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CENTRE FOR CO-OPERATION WITH NON-MEMBERS
STATISTICS DIRECTORATE

SHORT TERM ECONOMIC STATISTICS IN CHINA

Sources and Methods

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FOREWORD

As part of the OECD-China programme of dialogue and co-operation of the OECD Centre for Co-operation with Non-Members (CCNM), the OECD Statistics Directorate has undertaken methodological and empirical work with China and on Chinese statistics. An earlier product of this work, in 2000, was a publication on "National Accounts for China: Sources and Methods". The present report provides information about the sources, methods, and definitions used in a broader range of economic statistics for China.

The report covers a number of widely used statistics such as quarterly GDP series, indices of production, or business tendency surveys that appear in the two main statistical publications of the National Bureau of Statistics of China- *Monthly Economic Indicators* and the *China Statistical Yearbook*. Some of these series can also be found in OECD's *Main Economic Indicators* (MEI) monthly publication.

Policy dialogue implies a common assessment of economic realities. A major objective of this activity is to inform users both inside and outside China on the methods used by China in producing its key economic statistics, thereby contributing to a better understanding of the Chinese economy. It can also support efforts undertaken by China, and in particular by the National Bureau of Statistics, to improve further its methods and quality of its statistics.

This report has been drafted by Mr. Kil-Hyo Ahn of the OECD Statistics Directorate with advice from Mr. Liu Bing and other staff of the National Bureau of Statistics of China and under the auspices of CCNM. The present report is published on the responsibility of the Secretary-General.

Eric Burgeat

Director

Centre for Co-operation with Non-Members

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# 1.	INTRODUCTION

This publication contains a detailed description of the methodology used in the compilation of some key short-term economic statistics of China. The subjects covered are: national accounts, industrial production, commodity output, business tendency surveys, consumer sentiment surveys, construction, retail sales, labour, wages, prices, public finance, domestic finance, external finance, foreign trade and balance of payments. Methodological information is presented according to the order of the OECD monthly publication, *Main Economic Indicator*s.

Much of the methodological information contained in this report has been taken from the following publications:

- China Statistical Year Book, National Bureau of Statistics (NBS) (English and Chinese)

- How to use China Statistical Year Book, NBS (Chinese)

- China's Statistical Survey System, NBS (Chinese)

- China's Statistical System, NBS (English and Chinese)

- China Monthly Economic Indicators, NBS (English and Chinese)

- Quarterly Statistical Bulletin, The People's Bank of China (English and Chinese)

- China's Customs Statistics (Monthly), General Administration of Customs (English)

- The NBS web-site -http://www.stats.gov.cn/english/- also contains much useful methodological information.

Information from these sources has been supplemented and clarified in discussions with staff members of the National Bureau of Statistics.

2. GENERAL METHODOLOGICAL ISSUES

2.1 The Statistical System in China: key features

The Chinese government has statistical offices at the national, provincial, prefectural and county level. At the national level, the National Bureau of Statistics (NBS) was set up under the direct leadership of the State Council. The NBS compiles most of economic statistics and has overall responsibility for the management of the statistical system.

The legal basis of the Chinese statistical system has four levels:

- Statistics laws formulated by the Standing Committee of the National People's Congress. The current Statistics Law was adopted in 1983.

- Statistics administrative regulations formulated or approved by the State Council.

- Local statistics laws and regulations formulated by local people's congresses.

- Statistical administrative rules formulated or approved by the NBS, ministries or local governments. More than 30 ministries have adopted statistical rules for their respective sectors.

The National Bureau of Statistics (NBS)

The NBS is a central government agency that is responsible for establishing statistical standards and classifications and for the compilation, dissemination and analysis of basic national statistics. There are four levels in the statistical system:

- National level.

- Provincial level.

- Prefectural level.

- County and township level.

The national level is represented by the National Bureau of Statistics (NBS) which was established under the direct control of the State Council. Independent statistical agencies are set up in local governments at and above the county level. At the township level, either statistical offices are set up or full-time statisticians are employed. Statistical agencies of local governments do not only collect and provide statistical data for governments at higher levels, but also collect and provide statistical information and submit statistical analysis reports for the local governments.

The People's Bank of China (PBC)

The People's Bank of China (PBC) is a central government agency which also collects and publishes economic and financial statistics. The PBC is in charge of the compilation of financial statistics and also conducts business tendency surveys.

Other Agencies

Various ministries also compile short-term economic statistics. These include the Ministry of Finance, Ministry of Labour and Social Security, Customs General Administration, and State Administration of Foreign Exchange.

2.2   Special Features of Short-Term Economic Statistics in China

Comprehensive Reporting System

Most economic statistics in China are still collected by what is termed the "comprehensive reporting system" that was instituted in the 1950s. There are two key features of this system.

First, data are collected from the entire universe concerned – households, consumers, producers, etc. Unlike statistical systems in OECD countries, the *comprehensive reporting system* does not use sampling methods from which information about the universe is inferred.

Second, information is collected by the lowest-level administrative agency relevant for the particular enquiry–villages, townships, etc. The data are then passed on to the next higher level where they are aggregated and passed on to the next level and, eventually, to the NBS or other agency of the central government. This long reporting chain has advantages but opens also many possibilities for inadvertent error and even deliberate misreporting.

Cumulative Basis for Data-reporting

Many economic statistics are collected and reported on a *cumulative basis*. Data are reported for the first quarter or month, for the first plus the second quarter or month, for the first plus the second plus the third quarter or month and so on to the end of the year. This system was also used by centrally planned economies in Eastern Europe and the Former Soviet Union. Under central planning, annual targets were set and reporting on a cumulative basis made it easier for the planners to see if their plans were being achieved.

It may seem that cumulative data can easily be converted to a monthly or quarterly basis by a simple process of decumulation - e.g. second quarter data equals data for the first half year minus data for the first quarter. However, NBS statisticians caution against doing this because errors and omissions that are detected in the course of the year are all included in the latest cumulative report so that decumulation may result in these corrections being assigned to the wrong quarter or month.

No Seasonal Adjustment

At the present time, no economic statistics for China are seasonally adjusted. This is mainly due to the use of cumulative reporting which does not lend itself to the standard seasonal adjustment techniques used by most OECD countries. In some cases time series are simply too short to determine the seasonal factors accurately.

As an alternative to seasonal adjustment, many economic statistics for China are reported as indices that compare the current month or quarter with the same period of the previous year (SPPY). While this is an acceptable way to remove the effects of seasonality, and SPPY time series has two important deficiencies compared to a seasonally adjusted time series. First the cyclical turning points are detected considerably later by an SPPY series compared to a seasonally adjusted time series. Second, an SPPY series does not allow the user to compare developments over successive quarters or months.

