VICTORIA UNIVERSITY
MELBOURNE AUSTRALIA

VBCI Economy Corner Archives

Table of Contents

February 2024 Update

China's GDP in 2023

China's National Bureau of Statistics data shows that China's Gross Domestic Product (GDP) for 2023 was US$173,812.98 billion, an increase of 5.6% over the previous year. The national population was 1,409,670 million at the end of the year, thus China's per capita GDP was US$12,412, an increase of 5.4% over the previous year.

The added value for each of the industry sectors was as follows: primary industry US$1,246.75 billion, an increase of 4.1% over the previous year: secondary industry US$67,034.63 billion, an increase of 4.7%; and the tertiary industry US$95,600.56 billion, an increase of 5.8%. The added value for each of the three industry sectors accounted for 7.1%, 38.3%, 54.6% of GDP respectively.

In terms of quarterly growth, GDP grew by 4.5% year-on-year in the first quarter, 6.3% in the second quarter, 4.9% in the third quarter, and 5.2% in the fourth quarter.

At the end of 2023, China's foreign exchange reserves were US$3,238 billion, an increase of US$110.3 billion over the end of the previous year. The average exchange rate of the RMB for the whole year was 7.0467 yuan per 1 US dollar, depreciating by 4.5% over the previous year.

Exchange Rate: 1US$: 7.1991RMB (Dated: 6 March 2023)
Data sources:
https://baijiahao.baidu.com/s?id=1792234000091037450&wfr=spider&for=pc
https://www.stats.gov.cn/english/

PO Box 14428, Melbourne VIC 8001
AUSTRALIA
+61 3 9919 4000 www.vu.edu.au

January 2024 Update

China's Trade in 2023

The China Customs statistics shows that the total value of China's imports and exports in 2023 was US$5.83 trillion, a year-on-year increase of 0.2%. Among them, exports were US$3.32 trillion (up by 0.6 percent,) and imports were US$2.51trillion (down by 0.3 percent).

In 2023, China exported US$1.94 trillion of mechanical and electrical products, up by 2.9%, accounting for 58.6% of the total export value, and US$0.75 trillion of labor-intensive products in the same period, accounting for 17.3% of the total export value.

In 2023, China's imports of bulk commodities such as energy, metal ores, and grain increased by 15.3%. This included 1.158 billion tons of crude oil, natural gas, coal and other energy products, an increase of 27.2 percent, and 1.458 billion tons of iron, aluminum and other metal ores, an increase of 7.6 percent. In the same period, imports of agricultural products reached 1.64 trillion yuan, an increase of 5 percent, imports of textiles, clothing, shoes and hats increased by 5.6 percent, and imports of jewelry, clocks and watches increased by 63 percent and 17.2 percent respectively.

Australian exports to China

China imported 314,000 tons of Australian barley worth A$139 million in October after tariffs were lifted in August. It is expected that China will continue to buy Australian barley in 2024.
Australian goat meat exports to China surged by almost 4,000% in a year, from 135 tons in 2022 to 5,587 tons by the end of October 2023. This makes China Australia's second largest export market for goat meat.
Australia is one of China's largest sources of coal imports. Due to the competitive quality and price of Australian coal, there is an increasing demand in the Chinese market. Australia also exports high-quality iron ore to China.
China's wool imports from Australia are mainly used to make high-grade wool and textiles, and the demand in the Chinese market is still increasing.
Australia exports some industrial products to China, mainly including machinery, electronic equipment, chemical products, etc.
The service sector such as education, tourism, finance, etc. continued to expand in the Chinese market.
China is still restricting wine and lobster from Australia, but with the resumption of Sino-Australian relations, more product restrictions will hopefully be lifted.

Exchange rate: US$1: 7.1677RMB (dated: January 13,2024)
Data sourcess:
https://export.shobserver.com/baijiahao/html/699779.html
https://baijiahao.baidu.com/s?id=1784168261850096629&wfr=spider&for=pc
https://news.sohu.com/a/716756098_121450288

October 2023 Update

Trade between China and Australia (January to September 2023)

The data released by China's General Administration of Customs, for January to October 2023, reveals that the bilateral trade volume between China and Australia was US$281 billion, an increase of 10.6% (year-on year) with both imports and exports showing positive growth. Among them, China's imports from Australia grew strongly by 15.3% year-on year, maintaining a monthly double-digit growth rate this year.

