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China is a haven from the sand dunes or the last?

China's stock market has fallen over the past month to more than 20% worried about the government's real estate market in addition to tightening measures, is also worried about the debt crisis in Europe could spread to the world. However, China is immune to this crisis, experts and investors have mixed views.

China's stock market and the Hong Kong stock market Tuesday comprehensive crash, the Hong Kong Hang Seng index fell 3.5%, the Shanghai Composite Index fell 1.9%. In addition to the market worried that the Government will take austerity measures to cool down real estate, it also worried about the debt crisis in Europe could drag the global economy. The EU is China's largest trading partner, so whether China will be the impact of the debt crisis of the European financial markets is not only the focus of attention is just held in US-China strategic economic dialogue with officials from both sides of the major issues.

Chinese Vice Premier Wang Qishan, high-level dialogue in the United States, said the debt crisis in Europe is to the slow recovery of world economy a great deal of uncertainty. China's central bank governor Zhou Xiaochuan said on Monday, officials from both sides in the dialogue in particular spent a lot more time to discuss the debt crisis in Europe.

Bill Bartmann, CEO of consulting firm Bartmann Enterprises said that now the crisis in Europe is a bit like the crisis in the U.S. and has spread to the international stage.

He said: "I think that the ability of this crisis has spread to the world, just like last year, with the U.S. financial crisis. It is in Europe, and then will spread to East Asia. I think we can predict the crisis is not a regional problem, but a global problem, and growing."

But Bartmann also believes that China's debt crisis in Europe has immunity and investors are in the security zone.

"China is a very unique position of savior. China is strong enough and has adequate value and a large enough market share to really play a key role. It can be a safety net."

China's central bank governor Zhou Xiaochuan of China in the outside world about the pressure to adjust monetary policy also emphasized the role of China's vast market.

Zhou Xiaochuan said: "China is a big economy, in general, China's domestic monetary policy adjustments, in most cases, domestic factors is the most important despite also export-oriented economy, but generally speaking, a large country of 1.3 billion people, the majority of factors to be considered or domestic factors. "

More than one person in China Batman confidence in the debt crisis in Europe and also making some investors worry that the Chinese government may temporarily slow down further measures to suppress the real estate market, and the Chinese stock market recently has the Chinese real estate class and bank stocks more attractive.

Bloomberg Business Week reported Tuesday; the London investment firm Henderson Global Investors, a fund manager has recently bought shares of Bank of China listed in Hong Kong, and said that within the next two months will buy Hong Kong-listed Chinese real estate class shares. The company has held the Sands Macao Resort Group in New York-listed China as well as vacation sites Jie Cheng network shares. Henderson said that Europe will not solve the problem temporarily, while outside Europe, particularly in China, there are better prospects for development.

However, other analysts have held different views. The University of Maryland Professor, China's trade policy and trade policy is also to Western countries, one of the factors worsening the problem, caused by China's huge trade deficit to Europe and the United States hindered the economic growth of Western countries, China will suffer.

He said: "China has always been that the trade in the West to be in his interest, but now may find, in fact not the case, global interdependence means that China should also devote their price. China if the RMB exchange rate policy and its inaction on other issues, China will fueled the crisis, China's own economy will be very adversely affected. The stock market may crash, real estate bubble may burst, if the sharp slowdown in Chinese exports, rising unemployment could lead to large cities, and trigger social unrest. For China, the real threat is not the economy; the real threat is social unrest."

Washington, president of MBG Information Services and chief economist, Charles Mack meters Lean believe that the U.S. concern about the debt crisis in Europe and urged China to revalue its exchange rate policy in part because of fear that if China's exports to the EU to reduce China's exporters will shift the U.S. market, further increase the massive U.S. trade deficit.

He said: "The European economic slowdown suggests this year in the second half of Chinese exports to Europe will likely decline, the United States and other countries are

very worried that China will be exports to the U.S. and other countries."

Chinese President Hu Jintao in the U.S. strategic and economic dialogue in the opening speech reiterated that China pledged to continue forward RMB exchange rate reform, although the wording followed the Chinese President Hu Jintao on this issue has always been saying, did not give the concrete to allow the yuan revaluation schedule, but the U.S. still welcomes China's position.

Geithner said the Finance Minister of the United States; we are pleased to see that the Chinese leadership has recognized that exchange rate reform is related to the important issue of the overall situation of China's reform.