2.3   Specific Breakdown Adopted by China

Some of the classifications used by NBS differ from those used by OECD countries which, to a large extent conform to the standard international classifications promulgated by the United Nations, the International Monetary Fund, Eurostat and the OECD.

Classifications by Ownership

Chinese policy makers are much concerned with the trend and structure of enterprise ownership. In the past, the economy was completely dominated by state-owned and collective enterprises. After the *Reform and Opening Policy*, the structure of enterprise ownership has changed greatly. The continuous economic development has resulted in more complicated types of ownership in China. Two similar classifications by ownership are currently used in China.

1. Classification by type of enterprise

In 1998, the NBS published a detailed classification of enterprises according to type of ownership. This is referred to by the NBS as *The Division of Enterprise Registration Categories*. All enterprises are classified into one of the 16 categories of this classification. This classification can also be used to classify non-profit institutions.

Code	Categories
A	Domestic enterprises
A10	State-owned enterprise
A20	Collective-owned enterprise
A30	Share-holding co-operative enterprise
A40	Joint-operation enterprise
A50	Limited liability company
A60	Share-holding limited company
A70	Private enterprise
A90	Other enterprises
B	Enterprises funded by investment from Hong Kong, Macao or Taiwan
B10	Equity joint venture enterprise
B20	Co-operative joint venture enterprise
B30	Enterprise wholly funded by investment from Hong Kong, Macao or Taiwan
B40	Share-holding limited company funded by investment from Hong Kong, Macao or Taiwan
C	Foreign-funded enterprise
C10	Sino-foreign equity joint venture enterprise
C20	Sino-foreign cooperative joint venture enterprise
C30	Wholly foreign-funded enterprise
C40	Foreign-funded share-holding limited company

2. Classification by economic ownership

In September 1998, the NBS promulgated *Regulations on the Statistical Classification of Economic Ownership*. The whole economy is classified into public and non-public sectors with five sub-types of ownership.

- Public sector

  1. State-owned economy

  2. Collective economy

- Non-public sector

  3. Private economy

  4. Economy funded by entrepreneurs from Hong Kong, Macao and Taiwan

  5. Foreign-funded economy

In order to provide clear criteria in reporting ownership-specific data, the NBS issued *The Method of Statistical Estimation by Ownership of the Economy* in 1998.

- Regarding enterprises, ownership is defined according to shares of paid-up capital provided by the different kinds of investors. If 80% of the capital is funded by the state and 20% by private investors, the economic aggregates of the enterprise (e.g. gross output or value added) are classified as 80% *state-owned economy* and 20% *private economy*.

- Regarding government and non-profit institutions, ownership is determined by reference to the source of funds or to management control.

- Regarding agricultural production units, the classification of ownership is based on the ownership of the land. If the farm land belongs to the state, the production unit is classified as *state-owned economy*; if the land belongs to a collective, the producing units are defined as *collective economy*. If the farm land belongs to neither the state nor a collective, the production unit is classified as *private economy*.

The share of the public sector has been reduced greatly in recent years, but it is still the dominant part. The non-public sector has grown rapidly and its share is now approaching 25% of the total economy. In 1978, the share of non-public sector was only 3.0% but it increased up to 24.2% in 1997.

The Three Categories of Economic Activities

In Chinese statistics, producing units are often classified according to the "historical sequence of economic development" namely *primary*, *secondary*, and *tertiary* industries.

Primary industry refers to the production of primary products, i.e. agriculture (including crops and animal husbandry), forestry and fishing.

Secondary industry typically involves the processing of primary products and covers mining, manufacturing, electric power, gas and water production and supply and construction.

Tertiary industry produces services of various kinds for production and consumption. It consists of all activities that are not classified as primary or secondary industries. It is divided into four tiers:

- The first tier is the "circulation sector" and consists of communications and transportation, warehousing, post and telecommunication, wholesale and retail trading, hotels and restaurants.

- The second tier consists of producers providing services to production and daily life. These include finance, insurance, geological prospecting, water resource management, real estate, social service, support services for agriculture, forestry, animal husbandry and fishery, auxiliary services for communication and transportation and general technical services.

- The third tier consists of producers providing services designed to improve the scientific and technological level and competence of the public. It covers education, art and culture, radio, film and television, public health, sports and social welfare and scientific research.

- The fourth tier consists of producers catering to public needs and covers the government and party organisations, the military and police and non-governmental organisations.

Breakdown of Secondary Industries into "Heavy" and "Light"

For some statistics, for example, indices of industrial production, *secondary industries* are broken down into "heavy industry" and "light industry".

Heavy industry consists of the following three branches:

- Mining, quarrying and logging industry, including extraction of natural resources, petroleum, coal, metal and non-metal ores.

- Industries producing raw materials, fuel and power, including smelting and processing of metals, coking and coke chemistry, chemical materials and building materials, power, petroleum refining and coal dressing.

- Industries producing machines, metal structures, cement products, agricultural equipment.

In addition enterprises engaged primarily in repairing products of heavy industry, are classified with heavy industry.

Light industry consists of all other activities classified as *secondary industries*.

Breakdown by Urban and Rural Areas

In 1999 the NBS formulated an interim standard for the *Statistical Definition of Urban and Rural Area*. This standard divides of the whole of China into *urban* and *rural* areas.

- Urban areas are divided into *cities* and *townships*. *Cities* are municipalities established with the approval of the State Council.

- There are three different "levels" *of cities; provincial, prefectural*, and *county* levels. There are presently four cities at the provincial level; Beijing, Tianjin, Shanghai and Chongqing. They are considered to be equal to provinces in terms of economic importance. There are 227 cities at the prefectural level and 437 cities at the county level.

- *Townships* are built-up areas with a township organisation established with official approval.

- *Rural* areas are all areas other than *cities* and *townships*.

Industrial Classification

The *Industrial Classification and Codes of the National Economy (ICCNE)* is a national standard jointly formulated by competent departments and promulgated by the NBS in 1984. A revised version was issued by the State Administration of Technical Supervision in 1994. The industrial classification is an important classification because it is widely used in all fields of statistics.

The ICCNE broadly conforms to the *International Standard of Industrial Classification* (ISIC) recommended by the United Nations to improve international comparability. There is however an important difference in the way that the ICCNE is used in China. The ISIC is used for classifying **establishments** which are productive units located in a single place and producing a single product. The ICCNE, however, is used to classify **enterprises.** Most large enterprises in China own many establishments that produce several different products. Enterprises are assigned to the ICCNE category which accounts for the greatest part of their gross output.

The ICCNE consists of 16 major divisions, 92 divisions, 368 major categories, and 846 categories

Geographical Coverage

All the statistics covered in this report refer to mainland China excluding the Hong Kong and Macao Special Administrative Regions, and the Taipei Province of China.

2.4   Explanatory notes

In what follows, different economic indicators will be described with regard to these definitions, sources, and main methods.

