PROPERTY NEWS

Home prices steady as govt measures hold firm

By Xinhua *Time:2018-10-22*

Home prices in major Chinese cities remained stable in September as local governments continued tight property curbs.

Month on month, prices in the four first-tier cities — Beijing, Shanghai, Shenzhen and Guangzhou — fell for new and existing homes, the National Bureau of Statistics said on Saturday.

Prices of new commercial housing sales in first-tier cities edged down 0.1 percent in September, compared with a 0.3 percent increase in August. Prices of existing home sales were also down 0.1 percent last month but stayed flat in August.

New and existing home prices in second-tier and third-tier cities increased at a slower pace from a month earlier, the data showed.

The NBS monitors the home prices in 70 large Chinese cities — the four first-tier cities, 31 second-tier cities and 35 third-tier ones.

Among all 70, 64 saw new home prices rise month on month in September, fewer than 67 in August. Three cities saw prices drop, compared to just one in August.

The total price increases in the first three quarters of this year were slower than the same period last year in all three tiers of cities, said NBS statistician Liu Jianwei.

New home prices declined year on year in two of the 15 “hot spot” cities, where speculative home purchases are particularly monitored, while one city saw prices unchanged from a year ago and 12 posted growth, Liu said.

To curb speculation, local governments have rolled out a spate of measures, including restrictions on purchases and increasing minimum down payments for mortgages.

The central authority vowed to regulate the property market order and “firmly curb the rises in housing prices” at a meeting of the Political Bureau of the Communist Party of China Central Committee in July.

NBS said Friday that commercial housing sales measured by floor area rose 2.9 percent year on year in the first three quarters, down 1.1 percentage points compared with the first eight months.

Home sales enter 10th month of price falls

By Cao Qian *Time:2018-10-12*

PRICES for sales of pre-occupied homes in Shanghai lost steam for the 10th straight month last month, despite a moderate rebound in sales volume, official data released yesterday showed.

The Shanghai Existing House Index Office's index, which monitors monthly price changes in 130 areas of the city, dipped 0.15 percent, or four points, from August to 3,912 last month.

Citywide, about 14,010 homes changed hands in September, a month-on-month increase of 3.8 percent, or 13.1 percent year on year.

Homes costing less than 3 million yuan (US$433,034) accounted for 64.6 percent of the total. Homes worth 5 million yuan or more made up about 12.8 percent, the office said.

"The index has been going south for 10 consecutive months, indicating lackluster market momentum amid rather grim industrial prospects," the office said.

"The recent price cuts at some new residential property developments have been bringing some pressure on the existing housing market."

Prices of occupied homes climbed in 46 areas, fell in 57 and were flat in 27, according to the office.

Pujiang in Minhang District, Nanqiao New City in Fengxian District and Jinshan New City in Jinshan District were the three most sought-after areas last month with sales of 418, 335 and 324 homes.

The city had 77,002 occupied homes available for sale as of the end of September, a month-on-month drop of 2.7 percent and a year-on-year plunge of 50.8 percent, according to data compiled by the office.

A separate report yesterday by global property consultancy Cushman & Wakefield said prices for new homes fell over the first three quarters as supply outstripped demand because local watchdogs implemented caps on new residential projects when developers apply for sales permits.

About 5.41 million square meters of new houses were released into the local market in the nine months to end-September, a year-on-year jump of 52 percent. But only 4.99 million square meters of new homes were sold in the same period, an insignificant retreat of 5.6 percent from the same period a year earlier, Cushman & Wakefield said.

"Ample supply of new homes, coupled with recent government moves to further restrict housing speculation by limiting enterprises' ability to buy, has left more potential buyers sitting longer on the sideline," said Jenny Wu, senior director and head of residential business for Cushman & Wakefield's East China operations.

"For the rest of the year, we expect tightening policies to remain unchanged while housing prices will be generally stable."

ECONOMIC NEWS

Steady growth on economy into 2018

By Agencies *Time:2018-10-26*

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."