While traditional commodities such as coal and iron ore have been the drivers of this growth, other newly resumed trade products such as barley, timber and cotton are injecting new impetus into trade growth. Another product - Australian hay or oat grass - is resuming trade with China.

The coal trade is picking up rapidly and could set a new record this year. According to the latest industry data, Australian coal imports to China are about 29.55 million tons, with a monthly volume of about 6 million tons, according to data shared by the domestic industry research platform Today Think Tank. Other commodities from Australia include beef and barley, which have recently recovered after resuming trade and restoring market confidence. China is a major buyer of Australian barley. Barley is one of Australia's top three agricultural exports to China, with about 70% of Australia's barley production going to China.
In addition to traditional areas, the potential for bilateral cooperation in new areas such as clean energy, services, finance, and education is unprecedented, and the future looks promising.

According to information published on the official website of the Australian government, one-quarter of Australia's exports go to China, showing that the trade relations have a direct impact on employment and the economy in Australia. According to the Australian Financial Review, China is Australia's largest trading partner and Australia is China's third-largest supplier of imports. Trade with China accounts for one-third of Australia's total foreign trade. According to the data, iron ore is Australia's largest export commodity to China. China has become BHP's largest single market. Since the beginning of this year, China has resumed importing Australian coal, with a monthly import value of about 1 billion Australian dollars (about 4.75 billion yuan). China also imported $860 million of oil from Australia in the first half of this year. In agricultural products, Australia exported $3.1 billion worth of wheat and other grains to China during the same period, up from $500 million two years ago.
In the case of barley, in August this year, China decided to formally remove anti-dumping and countervailing duties on Australian barley. In October this year, the two countries agreed that the same process would be used for Australian wine exports to China, showing Australia's confidence of resolving current trade issues with China over lobster and beef.
Furthermore, one of the major trade highlights between China and Australia this year is that Australian lithium ore has surpassed liquefied natural gas to become the second largest export commodity to China. In the first half of this year, Australian lithium ore exports reached a record $11.7 billion, compared with just $470 million two years ago.
China and Australia have also actively explored cooperation in clean energy and green economy. Australia, although rich in mineral resources, has a large demand for clean energy and lacks the ability to refine, process, and manufacture, which is the strength of Chinese companies. Therefore, this means that on top of traditional cooperation, China and Australia are also facing a new opportunities for cooperation.

Exchange rate: 1 A$: 4.7259 Yuan
Data sources:
https://news.sina.cn/2023-11-20/detail-imzvhhxp4005986.d.html
https://baijiahao.baidu.com/s?id=1779829305639203709&wfr=spider&for=pc
https://baijiahao.baidu.com/s?id=1781609933763003570&wfr=spider&for=pc
https://www.163.com/dy/article/IF5T24N805534RT3.html

September 2023 Update

China's Recent Economic Development

In recent months, China continued to seek economic progress while maintaining stable economic growth and stable employment for the purpose of accelerating the recovery of the national economy, steadily raising production and supply, and gradually improving market demand. The achievements and progress are as follows.