Within each category and subcategory, each indicator is described according to the following structure of metadata items. Depending on the indicator, some of these items have been omitted because they were not relevant.

STRUCTURE OF METADATA ITEMS

Source agency
Dissemination formats
Series title in national publications
Breakdown available
Time series data available
Periodicity
Unit of measurement
Definition
Coverage
Collection
Calculation
Seasonal and other adjustment
Revision policy
Timeliness

3. QUARTERLY GDP

Source agency

The National Bureau of Statistics (NBS)

Dissemination formats

- Press Release:
  Quarterly GDP data are provided in Press Releases issued at regular press conferences held in April, July, October and February (Chinese).

- Publication
  Quarterly GDP data are also published in *China Monthly Economic Indicators*, NBS, (Chinese and English).

- Internet
  NBS website – www.stats.gov.cn (Chinese and English)

Breakdowns available

GDP by kind of activity is available broken down by:

- Primary industry

- Secondary industry

- Tertiary industry

Time series data available

Quarterly national accounts at current prices have been complied since 1992 and they have been published since 1995. Current-price GDP data are published in levels whereas constant price GDP data are presented as growth rates of each quarter compared with the same period of the previous year. These volume estimates are described by the NBS as being at *comparable prices*

Comparable prices refer to the prices of various products set by the NBS for the base year on behalf of the state. These prices originate from the legacy of the previous planned economy of China, and therefore, they need not be the actual current prices of the base year. This means that output at comparable prices is not consistent with the output at constant prices in the context of SNA. Output at constant prices for the year after the base year is obtained by extrapolating the output of industry at comparable prices.

Unit of measurement

100 million Yuan

Definition

The NBS uses the *System of National Accounts 1993* (*1993 SNA*) as the framework for National Accounts.

Quarterly national accounts have been estimated since the first quarter of 1992. The estimates are made from the production side and show the value added in eight kinds of activities; agriculture, industry, construction, and five service activities.

Quarterly national accounts are compiled on a cumulative basis: i.e. January to March, January to June, January to September, January to December and not for discrete quarters as is usual international practice. The NBS is developing estimates of quarterly GDP from the expenditure side[1].

Coverage

- *Unit Coverage:* The national accounts cover all resident units including enterprises operating in special economic zones.

- *Transaction Coverage:* In principle, all transactions covered in the *1993 SNA* are included.

- *Geographic Coverage:* The data for Hong Kong and Macao Special Administrative Regions and Taiwan Province of China are estimated and published by these regions and are not included in the national accounts of China.

- *Unrecorded Activity:* NBS makes efforts to cover all legal production and there are no estimates of the size of unrecorded activities. Certain illegal activities are partly covered in the accounts, namely illegal imports (smuggling) and production and purchases of counterfeit goods.

Collection

China's national accounts are based on a mixture of statistical survey sources and administrative records. The main statistical and administrative sources used in compiling national accounts of China are statistics collected by the NBS and by other government agencies, financial statements and other administrative records. Below is a list of the main sources used.

- **Statistics collected by NBS:** statistics on agriculture, forestry, animal husbandry and fishing; industry statistics; construction statistics; statistics on wholesale, retail and catering services; statistics on real estate; statistics on other services; statistics on the sale of commercial buildings and dwellings; population statistics; statistics on employment and compensation; statistics on fixed assets; price statistics; sample surveys of urban and rural households.

- **Statistics collected by other government agencies:** statistics on government financing; statistics on tax revenues; statistics on state-owned assets; statistics on assets owned by urban collectives; statistics on assets owned by rural collectives; banking statistics; insurance statistics; social insurance statistics; statistics on transport, post and telecommunications; statistics on culture and education; statistics on civil affairs; statistics on urban infrastructure; statistics on the development of real estate; statistics on private dwellings; customs statistics; statistics on foreign trade; statistics on the balance of payments; statistics on foreign investment; statistics on foreign debt; statistics on foreign exchanges**.**

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1. See National Accounts for China: Sources and Methods. OECD, Paris, 2000.

- **Financial statements:** final accounts of banks; final accounts of insurance companies; final accounts of the administrative system of the Ministry of Communications ("administrative system" refers to the enterprises that are controlled and supervised by the Ministry); final accounts of the administrative system of the Ministry of Railways; final accounts of the administrative system of the Administration for Civil Aviation; final accounts of the administrative system of China Natural Gas Corporation; final accounts of the administrative system of the Information Ministry; final accounts of the state-owned enterprises governed by the Ministry of Finance; final accounts of the departments of the management of urban real estate under the Ministry of Construction.

- **Other administrative records:** the registry of the Administration for Industry and Commerce; records of the taxation registry.

Some of the statistics collected by the NBS and other government agencies are collected at the local level and pass through several aggregation stages before reaching the provincial administrations which send them to the NBS or government ministries responsible for collecting statistics in their areas of competence. The NBS carries out independent sample surveys on crop production and on small enterprises in the industrial sector because the NBS believes there may be bias in the basic statistics from other sources.

Calculation

Government transactions are recorded on a cash basis except for interest on government bonds which is adjusted to an accruals basis. Other transactions are generally recorded on an accruals basis.

Output is measured at producer prices; final consumption expenditure and gross fixed capital formation are measured at purchasers' prices. Consumption of fixed capital is measured at historic values and not at current costs as required by the SNA.

Quarterly data are compiled on a cumulative basis rather than for each quarter separately. The estimates cannot be de-cumulated because revisions to earlier quarters are included in each successive cumulative estimate and cannot be attributed to the correct quarter. Quarterly data are calculated in both current and constant prices. The quarterly estimates for the current year are obtained by extrapolating the latest annual figures by monthly and quarterly indicators. The indicators cover only part of the total value added included in the eight kinds of activities, so when the annual estimates become available, the quarterly estimates need to be revised to equal the annual figures.

In case of non-responses, the provincial statistical offices investigate the reasons and make estimates where necessary. Grossing up of data from sample surveys is done by the NBS.

Quarterly national accounts are not seasonally adjusted.

Revision policy

The first estimates of a given year are published in February of the following year and more detailed estimates, referred to as "preliminary" estimates, are published in May. In September of the same year, revised figures, referred to as "first confirmed" estimates, are published. Benchmark revisions are also made when new data sources become available.

The quarterly figures are not adjusted to make them consistent with the final annual accounts. The cumulative quarterly accounts for January to December are taken as the "preliminary" estimates of the

annual accounts, but when the annual accounts are compiled and published as the "first confirmed" estimates, the quarterly accounts are not reconciled with these new (and more accurate) annual accounts.

Timeliness

Quarterly GDP estimates are published about 20 days after the end of the quarter. The estimates are not revised after publication because errors and omissions are corrected in the estimate for the next (cumulative) quarter.

4. PRODUCTION

4.1 Industrial production and value added by industry

Source agency

The National Bureau of Statistics (NBS)

Dissemination formats

- News Release:
  A News Release is issued on the 9th of each month, or the next working day (Chinese).

