

China signals revamped fiscal policy to stabilise economy

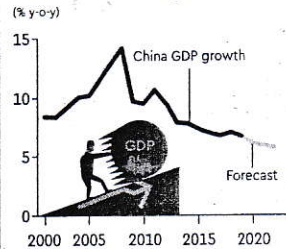
BLOOMBERG
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THE CHINESE GOVERNMENT said it would improve the effectiveness of fiscal policy in 2020, while monetary settings remain "prudent," signaling a fine-tuning of support measures as the world's second largest economy slows.

The Communist Party's annual economic planning meeting declared that the government would maintain economic growth next year within a "reasonable range," according to a summary of decisions carried by state media. The government and central bank will ensure reasonably ample liquidity, and the report also called for a continued lowering of the overall level of import tariffs.

The meeting pointed out that the basic trend of China's economic stability and long-term improvement has not changed," according to the statement. "Fiscal and monetary policies should work together with policies on consumption, investment, employment, industry, and the regions to

Growth slowdown seen continuing



channel investment to areas such as advanced manufacturing, improving people's livelihoods, and gaps in infrastructure."

As China pursues a trade deal with the US to end the bruising tariff conflict, domestic policymakers are focusing on stability rather than artificially boosting the economy as it transitions to a more modest level of growth.