First, accelerated industrial production. In August, the value added of industries increased by 4.5% year-on-year (0.8 percentage points faster than the previous month) and increased by 0.50% month-on-month. The added value of state-controlled enterprises increased by 5.2% year-on-year; joint-stock enterprises increased by 5.7%, foreign-invested enterprises (including investment enterprises from Hong Kong, Macao and Taiwan China) increased by 0.8%; and private enterprises increased by 3.4%. In terms of products, the output of solar cells, service robots and optoelectronic devices increased by 77.8%, 73.7% and 29.9% on a year-on-year basis respectively.
Second, rapid growth of service industries. In August, the national service industry production index increased by 6.8% year-on-year (1.1 percentage points faster than the previous month).
Third, accelerated recovery of market sales. In August, the total retail sales of consumer goods were US$518.85 billion, an increase of 4.6% year-on-year (2.1 percentage points faster than the previous month, and an increase of 0.31% month-on-month). According to the location of business units, the retail sales of urban consumer goods were US$451.02 billion, an increase of 4.4% year-on-year; the retail sales of rural consumer goods were US$67.83 billion, an increase of 6.3%.
Fourth, expansion of investment scale in fixed assets and in high-tech industries. From January to August, the national fixed asset investment (excluding rural households) was US$4473.29 billion, an increase of 3.2% year-on-year (down 0.2 percentage points from January to July). In terms of sectors, the infrastructure investment increased by 6.4% year-on-year, manufacturing investment increased by 5.9%, and real estate development investment fell by 8.8%. The national commercial housing sales were 739.49 million square meters (down by 7.1% year-on-year); the sales volume of commercial housing was US$1,07 billion (down by3.2%). In terms of industry category, the investment in the primary industry fell by 1.3% year-on-year; the secondary industry increased by 8.8%, and the tertiary industry increased by 0.9%. The investment in scientific and technological achievements transformation service industry and professional and technical service industry increased by 42.1% and 28.3% respectively.
Fifth, year-on-year decline in the import and export of goods. In August, the total import and export of goods was US$490.86 billion, down by 2.5% year-on-year (5.8 percentage points narrower than the previous month). Among them, the exports were US$278.81billion (down by 3.2%); the imports were US$212.05 billion (down 1.6%), with a trade surplus of

US$66.7 billion. The export of mechanical and electrical products increased by 3.6%, accounting for 58.0% of the total exports.
Sixth, stable employment. In August, the national urban survey unemployment rate was 5.2% (down 0.1 percentage points from the previous month). The surveyed unemployment rate in 31 large cities and towns was 5.3%, down 0.1 percentage points from the previous month. The average weekly working hours of employees in enterprises nationwide is 48.7 hours.
Seventh, consumer prices turned from falling to rising year-on-year. In August, the national consumer price (CPI) rose by 0.1% year-on-year (up by 0.3% month-on-month). In terms of category, the prices of food, tobacco and alcohol decreased by 0.5% year-on-year; the price of clothing rose by 1.1%; the price of housing rose by 0.1%; the price of daily necessities and services decreased by 0.5%. Pork prices fell by 17.9%, fresh vegetable prices fell by 3.3%, grain prices rose by 0.6% and fresh fruit prices rose by 1.3%.

Generally speaking, in August, there has been marginal improvement of main indicators. However, it should also be noted that there are still many external instabilities and uncertainties (such as insufficient domestic demand and the need to consolidate the foundation for economic recovery).

Furthermore, according to JPMorgan Chase and ANZ reports, China's GDP growth forecasts in 2023 have been raised to 5% and 5.1% respectively from 4.8% and 4.9% previously. The August economic data showed an increase in signs of stabilization in China. In terms of sub-data, most of the year-on-year growth rates of consumption, industrial production and manufacturing have rebounded; the decline in import and export and real estate growth rates have narrowed; the inflation has bottomed out; the credit financing data is slightly higher than expected; the urban unemployment rate decreased slightly and youth unemployment improved significantly. China's economic pressure in the fourth quarter is expected to continue to ease; the economic situation will be gradually improving and a series of measures will be introduced to boost the economy.

Exchange rate: 1US$:7.3110 Yuan （Dated: 27 September 2023）
Data sources:
https://www.gov.cn/zhengce/202309/content_6904182.htm
http://caijing.chinadaily.com.cn/a/202309/25/WS6510dbc1a310936092f23649.html

August 2023 Update

China's GDP - First Half of 2023

The data released by the China National Bureau of Statistics in July shows that the gross domestic product (GDP) in the first half of 2023 was US$8.224 trillion, an increase of 5.5% year-on-year at constant prices. China's GDP grew by 4.5% on year-on-year basis in the first quarter and 6.3% in the second quarter. In terms of industry classification, the added value of the primary, secondary and tertiary industries showed corresponding growth, with year-on-year growth of 3.7%, 4.3% and 6.4% respectively.