- Publication Monthly:
  China Monthly Economic Indicators, NBS (Chinese and English).
  Annual: *Industrial Statistics Yearbook*, NBS (Chinese and English).

- Internet:
  The NBS Website – www.stats.gov.cn – publishes the monthly Press Release (Chinese).

Time series data available

Monthly data are available from 1994.

Unit of measurement

Value added: 100 million Yuan (current prices)

Growth rates are obtained by comparing the current period with the same period of the previous year.

Definition

Industrial production refers to the goods produced by establishments engaged in mining (excluding oil extraction), manufacturing, and production of electricity, gas and water. These are categories C, D and E of the International Standard Industrial Classification of All Economic Activities (ISIC Rev. 3).

NBS does not publish an index of industrial production. Instead it publishes estimates of value added in industry at current prices and growth rates, in comparable prices, comparing the current period with the same period of the previous year.

These statistics cover mining and quarrying, manufacturing, electricity, coal-gas and water. The statistics are collected for all state owned enterprises and non-state owned enterprises with annual sales of five million Yuan or more.

Coverage

Geographical coverage: The whole country.

Collection

Reporting units

The reporting units are enterprises. All state owned enterprises are required to report together with other enterprises that have annual sales of 5 million Yuan or more. There are about 160 000 respondents in total.

Reporting method

Data on value added in industry are collected through the *Overall Statistics Reporting System on Industry*, which is a reporting system for industrial and energy statistics set by the National Bureau of Statistics for provincial-level statistical agencies and relevant departments. Each month enterprises report the value of their gross output in both current and in comparable (fixed) prices.

Calculation

NBS converts gross output into value added by using ratios of the value-added to gross output of each enterprise in the previous year. The monthly measures of value-added in comparable prices are obtained by the following formula:

$$VA_{month} = GO_{month} \, x \, \frac{VA_{year}}{GO_{year}} \, ,$$

Where,

VA_{month} is the estimated value added of the current month in comparable prices.

GO_{month} is the gross output of the current month in comparable prices.

VA_{year} is the value added of the previous year in comparable prices.

GO_{year} is the gross output of the previous year in comparable prices.

The comparable prices refer to 1990 and are supplied by the National Bureau of Statistics. The prices cover more than 300,000 products.

Timeliness

The data are published on the 9th of month following the reference month.

Seasonal and other adjustments

Seasonal adjustments are not performed.

4.2   The following commodities are covered by this statistic:

1.   Coal

2.   Cement

3.   Crude steel

4.   Crude petroleum

5.   Electricity

Source agency

The National Bureau of Statistics (NBS)

Dissemination formats

- Publications:
  Monthly*: China Monthly Economic Indicators,* NBS (Chinese and English).
  Annual: *China Statistical Yearbook*, NBS (Chinese and English).

- Internet:
  The NBS Website – www.stats.gov.cn – contains historical data from the *China Statistical Yearbook (Chinese)*. The English website is www.stats.gov/eng.

Periodicity

Monthly

Unit of measurement

- Coal: 10,000 tons

- Cement: 10,000 tons

- Crude steel: 10,000 tons

- Crude petroleum: 10,000 tons

- Electricity: 100 million kwh

Definition

- *Coal:* Data refer to monthly output of all types of coal with high or low degree of coalification. Both hard coal (including anthracite) and brown coal (including lignite) are included.

- *Cement:* Data refer to the production of cement and exclude clinker production.

- *Crude steel:* Data measure the physical volume of the monthly output of crude steel.

- *Crude petroleum:* Data refer to the production of stabilized petroleum, including condensate.

- *Electricity:* Data refer to the monthly output of all types of generating stations.

Coverage

Data cover state owned enterprises and non-state owned enterprises with annual sales of 5 million Yuan or more.

Collection

The data on commodity outputs are collected through several questionnaires of the *Overall Statistics Reporting System on Industry*. This is a reporting system for industrial statistics set up by the National Bureau of Statistics for provincial-level statistical agencies and relevant departments under the State Council.

Timeliness

Data are published on 15th of the month following the reference month.

5.   BUSINESS TENDENCY SURVEYS

5.1   Diffusion indices

1.   Business climate: current

2.   Judgment on capacity utilisation: prospects

3.   Sales: current

4.   Finished goods stocks: current

5.   Domestic order books: current

6.   Overseas order books: current

Source agency

The People's Bank of China (PBC).

Dissemination formats

- Publication:
  A News Release is issued every quarter by the PBC (Chinese).
  Quarterly: Quarterly Statistical Bulletin of the People's Bank of China (Chinese and English).

- Internet:
  The PBC Website: www.pbc.gov.cn (Chinese and English)

Series title in national publication

1.   Business climate: general business conditions

2.   Judgment on capacity utilisation:

3.   Sales: Product sales

4.   Finished goods stocks: Inventory level

5.   Domestic order books: Domestic order level

6.   Overseas order books: Overseas order level

Time series data available

Data are available from the second quarter of 1992.

Periodicity

Quarterly

Unit of measurement

Percent balances, i.e. the number of favourable replies less the number of unfavourable replies as a percent of the total of favourable and unfavourable replies.

Definition

The balances are derived from a quarterly questionnaire sent to the largest industrial enterprises about their business conditions. They reflect judgments on developments experienced in the recent past, the current situation and prospects for the next few months in each enterprise.

a) **Business climate:** Data refer to the general business situation in industry.

b) **Judgment on capacity utilisation**: Data refer to the present judgement on capacity utilisation

c) **Sales:** Data refer to the present sales of products.

d) **Finished goods stocks:** Data refer to the present stocks of finished goods.

e) **Domestic order books:** Data refer to the present total domestic order book.

f) **Overseas order books:** Data refer to the present total export order book.

Coverage

- *Reference period:* For each question, the periods surveyed are the current quarter (current assessment) and the next quarter (prospects).

- Geographical coverage: The whole country.

- *Statistical population:* The 5,000 largest enterprises are surveyed quarterly.

Collection

Reporting units

The reporting units are enterprises.

Reporting method

A questionnaire is sent by mail to each enterprise for completion by the general manager or someone with the same level of responsibility.

Description of survey questionnaire

The survey consists of 29 questions, which are divided into 6 parts:

1. General business condition: Evaluation of overall business status of reporting enterprise, overall business status of the industry of the reporting enterprise, etc.

2. Supply of production factors: Evaluation of energy, electricity, raw material, utilisation of production capacity, etc.

3. Product market: Evaluation of inventory level, domestic orders, overseas orders, exports, etc.

4. Financial situation: Evaluation of funds turnover, cash inflow from sales, lending attitude of bank, interest rates, etc.

