

THE AUSTRALIAN Business

WITH THE WALL STREET JOURNAL.

May 01, 2009 02:58pm AEST

China's manufacturing growth signals recovery: survey

Liu Li | May 01, 2009

Article from: *Dow Jones Newswires*

CHINA'S manufacturing activity continued to grow in April, indicating China's economic recovery is possibly under way.



A worker maintains a machine at the Wuxin Stainless Steel factory in Pinghu, Zhejiang Province, China. Picture: Bloomberg

China's Purchasing Managers Index, issued by the China Federation of Logistics & Purchasing with the support of the National Bureau of Statistics, rose to 53.5 in April from 52.4 in March.

This marks a second consecutive month that the PMI rose above 50, which indicates growth in nationwide manufacturing activity, after remaining below that level for five months since October. A reading below 50 indicates contraction.

"The April PMI indicates that China's economy will continue to rebound, which was also reflected in growth in investment, consumption and exports in the first quarter," analyst Zhang Liquan said in a statement issued by the federation.

(To read more on China, click on [in-depth coverage](#))

Of the 11 categories that comprise the index, eight rose and three fell in April compared with March, the federation said.

The jump in the index came as the subindexes of both output and new orders rose and remained above the 50 threshold for a third consecutive month, while the employment subindex rose to over 50 for the first time since October last year.

However, the new export order subindex continued to remain below the 50 level although it showed improvement, signalling continued contraction in exports.

Federation data showed that output rose to 57.4 in April from 56.9 in March, while new orders were up

to 56.6 from 54.6 at the same time.

The employment subindex rose to 50.3 in April from 48.6 previously. The new export order subindex rose to 49.1 from 47.5.

The federation and the National Bureau of Statistics launched the PMI in 2005. To compile the index, more than 700 enterprises in China are surveyed for their views on the 11 component subindexes.

Copyright 2009 News Limited. All times AEST (GMT +10).

*All times are EST. © MarketWatch, Inc. 2008. All rights reserved. Subject to the [Terms of Use](#).
Designed and powered by [Dow Jones Client Solutions](#). MarketWatch, the MarketWatch logo,
BigCharts and the BigCharts logo are registered trademarks of MarketWatch, Inc. Dow Jones is the
registered trademark of Dow Jones & Company, Inc. Intraday data delayed at least 15 minutes.
"Intraday data is provided by [Interactive Data Real Time Services](#) and subject to the [Term of Use](#)."
FXQuote™ provided by GTIS, an Interactive Data Company "Historical and current end-of-day data
provided by [Interactive Data Pricing and Reference Data](#)". FTSE (Footsie) is a trade mark of the
London Stock Exchange and the Financial Times and is used by FTSE International under license.*