai and Shenzhen.

Tencent recently invested in online rentals startup Ziroom, which leases apartments from individual owners and then renovates them before sub-leasing to customers through its website and app.

Alipay users can rent apartments directly on the app, with apartments provided by Shanghai-based startup Mogoroom. Alipay users with good credit ratings can rent rooms without making any deposit, and they can also pay the rent through the app.

There is plenty of room for such services to grow, the Forbes report said, adding that the Internet giants can resolve some existing problems in the rental market with their wider range of price options and user credit rating service.

By using home rentals as a portal, they can reach a lot more customers, which could benefit their other businesses, the report quoted Chen Tao, an analyst at a Beijing-based consultancy firm, as saying.

Sales of pre-owned homes drop

By Cao Qian Time:2018-2-14

SALES of pre-occupied homes fell moderately in Shanghai in January, hovering around 11,000 units for the eighth consecutive month.

Some 11,800 pre-owned homes changed hands last month, down 2.6 percent from December, Shanghai Existing House Index Office said in their latest report. That, however, marked a rise of 36 percent year on year.

“Taking into account the fact that January is the traditional low season for property sales, it was not a bad performance,” the office said. “It could be an indication that the market was starting to gather some momentum for a future breakthrough.”

Meanwhile, the city's existing housing index, which tracks month-over-month price changes in 130 areas citywide, lost 0.32 percent from December, to 3,981 in January.

Prices of pre-owned homes rose in 23 areas, fell in 86 areas, and were flat in 21 areas.

Around the city, Pujiang in Minhang District, Sanlin in Pudong New Area and Zhaoxiang in Qingpu District were the three most sought-after areas where 290, 278 and 268 pre-used homes were sold last month, respectively.

By price, the most notable decreases were recorded in remote areas, while their centrally-located counterparts suffered less of a retreat, the office said.

On the inventory side, some 120,885 pre-occupied homes were available for sale around the city as of the end of January, a month-over-month drop of 2.9 percent, and a year-over-year decline of 28.5 percent, according to data compiled by the office.

“The local market remains generally stable at the moment, before a highly anticipated recovery in March,” said Lu Wenxi, senior manager of research at Shanghai Centaline Property Consultants Co, one of the city’s major realty chains. “Most individual owners are willing to offer a price discount of around 5 percent but a further cut seems quite difficult.”

ECONOMIC NEWS

Steady growth on economy into 2018

By Agencies Time:2018-2-21

CHINA'S manufacturing activity edged down in December, official data showed yesterday, but largely maintained momentum despite curbs on heavy industry aimed at taming the country's chronic air pollution.

The manufacturing purchasing managers' index (PMI), a gauge of factory conditions, stood at 51.6 last month, the National Bureau of Statistics said, compared to 51.8 in November.

Anything above 50 is considered growth, while under 50 points to contraction.

China has curbed activity in heavy industries in the northeast to reduce surplus capacity and the heavy smog that typically blankets the region in late autumn and winter.

The index in December is on par with the annual average, still pointing to a strong resilience in China's growth, according to NBS senior statistician Zhao Qinghe.

Sub-indexes for production and new orders came in at 54 and 53.4, respectively. However, the sub-index of raw material inventory stood at 48 in December, down 0.4 percentage points from November, indicating continuously decreasing raw material inventory in the manufacturing sector.

China's manufacturing PMI has been in positive territory for 17 months in a row.

The data also showed that the country's non-manufacturing sector expanded faster in December, with non-manufacturing PMI at 55 in December, up from 54.8 in November.

The service sector continued steady growth, with business activity index standing at 53.4 in December.

“Early indicators for December show China's economy pushing into 2018 with growth steady, if unspectacular,” said Tom Orlik, Bloomberg chief Asia economist, as “the official purchasing managers' indexes show the manufacturing sector slowing slightly and non-manufacturing sector picking up.”

“Growth remains remarkably robust, underpinned by resurgent global demand, stimulus-boosted infrastructure spending, and a deleveraging program that remains more honored in the breach than the observance.”