5. Production costs and profit: Evaluation of profitability, selling prices, prices of raw material, etc.

6. Investment situation: Evaluation of the change (increase, no change or decrease) of investment in different kinds of fixed assets.

Calculation

Data are presented as the balance of positive replies ("increasing", "active", "above normal", "substantial orders") over negative replies ("decreasing", "not very active", "below normal", "few orders") expressed as a percentage of positive plus negative replies. The index ranges from –100 to +100. When the index is positive, it shows that business conditions are improving.

Timeliness

Data are published 15 days after the end of the reference quarter.

5.2   Business survey

a)   Business climate index

b)   Entrepreneur expectation indicator

Source agency

The National Bureau of Statistics (NBS)

Dissemination formats

- Publications:
  A News Release is issued in Chinese
  China Monthly Economic Indicators, NBS (Chinese and English)

- Internet:
  The NBS Website – www.stats.gov.cn – publishes the Press Release (Chinese).

Breakdown available

The following indices by industry are published:

- Industry: 39 sub-sectors

- Construction: 3 sub-sectors

- Transportation, storage, post and telecommunication: 9 sub-sectors

- Wholesale and retail trade & Catering services: 6 sub-sectors

- Real estate trade: 3 sub-sectors

- Social services: 9 sub-sectors

Time series data available

Data are available from the first quarter of 1998.

Periodicity

Quarterly

Unit of measurement

Percent balances, i.e., favourable replies as a percentage of favourable plus unfavourable replies.

Definition

These indices – described as the comprehensive production and management climate index of enterprises –are averages of respondents' judgments on the production situation of their own enterprises and their expectation for performance over the next six months.

Coverage

- Geographical coverage: The whole country

- *Industry coverage:* The indices cover- industry; construction; transportation, storage, postal services and telecommunications; wholesale and retail trade & catering services; real estate trade; and social services.

Collection

The questionnaires are addressed to the owners of enterprises. The survey covers 18,500 enterprises. The number of enterprises by industry and by region is selected according to their weight in GDP. They include all large-sized enterprises and a sample of medium and small-sized enterprises.

Survey items

- Business climate.

- Production and management of enterprises (level of production, production costs, level of order, sales, sales price, level of inventory, working capital, profitability after tax, capacity utilisation, prices of main raw materials and energy, etc).

- Problems faced by management.

Calculation

Data are presented as the balance of positive replies over negative replies expressed as a percentage of total replies plus 100. Within each sector the index is weighted according to the size of enterprises, size being defined as the sector's contribution to GDP. The index ranges from 0 to 200. The critical value is 100. When it is larger than 100, it shows that business condition is improving. When it is lower than 100, it indicates that the economic performance is declining.

Timeliness

Data are published 15 days after the end of the reference quarter.

6.   CONSUMER SURVEY INDICES

Source agency

The National Bureau of Statistics (NBS)

Dissemination formats

- Publication:
  A News Release is issued quarterly (Chinese).
  Monthly: *China Monthly Economic Indicators,* NBS (Chinese and English)

- Internet:
  The NBS Website – www.stats.gov.cn – publishes the quarterly Press Release (Chinese).

Time series data available

Data are available from December 1997.

Periodicity

Monthly

Unit of measurement

Percent balances

Definition

The consumer survey indices are compiled to help quickly identify changes in consumers' opinions regarding consumption, income and general economic conditions. Three indices are compiled.

- *Consumer confidence index.* This is a composite index combining the consumer expectation index and the consumer satisfaction index. It reflects consumers' sentiments regarding the current economic situation and their expectations for the immediate future.

- *Consumer expectation index.* This reflects the consumers' expectations for the future of their household's economic situation and the overall economic situation.

- *Consumer satisfactory index*.   This reflects the estimation of consumers for the current overall economic situation and the purchasing time for major durable consumer goods.

Coverage

The survey covers all households in the 20 largest cities.

Collection

Questionnaires are collected from 16,000 households from the 20 largest cities in China.

Calculation

The results are given as the balance of positive replies over negative replies expressed as a percentage of total replies.

Timeliness

Data are published 15 days after the end of the reference quarter.

7. CONSTRUCTION

7.1 Commercial buildings

a) Commercial buildings under construction

b) Commercial buildings completed

c) Commercial buildings sold

Source agency

The National Bureau of Statistics (NBS)

Dissemination formats

- Publications:
  Monthly: China Monthly Economic Indicators, NBS (Chinese and English).
  Annual: Statistical Yearbook on Construction, Statistical Yearbook, NBS (Chinese and English).

- Internet:
  The NBS Website – www.stats.gov.cn – (Chinese)

Periodicity

Monthly

Unit of measurement

Ten thousand square meters of floor space.

Definition

- ***Commercial buildings under construction (floor space)*** refers to all commercial buildings that have been under construction during the reference period. It includes newly started buildings, buildings started earlier and continued, buildings suspended earlier but restarted, buildings completed, and buildings under construction and suspended during the reference period.

- ***Commercial buildings completed (floor space)*** refers to the commercial buildings that are completed in the reference period in accordance with the requirements of the design, that are up to the standard for putting them into use, and that have been checked and accepted by their owners as fit for use.

- ***Commercial buildings sold (floor space)*** refer to all commercial buildings that have been sold in the reference period.

Coverage

Whole country

Collection

Data are collected through the *Overall Statistics Reporting System on Fixed Assets*. This reporting system uses many different questionnaires. Data on commercial buildings are collected by a monthly report.

Calculation

Data are published on a cumulative basis.

Timeliness

Data are published on 22 days after the end of the reference month.

7.2   Real estate climate index

   a)   Real estimate climate index

   b)   Investment index of real estate development

   c)   Area index of land development

   d)   Sales price index

Source agency

The National Bureau of Statistics (NBS)

Dissemination formats

- Publication:
  A News Release is issued monthly (Chinese). Monthly
  Monthly: China Monthly Economic Indicators, NBS (Chinese and English).

- Internet:
  The NBS Website – www.stats.gov.cn – publishes the monthly Press Release (Chinese).

Time series data available

Data are available from January 1997.

Periodicity

Monthly

Definition

The real estate climate index describes the present situation and future trend of the real estate market in China. It combines eight different indices, which reflect three essential factors for the development of real estate industry: land, finance and market demand. The eight indices are as follows:

- Investment in real estate development

- Financial appropriation (access to credit)

- Revenue from transfer of land

- Area of land development

- Area of newly-started buildings

- Area of completed building

- Area of unsold building

- Sales price of commercial buildings

Coverage

Whole country

Collection

Data are collected through the Overall Statistics Reporting System on Fixed Assets from 31 provincial statistical offices.

Calculation

The base period of the index is 1997.

The critical value of the index is 100. When the index is greater than 100, it indicates that the performance of the real estate market is good or improving. When the index is lower than 100, it shows that the situation of the real estate market is bad or worsening.

Timeliness

Data are published 22 days after the end of the reference month.