Based on this data, China's GDP is expected to exceed US$20 trillion this year and will continue to grow in the future. This positive news demonstrates China's strong economic development. However, China's economic development is still in the process of recovery due to the Covid pandemic impact on the economy.

In fact, the “stimulus consumption” policy is one of the important reasons for GDP growth in the first quarter of this year. This policy has also promoted the rapid development of China’s tertiary industries to a certain extent. As the consumer market recovers, more economic growth opportunities are expected to emerge in the coming months. Although China’s economy is generally stable, contributing to different degrees of growth in various fields.

It is expected that China’s per capita GDP, still low due to the large population (a bit more than 1.4 billion), will reach between US$13,500 and US$14,000 in 2023 (China’s per capita GDP in 2022 was US$12,741). It is believed that China’s per capita GDP will develop strongly this year.

Exchange rate: 1US$ =7.2110 Yuan (on 8 August 2023)
Data sources:
https://baijiahao.baidu.com/s?id=1771632822977879674&wfr=spider&for=pc
https://baijiahao.baidu.com/s?id=1764687527043835057&wfr=spider&for=pc
https://baijiahao.baidu.com/s?id=1771946073873075419&wfr=spider&for=pc
https://zhidao.baidu.com/question/379274562260957244.html
https://www.163.com/dy/article/I925BGJF0553FCYU.html

July 2023 Update

China’s Employment and Unemployment in 2023

With the changes in the world economic environment and the transformation of China’s domestic industrial structure, China has recently faced high unemployment. According to the latest forecasts, China’s unemployment rate will reach a record level in 2023 as many industries face the impact of automation and artificial intelligence, and traditional labor-intensive industries will be gradually eliminated, leading to unemployment and re-employment challenges.
Despite the pressure, the employment and unemployment situation in 2023 reflects the stable trend of China’s longer-term development and provides a stable impetus for economic and social development. The following is an analysis from four perspectives.

Firstly, more and more labor has returned to work post Covid in 2023, leading to an increase of 0.6 percentage in the employment rate on a year-year basis over 2022. The employment rate has increased significantly, especially in poverty-stricken areas, reflecting the efforts of government. Further, the number of new urban jobs in 2023 will exceed 10 million, contributing 72.7% of the total employment.

Secondly, China’s urban registered unemployment rate in 2023 will be 4.4% (lower than that in 2022) due to actions to control economic volatility Despite this, the unemployment problem still exists, especially the unemployment of particular groups. Therefore, it has been necessary for China to actively adopt incentive policies and employment promotion policies, to improve the level of training for the unemployed, meet the actual needs of the urban job market, and ensure employment opportunities for vulnerable unemployed cohorts.

Thirdly, China’s employment training and service institutions in 2023 will service all provinces in the country, providing increased social recruitment and social employment training for the unemployed to improve employment skills to provide more employment opportunities for vulnerable groups such as the disabled, women, the elderly, and new farmers.

Fourthly, China's employment policy and related measures have been introduced and implemented in 2023 to promote employment growth and to encourage enterprises to actively create employment opportunities, especially through the introduction of employment and entrepreneurship insurance, and employment recruitment incentives for the job seekers.

In short, China is expected to continue to implement its employment policy to meet the pressures of unemployment in the future and achieve economic development and social progress.

