Chinese Economy To Maintain Steady Growth Despite Challenges This Year

6 November 2016
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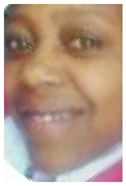

China will maintain the current steady economic growth and continue with the transformation of its economy, Chinese Premier Li Keqiang said on Saturday. According to Beijing the country's economy will overcome the current challenges and maintain a steady progress over the next few years.

The news comes during a period where uncertainty on Chinese slowed economic growth has rattled many global investors in the Chinese equities market. However, this latest assurance from Keqiang might do well to lift the dark cloud over Chinese economic future. In recent times China has been trying to rebalance its economy in order to adapt to slowed economic growth domestically. The aim is to transition the economy from a rapidly expanding one to a more steady slow growth economy. Despite commendable efforts, policy makers in Beijing have struggled with a number of domestic issues including an unprecedented rise in housing prices and worryingly increasing debt levels.

Economic Reforms

The Chinese premier said that measures to accelerate structural reforms are already in place, and the continued economic restructuring and liberalization have played a key role in generating growth over the last few months. According to economic data for October released by the Chinese government, the economy grew 6.7% for the third quarter. This came even as exports remained weak for the best part of 2016.

However, China has seen a booming housing sector. Government spending on infrastructure has also increased drastically this year. These two factors have generated significant growth for the Asian economic giant. China has remained confident that it is possible to sustain a medium-high economic growth rate. Premier Keqiang added during his visit to Riga that in the recent past China has consistently pursued proactive fiscal and monetary policies, and has also adopted forward thinking macroeconomic regulations. In addition to this, the Premier noted

> Government spending on infrastructure has also increased drastically this year

that the Chinese stock market has never been more open the way it is now especially for global investors.

What Does This Mean For Investors In China?

For many people who have invested in China they would no better than to take any report from Beijing as the true reality. There is no doubt economic and stock market reforms in China continue but restriction on western investors still remain. However, news of steady economic growth in China is quite welcoming. The biggest worry for global investors at the moment is to see China plunge into an economic crisis and while it seemed these fears were quite predominant for the most part of 2016, economic data released so far shows that indeed this is a farfetched thought. As long as China keeps growing, and make crucial reforms in its economy, accessibility to Chinese markets by global investors will gradually improve.

Investing In China

In case you want to invest in China in light of continuing reforms in the stock market here, the best way to go about it is through a managed portfolio. A majority of international investors in China have used Closed End Funds as a means of accessing the Chinese equities market. The JPMorgan China Region Fund offers you this opportunity. The Fund invests on equity securities of companies In Mainland China, Macau, Hong Kong and Taiwan. The Fund is currently trading in the NYSE under the ticker Symbol JFC. Feel free to buy in anytime.

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