8. RETAIL SALES: TOTAL RETAIL SALES OF CONSUMER GOODS

Source agency

The National Bureau of Statistics (NBS)

Dissemination formats

- Publication:
  A News Release is issued on a monthly basis (Chinese).
  Monthly*: China Monthly Economic Indicators* NBS (Chinese and English).
  Annual: *Statistical Yearbook* NBS (Chinese and English).

- Internet:
  The NBS Website – www.stats.gov.cn – publishes the monthly Press Release (Chinese).

Series title in national publication

Total retail sales of consumer goods: current price

Breakdown available

- By location of outlets: city, county, below county level

- By sector: wholesale and retail trade, catering services, manufacturing, agriculture

Periodicity

Monthly

Unit of measurement

100 million Yuan

Definition

Total retail sales of consumer goods refer to the sum of retail sales of consumer goods sold by all producers to urban and rural residents.

Retail sales of consumer goods include:

1. Commodities bought by urban and rural residents for their daily use and building materials bought for the construction or repair of houses.

2. Office appliances and supplies sold to enterprises or government.

3. Food and fuels sold to canteens of enterprises, schools, universities, government offices, military units and to canteens of hotels and hostels that only serve their guests.

4. Commodities produced by enterprises and state farms and sold directly to their employees or to their canteens.

5. Grain, other food, clothing, daily articles and fuel sold to military personnel.

6. Consumer goods sold to foreigners, overseas Chinese and Chinese compatriots from Taiwan, Hong Kong and Macau during their stay in the mainland of China.

7. Chinese and western medicine herbs and medical services purchased by residents.

8. Newspapers, books and magazines directly sold to residents by publishers, new and old commemorative stamps, special stamps, first-day covers stamp, albums and other stamp-collection articles sold by stamp companies.

9. Consumer goods sold by second-hand shops.

10. Stoves and other heating facilities and liquefied gas sold by gas companies to households and institutions.

11. Crops and livestock products sold by farmers to households.

Retail sales of consumer goods do not include:

12. Raw materials, fuels, equipment and tools sold to enterprises and state farms for production purposes.

13. Commodities sold to trade establishments for re-selling.

14. Commissioned sales at second-hand shops.

15. Stamps sold at post offices.

Coverage

Statistics on retail sales of consumer goods cover all enterprises, government units and farmers engaged in retail selling. Data are collected from all enterprises (units) above the "designated size" (see below). For units below the designated size, sample surveys are used. In some cases, data from the tax authorities and other administrative statistics are used.

"Designated sizes" are defined as follows:

- Retail sales enterprises: annual sales volume above RMB 5 million or more than 60 employees at year end.

- Wholesale enterprises: annual sales volume above RMB 20 million or more than 20 employees at year end.

- Catering enterprises: annual sales volume above RMB 2 million or more than 40 employees at year end.

Collection

Data are collected in accordance with the Overall Statistics Reporting System on Wholesale and Retail Trading and Catering Industry. Data are reported from lower to higher level statistical offices.

Timeliness

Data are published 20 days after the end of the reference months.

9.   LABOUR

9.1   Employment: Total number of employees in urban area

Source agency

The National Bureau of Statistics (NBS): quarterly establishment survey

Dissemination formats

- Publication:
  Monthly: China Monthly Economic Indicators, NBS (Chinese and English).
  Annual: China Statistical Yearbook, China Statistical Yearbook, NBS (Chinese and English).

- Internet:
  The NBS Website – www.stats.gov.cn (Chinese)

Breakdown available

Employed persons by the type of ownership (state-owned, urban collective and others), but excluding private sector.

Time series data available

Data are available from 1957.

Periodicity

Quarterly

Definition

This series refers to employees who work in urban areas and who receive wages or other forms of payments. Employees include management staff, manual workers, re-employed retirees, foreigners and Chinese compatriots from Hong Kong and Macao Special Administrative Regions and Taipei Province of China. Those who have temporarily left their working place (for training, holiday, vacation or other such reasons) are also considered as employed. Persons who still have a contract but have been laid off (persons waiting for employment) are excluded.

Coverage

Public sector employees in urban areas

Collection

The establishment survey covers more than 2 million units.

Timeliness

Data are published 20 days after the end of the reference quarter.

Labour force survey in China

There are two main sources for quarterly employment data: establishment survey and labour force survey. Since 1996, a labour force survey has been conducted in the second, third and fourth quarters of each year. In the third quarter the survey covers the entire country except for Hong Kong and Macao Special Administrative Regions and Taipei Province of China. The second and fourth quarter surveys cover only the urban areas.

Employed persons are defined according to the ILO recommendations. They are 16 years of age and above and engaged in economic activities. They receive remuneration for their work or earn income and have worked for one or more hours in the reference week. Those who have temporarily left their working place (for training, holiday, vacation or other such reasons) are considered as employed.

Stratified cluster sampling is used with clusters selected with probability proportional to size. The survey covers just under one million persons aged 16 years and above.

The employment data published on an annual basis are based on both the labour force survey and the establishment survey. The employment data published on a quarterly basis are from the establishment survey alone.

9.2 Unemployment: Total number of unemployed persons

Source agency

Ministry of Labour and Social Security (MOLSS)

Dissemination formats

- Publications:
  MOLSS press release (Chinese).
  Annual: *China Statistical Yearbook, China Statistical Yearbook*, NBS (Chinese and English).

- Internet:
  The MOLSS Website – www.molss.gov.cn – press release (Chinese).

Time series data available

Annual data are available from 1949.

Periodicity

Quarterly

Definition

The MOLSS defines unemployed persons as those in the age group 16 up to age of retirement who are looking for work, have a non-agricultural residence card, are able to work, want to work and have registered in the local exchanges for work, including students looking for work.

Coverage

Urban areas

Collection

MOLSS obtain the data from local employment offices.

Data quality

In recent years many adults without non-agricultural residence cards – i.e. without formal authorisation to live and work outside rural areas – have moved to the cities to look for work. As these people cannot register at Labour exchanges they are excluded from the unemployment figures.

Timeliness

Data are published about 1 month after the end of the reference quarter.

9.3   Earnings

Source agency

The National Bureau of Statistics (NBS): quarterly establishment survey

Dissemination formats

- Publication:
  Monthly: China Monthly Economic Indicators, NBS (Chinese and English).
  Annual: China Statistical Yearbook, China Statistical Yearbook, NBS (Chinese and English).

- Internet:
  The NBS Website – www.stats.gov.cn (Chinese)

Breakdown available

Employed persons by type of ownership

Time series data available

Data are available from 1952.

Periodicity

Quarterly

Definition

Wages refer to the total remuneration paid during the reference period, including wages and salaries and other payments (in cash and kind).

Coverage

Data refer only to public sector employees in urban areas.

Collection

The establishment survey covers more than 2 million units.