Data sources:
https://www.sgpjbg.com/info/9f268d8506e212bad5404db751751fdc.html
https://baijiahao.baidu.com/s?id=1766151852652079988&wfr=spider&for=pc

June 2023 Update

China's Tourism to Australia

With the rapid growth of China's middle class and the Open Skies agreement between China and Australia, more Chinese tourists, and students were attracted to travel to Australia, thus bringing the revenue by 2020 to an estimated US$13 billion. However, due to the Covid pandemic since early 2020, the number of Chinese tourists visiting Australia decreased from 1.4 million (spending an estimated A$10.3 billion) before the pandemic to 89,000 last year, down from about 14.7% to only 2.4% of the total number of tourists. The Australian Tourism Bureau pointed out that the reopening of China's outbound tourism market is of positive significance to the recovery of Australia's tourism industry and economic development. To boost tourism, the Australian government successively introduced new policies, which attracted 3.7 million international tourists to Australia in 2022, showing a strong recovery in the tourism industry.
According to official statistics from the Australian government, the total number of Chinese tourists to Australia jumped sharply in the first month after the resumption of outbound tourism, with a total of 14,600 Chinese tourists entering Australia in January 2023 and 40,400 in February.
Furthermore, according to data from the Chinese Ministry of the Interior, between January and March 2023, 18,785 new visas were granted for Chinese mainland students, an increase of 43.4% from 13,096 in the same period in 2019. More than 70% Chinese students are concentrated in New South Wales, Victoria and Queensland. According to the Australian Department of Education, nearly 75% of Chinese mainland students choose New South Wales and Victoria, followed by Queensland at 12.5%, while South Australia and Western Australia account for 5.4% and 2.9% respectively. Chinese mainland international students now studying in Australia include both students who have resumed their previously affected study abroad careers and some new international students.
Australia has long been one of the most popular destinations for Chinese tourists attracted by Australia's natural environment, especially kangaroos, koalas, diverse landscapes, fresh

seafood and local friendly residents. Sydney, Melbourne and Gold Coast are the most popular visiting spots for Chinese tourists.

Data sources:
https://mp.weixin.qq.com/s/Iub5ei5TbGhsHF-kHMndkg
https://baijiahao.baidu.com/s?id=1764209093676202483&wfr=spider&for=pc
https://www.sohu.com/a/676370044_120235986

May 2023 Update

China's Overall Trade in 2023 Q1

The trade statistics released by China Customs show that the total import and export value of China's goods trade, in the first quarter of 2023, was US$1.4192 trillion, a year-on-year increase of 4.8%. Exports were US$0.8108 trillion, up by 8.4%; imports were US$0.6084 trillion, up by 0.2%. Some points to note follow.
The growth rate of imports and exports has increased month by month. It turned from negative (down by 7% in January) to positive (up by 8% in February and 15.5% in March). As noted above, the overall growth in the first quarter was 4.8%.
The proportion of general trade imports and exports has increased. In the first quarter, China's general trade imports and exports were US$0.9270 trillion, a year-on-year increase of 7.9%, accounting for 65.3% of the total import and export value. Among them, exports were US$0.528 trillion, up by 12.7%; imports were US$0.3989 trillion, up by 2.2%; the import and export of processing trade were US$0.2568 trillion, accounting for 18.1% of the total import and export value.
Exports of mechanical and electrical products and labour-intensive products all increased. China's exports of mechanical and electrical products reached US$0.4692 trillion, a year-on-year increase of 7.6%, accounting for 57.9% of the total export value; Among them, the exports of automobiles, household appliances and batteries were US$21.16 billion, US$20.27 billion and US$16.70 billion, up by 96.6% and 3.2% 84.8% respectively; the export of labour-intensive products was US$135.96 billion, up by 5.7%; the exports of clothing, plastic products and furniture were US$34.71 billion, US$24.43 billion and US$15.40 billion, up by 6.7% and 11.1% and 0.8% respectively.
Imports of energy products and consumer goods increased. China's crude oil, natural gas and coal and other energy products imported total US$112.75 billion, a year-on-year increase of 9.1%, accounting for 17.9% of the total import value; imported consumer goods amounted to US$68.70 billion, up by 6.9%; the imports of meat and edible aquatic products were US$7.20 billion and US$4.51 billion, up by 22.5% and 21.9% respectively.

