China's factory output beats forecasts

BEIJING: China's factory output rose faster-than-expected in October and retail sales continued to recover albeit at a slower-than-forecast pace, as the world's second-largest economy emerged from its Covid-19 slump.

Industrial output climbed 6.9 per cent in October from a year earlier, data from the National Statistics Bureau showed on Monday, in line with September's gain. Analysts polled by Reuters had expected a 6.5pc rise.

The upbeat figures came as other Asian economic powerhouses also climbed out from their pandemic depths with Japan's economy reporting its fastest quarterly growth on record.

China's industrial sector has staged an impressive turnaround from the pandemic paralysis seen earlier this year, helped by resilient exports.

Now, with the coronavirus largely under control in China, consumers are opening up their wallets again in a further boost to activity.

China's fourth-quarter economic growth will accelerate from the third quarter, Fu Linghui, spokesman of the National Statistics Bureau said, told reporters at a briefing.

Consumption prospects are improving, with the services industry showing good recovery momentum, Fu said.

Retail sales rose 4.3pc on-year, missing analysts' forecasts for 4.9pc growth but faster than the 3.3pc increase in September.

China's auto industry reported robust 12.5pc growth in October vehicle sales thanks to surging demand for electric cars and trucks.

Domestic tourism also saw a strong rebound over the Golden Week holiday last month, although levels were still well short of last year's.

Fixed-asset investment rose 1.8pc in January-October from the same period last year, compared with the 1.6pc growth forecast and a 0.8pc increase in the first nine months of the year.

Property investment was a key driver of broader spending with October real estate investment up 12.7pc from a year ago, the fastest pace since July 2018 and quickening from 12pc seen in September, according to Reuters calculations based on NBS data.