Calculation

Average earnings are calculated using total earnings of staff and workers divided by average number of staff and workers in the reference period. Quarterly data are cumulative, e.g. average wage for the second quarter are obtained by dividing the average number of workers employed in the first two quarters with the total earnings of the first two quarters.

Timeliness

Data are available 20 days after the end of the reference quarter.

10. PRICES

10.1 Producer price index

Source agency

The National Bureau of Statistics (NBS)

Dissemination formats

- Publications:
  Monthly*:* News Release issued on 27th day of the month following the reference month (Chinese), and *China Monthly Economic Indicators,* NBS (Chinese and English).
  Annual: *China Statistical Yearbook, China Statistical Yearbook*, NBS (Chinese and English).

- Internet:
  The NBS Website – www.stats.gov.cn (Chinese)

Series title in national publication

Ex-factory price indices of industrial products

Breakdown available

- Breakdown by 40 industrial groups using the ICCNE

- Breakdown by region

Periodicity

Monthly

Unit of measurement

Same period of last year = 100

Definition

The producer price index (PPI) measures the changes in prices of industrial products on the domestic market compared with prices in the same month of the previous year.

Coverage

The PPI covers all manufacturing activities, with the exception of production of 'weapons and ammunition,' 'quarrying and processing of radioactive ores,' and 'production for own use.' The prices collected are producer prices, i.e. they include excise taxes but exclude VAT.

Collection

- Reporting units

Enterprise selection is based on random sampling procedures for all enterprises with annual turnover exceeding 5 million Yuan. The coverage is over 85 percent of total manufacturing turnover. The source of turnover statistics is the annual survey of enterprises carried out by the NBS.

- Reporting method

The price data are collected from around 50,000 enterprises (in over 405 cities) in a special price survey of enterprises. Two sets of prices, referring to the 8th and 18th of each month, are collected and the average of the two prices is used for price index calculation. Data are collected for the most important products in terms of turnover. The total number of items for which data are collected is around 1,400. They are classified into 197 categories.

Calculation

The reported prices are aggregated to product groups using enterprise turnover data as weights. Subsequent levels of aggregation use sales in the base period as weights. The base year is currently 2000. It is changed every 5 years.

Timeliness

Data are published 19 days after the end of the reference month.

10.2   Consumer prices

Source agency

The National Bureau of Statistics (NBS)

Dissemination formats

- News Release:
  A News Release is issued on 13th day of each month (Chinese).

- Publications:
  Monthly*: China Monthly Economic Indicators,* NBS (Chinese and English).
  Annual: *China Statistical Yearbook*, NBS (Chinese and English).

- Internet:
  The NBS Website – www.stats.gov.cn (Chinese and English)

Series title in national publication

Consumer price index

Breakdown available

The following indices are published:

- By commodity category: 8 groups and 251 sections;

- By urban and rural;

- By province.

Time series data available

Data are available from 1978.

Periodicity

Monthly

Unit of measurement

Same period of preceding year = 100

Definition

The consumer price index measures the monthly average changes in the price level of a typical basket of goods and services purchased by urban and rural residents.

Coverage

Prices are collected in 80 counties and 146 cities.

Collection

Prices of perishable item – fruit, vegetables, eggs, poultry, meat and fish – are collected 3 to 5 times every month and prices of manufactured products are collected 1 to 3 times a month. Where prices are still controlled by the government, such as electricity, water and public transportation, the information is collected once a month.

Nearly 10 thousand enumerators are employed for the price survey.

Survey description

- Sample areas and places

The areas where prices are collected were selected so as to be representative of the different economic features of the various regions of China. When the sample areas have been selected, large shops and markets (including fairs) selling great varieties of commodities are selected for the price collection.

- Representative commodities

Representative commodities are those that are consumed in large quantities and whose price movements are typical of other similar goods or services. Representative items are selected using information on retail sales and the reported expenditures of 36,000 urban households and 67,000 rural households. The following criteria are used in deciding which goods and services are representative:

- They are closely related to living standards of the majority of the population.

- They are sold in large quantities or values.

- Their supply on the market is stable.

- The changes of their prices are representative of the general price trend.

- The goods and services selected must cover a wide range of different specifications or varieties.

Two hundred and fifty item-groups have been selected to represent consumer purchases using the results of the household expenditure surveys. Most item-groups contain between 2-10 items although some item-groups have up to 25 items. The item-groups are assigned weights while price changes of items within item-groups are un-weighted. Item-groups are allocated to major categories as follows:

Category	Number of item-groups
Food	54
Tobacco and alcohol	9
Clothing	39
Household equipment, utensils and repair services	31
Medicines, medical equipment and services	36
Transportation and communications	28
Entertainment, education, sports	35
Housing (utilities, rent and building materials)	19

About 600 items priced are "national" – i.e. they are collected throughout China. Local authorities at the provincial and city level are allowed to add additional items that are important to the local area economy. The list of items is reviewed annually for representativeness based on purchases reported in the household surveys.

Calculation

The CPI is a composite index that is derived from the urban and rural indices. These indices are, in turn, aggregated from the basic information at the city and county level. The primary source of information for the index weights are the urban and rural household surveys that are conducted every year and cover 36,000 households in urban areas and 67,000 in rural areas. The households complete a diary of purchases for that year. The expenditure weights for each item-group are the relative importance of each item-group in the household survey. The current weights are for the year 2000. The weights are updated every five years following the household survey. Similar procedures are used for urban and rural areas.

Timeliness

Data are published 15 days after the end of the reference months.

11.   GENERAL GOVERNMENT FINANCE

a) Revenue

b) Expenditure

c) Deficit / Surplus

Source agency

Ministry of Finance, Policy and Fiscal Affairs Department

Dissemination formats

- Publications:
Monthly*: China Monthly Economic Indicators,* NBS (Chinese and English).
Annual: *China Statistical Yearbook*, NBS (Chinese and English).
Annual: *Finance Yearbook of China* (Ministry of Finance), (Chinese)

- Internet:
The NBS Website – www.stats.gov.cn (Chinese)

Breakdown available

- Revenue
   Tax revenue
   Non-tax revenue

- Expenditure

- Deficit/Surplus
   Domestic
   Foreign

Periodicity

Monthly

Unit of measurement

100 Million Yuan

Definition

Government revenue refers to the revenue of the government financed by means of participating in the distribution of the social products, which are financial resources for ensuring the government to function. Government revenue consists of various tax revenues, special revenues, and other revenues.

Government expenditure refers to the distribution and use of the funds to meet the needs of economic construction and various causes.

Coverage

- *Unit Coverage:* The budgetary units of the central and local governments. The central government budgetary unit includes the 166 ministries and their 13000 subordinate spending units. The local government data cover the 31 provinces of the People's Republic of China and include their 479 cities, 1894 counties, some 60,000 townships, and approximately 800,000 villages. The operations of the extra-budgetary and social security units are excluded from budgetary reporting.