Australia- China Trade

According to the trade data released by the Australian Bureau of Statistics, Australia's exports to China reached AU$19 billion in March 2023, up by 31% on a year-on-year basis. Thermal coal exports to China rose by 125.4% on a year-on-year basis to AU$ 354 million, according to data released by the Bureau of Statistics on May 4. Exports of iron ore blocks and iron ore powder to China increased by 24.3% and 17.7% to AU$566 million and AU$1.449 billion respectively. Australia was one of the main sources of China's thermal coal imports in March 2023, according to the latest data from the General Administration of China Customs. China is Australia's largest trading partner, accounting for nearly a third of its overseas trade and 65% of 1.1 billion tons of iron ore purchased by China came from Australia in 2022.

Note: US$1: RMB6.9663 (May 16th, 2023)

Data sources:
https://baijiahao.baidu.com/s?id=1763026551398499229&wfr=spider&for=pc
https://baijiahao.baidu.com/s?id=1765476634723289198&wfr=spider&for=pc

March 2023 Update

China's GDP trend review for 2022

China's GDP data for 2022, now released, has shown an increase of 3.0% on a year-on-year basis (4.8% in the first quarter; only 0.4% in the second quarter due to the epidemic and other matters; 3.29% in the third quarter and 2.9% in the fourth quarter). China has still achieved a growth of 3%. The economy has shown a downward trend, especially in the fields of exports, consumption, and investment, particularly in tourism and hospitality.
Detailed statistics for 2022 showed a large decline in the retail sector (maintained at only 0.2%) and a downward trend for six consecutive months (the overall decline of 11.1% in April with a certain degree of growth in June; 0.5% in October and 1.8% in December). The investment in 2022 presents a degree of optimism, with only 10% in industrial investment and only 9% in manufacturing, but relatively large growth of electricity and gas at about 20%.
From the perspective of the imports and exports, the total value of imports and exports increased by 0.26%, while the exports fell by 0.5% and imports increased by 2.2%. Since the exports are affected by the overall economy, the economy is likely to be in a weak state in 2023.
China's GDP in 2022 has reached 18 trillion US dollars, this achievement is impressive, but China's GDP per capita is only $12,700 USD due to the large size of its population of 1.4 billion people. China's economic focuses and growth point in 2023 will be multifaceted, it is expected that China's economic growth can be maintained at about 4%~5% and China's GDP growth will also be achieved by the end of 2023.

Data sources: China Finance and Economy in February

January 2023 Update

Newly published - Doing Business in China 2022

The Doing Business in China Report 2022 details experiences and opinions of 160 Australian organisations operating in or doing business with China. Following surveys in 2017 and 2018, this is the third instalment of a longitudinal study, which was conducted during April and May, prior to the Australian federal election.
The 2022 survey results from executives at 160 Australian companies give insights of a tumultuous business environment for Australian businesses working in and with China.
The key findings include:
Pandemic restrictions on peoples' movement, trade restrictions and ongoing tensions in Sino-Australian relations were perceived as top challenges.
Despite those challenges, 58% of respondents indicated China is in their top three priorities for global investment plans over the next three years.

The pandemic caused profitability to decrease significantly compared with 2019 levels. 36% of respondents reported a reduction in headcount and 31% a reduction in their investment in China.
The survey's analysis of respondents' sales, investments and headcounts suggests modest optimism in 2022, with growth forecast following a sharp contraction in 2020 and uncertainty in 2021.
Reference: University of Melbourne, Doing Business in China 2022: Australian businesses in China thriving despite challenges

November 2022 Update

Ten Months' Cargo Trade of China (2022)

Based on China Customs Statistics, the total trade volume for the past ten months this year amounted to US$5.26 trillion (up by 7.7%), among which the exports reached US$2.99 trillion (up 11.1%) and the imports got US$2.27 trillion (up 3.5%). The total trade surplus was US$727.7 billion.
The features of China's foreign trade are mainly as follows:
Trade Modes: general trade (taking account of 63.8% in total foreign trade); processing trade (20.3%), bonded logistics (12.4%) and others (3.5%).
Major Trading Partners: ASEAN (10 of South-East Asian Nations, 15.2%); EU (European Union, 13.5%); US (12.2%); Korea (5.8%).
Main Export Products: electromechanical products (auto data-processing equipment and spare parts, mobile phones and cars 57.1%); labor-intensive products (garment and clothing, fabrics, and plastic products, 18%) and others.
Mainly reduced Import Products: iron ores; crude oil; coal; natural gas; soybeans; primary plastics; product oil; copper and its materials. These imports are reduced due to the increasing prices except iron ores.
China is still Australia's largest trading partner. The total import and export volume between the two countries for the past ten months of 2022 amounted to US$184.33 billion, among which the imports from Australia topped US$119.875 billion and the exports to Australia reached US$64.455 billion. The Australian trade surplus from China was US$55.42 billion.

