PROPERTY NEWS

Smaller cities see faster growth in new home prices

By Xinhua *Time:2018-9-17*

NEW housing prices in China's large cities remained stable as the government continued to implement new regulations, but those in smaller cities showed signs of faster growth.

On a month-on-month basis, new housing prices in 67 of the 70 major cities monitored by the government climbed in August, up from 65 in July, data from the National Bureau of Statistics showed over the weekend. Only one city, Xiamen in Fujian Province, recorded lower home prices.

Four first-tier cities, Beijing, Shanghai, Shenzhen and Guangzhou, saw new housing prices rise 0.3 percent in August, picking up from an increase of 0.2 percent in July.

The price increase in smaller cities was more robust than in large cities. New home prices in 35 third-tier cities climbed 2 percent month on month in August, accelerating from July's rise of 1.5 percent, the bureau's senior statistician Liu Jianwei said.

Compared with a year earlier, 68 cities registered price increases, with the cities of Haikou and Sanya in Hainan Province leading the gains, as prices there surged 21.4 percent and 21.2 percent, respectively.

Average new housing prices in the four large cities fell 0.1 percent year on year in the first eight months, compared with an increase of 14.6 percent during the same period of 2017.

This came after the central bank data showed last Wednesday that new household loans, most of which are mortgages, reached 701.2 billion yuan (US$102 billion) in August, expanding from 634.4 billion yuan in July.
During previous years, rocketing housing prices, especially in major cities, fueled concerns about asset bubbles. To curb speculation, China has rolled out a spate of control 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 rise in housing prices" at a meeting of the Political Bureau of the Communist Party of China Central Committee in July.

New housing market rebounds

By Cao Qian *Time:2018-9-26*

SHANGHAI'S new housing market rebounded moderately last week despite an overall sluggish sentiment, latest market data showed.

The area of new homes sold, excluding government-subsidized affordable housing, rose 28.1 percent to 175,000 square meters during the seven-day period ending Sunday, Shanghai Centaline Property Consultants Co said in a report released yesterday.

Outlying Nanhui in the Pudong New Area outperformed all districts with weekly sales of 56,000 square meters amid an abundant supply. That was in sharp contrast with its downtown counterparts where most sold no more than 3,000 square meters.

“Despite the recovery, the general buying momentum was still rather low even though September is the traditional strong month for property sales,” said Lu Wenxi, senior manager of research at Centaline. “However, as new home supply rebounded as well, we could expect sales to improve during the last week of this month.”

The average cost of a new home fell again to 48,678 yuan (US$7,081) per square meter, a weekly drop of 4.5 percent and the lowest in about two months, according to Centaline data.

Three of the top four most sought-after projects cost under 30,000 yuan per square meter, with a residential development in Nanhui leading with weekly sales of 43,983 square meters, or 462 units, for an average 25,845 yuan per square meter.

The high-end segment saw three housing projects in downtown Yangpu, Huangpu and Putuo districts each asking for over 100,000 yuan per square meter, while units in another development in Zhabei sold for above 95,000 yuan per square meter each.

Around 168,000 square meters of new homes spanning five projects, mostly in the medium to low-end segment, were released locally, up 16.5 percent week over week, Centaline data showed.

ECONOMIC NEWS

Steady growth on economy into 2018

By Agencies *Time:2018-9-25*

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."