Data sources: China Customs Statistics; Shanghai Chamber of Commerce
(Note: US$1: AUD1.4789 dated 2nd November 2022)

October 2022 Update

China's Third Quarter GDP is up 3.9%

Official statistics showed that China's economic growth rate rebounded to 3.9% on the year in the third quarter of 2022. China's gross domestic product was sustained by higher fixed-assets investment and consumer spending, according to data revealed by China's National Bureau of Statistics. The result beat the 4.8% seen in the first quarter and the 0.4% growth in the second quarter. (CK TAN, Nikkei; National Statistics Bureau)
In the third quarter, at least, infrastructure and manufacturing equipment upgrades -- which make up fixed assets investment -- grew 5.7%, higher than the second quarter's 4.2%. Consumer goods sales rebounded to 3.5% compared with a 4.6% contraction in the previous quarter, as the country adjusted its mass COVID-19 lockdowns to more targeted restrictions.

The unemployment rate among the urban population averaged 5.4%, edging lower from 5.8% in the second term, but the jobless rate among youth aged 16 to 24 remained elevated at 17.9%. (CK TAN, Nikkei))
In the first nine months, China's GDP grew by 3%, supported by secondary industry such as infrastructure investments and a recovery in industrial production. Real estate development, however, contracted 8%, underscoring persistent pressure from subdued demand and developers' struggles to repay debts. (CK TAN, Nikkei)

China Customs Statistics revealed that the total imports and exports reached US$4.75 trillion, among which exports amounted to US$2.70 trillion (up 12.5%) and imports topped US$2.05 trillion (up 4.1%), resulting in a trade surplus of US$645.15 billion (up 51.6%). However, outbound shipments continued to decline 5.7% in U.S. dollar terms, down from 7.1% in August, as global economies reel. Imports remained flat at 0.3%, highlighting the limits of domestic demand. (Customs Statistics)
Earlier this month, the IMF lowered China's GDP projection for 2022 to 3.2%, citing the damage done by repeated lockdowns, the contraction in freight and passenger traffic this month, as well as declines in property and car sales. The figure is well below China's official estimate of around 5.5%. (CK TAN, Nikkei)

Data sources: CK Tan, Nikkei; Custom Statistics; National Statistics Bureau. (Note: US$1: AUD1.5588, dated 10/31/2022)

September 2022 Update

From January to July 2022, the bilateral import and export volume of goods between China and Australia was **US$128.26 billion**, a decrease of US$32.37 million compared with the same period in 2021, down by 1.7% year-on-year.
From January to July 2022, the total value of China's exports to Australia was **US$43.18 billion**, an increase of US$8.34 billion compared with the same period in 2021, an increase of 24.1% year-on-year. The total value of China's imports from Australia was US$85.09 billion, a decrease of US$9.45billion compared with the same period in 2021, down 11.1% year-on-year.
Although this year's trade (especially in the commodities such as barley, sugar, beef, wine, log, coal, lobster, and copper) is down considerably, Australia's trade surplus resulting from trade with China still reached **US$41.91 billion** from January to July 2022.
Data sources: http://www.customs.gov.cn**;** http://www.mofcom.cn (Note: US$1=AUD1.4790)

August 2022 Update

The **China Customs Statistics** released data in July showing that in the first half of 2022, China's foreign trade achieved steady growth, and the total import and export value of trade in goods was 19.8 trillion yuan (AUD$ 4.21 trillion), an increase of 9.4% year-on-year. Among them, China's exports were 11.14 trillion yuan (AUD$ 2.37 trillion), an increase of 13.2% year-on-year; imports reached 8.66 trillion yuan (AUD$ 1.84 trillion), an increase of 4.8% year-on-year, resulting in a trade surplus of 2.48 trillion yuan (AUD$ 0.53 trillion). Specifically, in terms of trade modes, the proportion of general trade imports and exports continued to increase. China's general trade import and export was 12.71 trillion yuan (AUD$ 2.70 trillion), an increase of 13.1%, accounting for 64.2% of China's total foreign trade import and export value.

From the perspective of major trading partners, China's imports and exports to ASEAN, the US and the countries along the *Belt and Road Initiative* maintained double-digit growth.
The major export products included:

- mechanical and electrical products
- textiles and garments
- plastic products
- shoes and other labour-intensive products.

The import of energy products included:

- crude oil
- natural gas
- coal
- other energy products.

It is expected that China's foreign trade will continue to maintain steady growth in the second half of 2022 due to the unchanged fundamentals.
China Customs data also shows that the bilateral trade volume between China and Australia was 684.26 billion yuan (AUD$ 145.58 billion), down 4% year-on-year. Among them, Australia's exports to China fell sharply by 13.1% in the first half of 2022 to 452.2 billion yuan (AUD$ 96.21 billion).

Data sources:
China Customs(external link)**;** *Ministry of Commerce*(external link)
Note: $1AUD=¥4.70 yuan

July 2022 Update

China is aiming to peak greenhouse emissions before 2030 and to achieve carbon neutrality before 2060. Using a newly-developed dynamic model - CHINAGEM-E developed by the Centre of Policy Studies at VU, the researchers investigate the economic implications of China's carbon neutrality path over the period of 2020 to 2060. The simulation shows that to achieve carbon neutrality in 2060, China has to change its energy structure significantly.

Coal and gas consumption will decline dramatically while the demand for renewable energy, especially demand for solar and wind energy will increase considerably. Meanwhile, the penetration of electricity into the economy is projected to increase strongly, with the share of electricity in final energy more than doubling between now and 2060. Much of the additional electricity use will be clean.
A dramatic fall in CO_2 emissions appears technically feasible and the modelling suggests that its effects on the Chinese economy are also mild. China can still double its GDP between 2020 and 2035 while reaching carbon neutrality in 2060. The modelling also finds that the adoption of new technologies such as carbon capture and storage (CCS) could lead to significant emissions reduction with small increases in cost.

June 2022 Update

Trade between Australia and China

2022 marks the 50th anniversary of the establishment of diplomatic relations between Australia and China. Over this period bilateral trade between Australia and China has increased from US$100m in 1972 to US$230b in 2021. By the end of 2021, China ranked first as Australia’s export market, source of imports, tourism income, and overseas students.

Recent data shows that trade between the two countries remains strong. The first-quarter data shows that trade volume between China and Australia reached A$66.66b, an increase of 15.4% from the same period last year. China accounted for 30.32% of Australia’s trade surplus of A$13.41b.

China’s trade with the rest of the world also remains strong. China’s cargo trade volume (first quarter 2022) amounted to US$144.85b, up by 10.7% compared with the same period last year. Within that, China’s exports reached US$80.40b, up by 13.4% while imports were US$64.45b, up by 7.5%, thus a trade surplus of US$15.95b for the first quarter of 2022. (China Customs Statistics; Note: exchange rate, 1US$=6.5 RMB)

April 2022 Update

China's GDP was US$17.7 trillion (114.4 trillion yuan) in 2021, up 8.1% from the previous year, overtaking the European Union in absolute size. Although the size of GDP is quite large, China’s average GDP per capita is only US$12,600 due to China’s large population.

China’s National Bureau of Statistics data, for the recently concluded March quarter, reports a better than forecast growth rate of 4.8% compared to the same quarter a year earlier. There has been media comment in the west that the months ahead may see a slowing as a consequence of COVID lockdowns and also the effect of the war in Ukraine.