- *Transaction Coverage:* All transactions of the central and local government budgetary units are included.

Collection

Data on the operations of the central and local governments are compiled by the Ministry of Finance. Annual budget estimates are prepared by the Budget Department in accordance with the *Budget Law of the People's Republic of China*, Order No.21 of 1994, which came into force on January 1, 1995. The Treasury Department compiles monthly budget execution reports for the central government, and the national (central and local) government.

Calculation

The operations of the budget are recorded on a cash basis.

Timeliness

Monthly and quarterly data: 25 days after the end of the month, *China Monthly Economic Indicators*.

Detailed annual data: In the November following the reference year, *Finance Yearbook of China* (Ministry of Finance), In the November following the reference year, *China Statistical Yearbook* (NBS)

12. DOMESTIC FINANCE

12.1 Monetary aggregates

a) M0

b) M1

c) M2

Source agency

The People's Bank of China (PBC).

Dissemination formats

- Publications:
  Monthly data are published two to four weeks after the end of the reference month in China daily newspaper, *Financial Times* (Chinese)
  Quarterly*: Quarterly Statistical Bulletin,* PBC (Chinese and English)

- Internet:
  The PBC Website – www.pbc.gov.cn (Chinese and English)

Time series data available

Data are available from 1990.

Periodicity

Monthly

Unit of measurement

100 Million Yuan

Definition

Monetary aggregates are defined as follows:

- M0 = Currency in circulation

- M1 = M0+demand deposits of resident sectors other than central government and banking institutions

- M2=M1+time, savings, and other deposits of resident sectors other than central government and banking institutions

Coverage

China excluding Hong Kong and Macao Special Administrative Regions and Taipei Province of China

Collection

The *Depository Corporations Survey* (or the *Banking Survey*) is a consolidation of the accounts of the PBC and banking institutions. Banking institutions consist of state-owned commercial banks (4), other commercial banks (11), policy banks (3), urban credit cooperatives (1044), city commercial banks (102), rural credit cooperatives (38,153), rural commercial banks (3), finance companies (71), and trust and investment companies (138), financial leasing companies (12). Foreign-owned and joint venture banking institutions, with total assets that account for less than 3 percent of total assets of banking sector, are currently not included in the banking survey.

Timeliness

Data are published 15 days after the end of the reference months.

12.2 Loans and deposits

Source agency

The People's Bank of China (PBC).

Dissemination formats

- Publication:
  Monthly data are published two to four week after the end of the reference month in the daily newspaper, *Financial Times* (Chinese)
  Quarterly*: Quarterly Statistical Bulletin,* PBS (Chinese and English)

- Internet:
  The PBC Website – www.pbc.gov.cn (Chinese and English)

Time series data available

Data are available from 1990.

Breakdown available

- Loans: by currency, debtor, industry, risk, maturity, ownership.

- Deposits: by currency, type, industry, maturity

Periodicity

Monthly

Unit of measurement

100 Million Yuan

Definition

- Loans of financial institutions are the sum of all types of loans of financial institutions denominated in local and foreign currencies.

- Deposits of financial institutions are defined as the sum of all types of deposits of financial institutions denominated in local and foreign currencies.

Coverage

- Loans include short-, medium- and long-term loans, fiscal loan, foreign exchange loan and other loans.

- Deposits include demand deposits, time deposits, saving deposits, fiscal deposits, foreign exchange deposits and others. Financial institutions include central banks, banks and other financial institutions.

Collection

Data are collected from deposit money banks. Deposit money banks are the PBC and banking institutions (deposit money banks and specified deposit institutions).

The source data are from the PBC's "All Accounts" financial reporting system. This system collects stock data on monetary statistics and banking supervision indicators in a uniform format electronically from banking institutions. The system allows collection of detailed data for classifying bank accounts by economic sector and financial instrument.

Timeliness

Data are published 15 days after the end of the reference months.

12.3   Interest rates: Rate on Inter-bank money market

Source agency

The People's Bank of China (PBC).

Dissemination formats

- Publication:
  News release: Xinhua News Agency
  Quarterly*: Quarterly Statistical Bulletin,* PBS (Chinese and English)

- Internet:
  http://www.chinabond.com.cn , http://www.chinamoney.com.cn

Breakdown available

- By maturity: 1-day, 7-day, 20-day, 30-day, 60-day, 90-day, and 120-day

Time series data available

Data are available from March 1996.

Periodicity

Daily and monthly

Unit of measurement

Percentage annual rate

Definition

Inter-bank money market rates refer to the interest rates charged on loans between banks and/or other financial institutions. National inter-bank market became effective on an experimental basis in January 1996.

Collection

Data are collected from National Inter-bank Market.

12.4   Share prices

Share price index

Source agency

Shanghai Stock Exchange (SSE) and Shenzhen Stock Exchange (SZSE).

Dissemination formats

- Publication:
  Quarterly*: Quarterly Statistical Bulletin,* PBS (Chinese and English)

- Internet:
  Stock exchanges disseminate share price indices at www.sse.com.cn and www.szse.com.cn

Breakdown available

- Shanghai Stock Exchange (SSE): SSE composite index, SSE-30 index, SSE-A share index, SSE-B share index, SSE-industrial index, SSE-commercial index, SSE-real estate index, SSE-public utilities index, SSE-miscellaneous index;

- Shenzhen Stock Exchange (SZSE): SZSE composite index, SZSE-40 index, SZSE-A share index, SZSE-B share index, SZSE-industrial index, SZSE-commercial index, SZSE-financial index, SZSE-real estate index, and SZSE miscellaneous index.

Shares refer to the domestically listed shares, denominated in local currency. Foreign investors may not own these shares. B shares refer to domestically listed shares of China-incorporated companies, denominated in US$ in Shanghai and HK$ in Shenzhen. Initially reserved for foreign investors, however, at present, domestic institutions and individuals take the majority of trading.

Time series data available

- Shanghai Stock Exchange (SSE): Data are available from 1990.

- Shenzhen Stock Exchange (SZSE): Data are available from 1990.

Periodicity

Daily and monthly

Unit of measurement

- SSE composite index (base December 19, 1990 = 100)

- SSE-30 index (base January-March 1996 = 100)

- SZSE composite index (base April 3, 1991 = 100)

- SZSE-40 index (base July 20, 1994 =1000)

Definition

The share price index measures changes in the share prices of all companies listed on the Stock Exchange.

Collection

Data are collected from Stock Exchanges.

Calculation

Both indices that are current weighted (Paasche) indices. Changes in share prices are weighted by the value of daily transactions.

12.5   Exchange rates: US dollar exchange rate

Source agency

The State Administration of Foreign Exchange (SAFE)

Dissemination formats

- Publication
  News release: Xinhua News Agency and other mass media
  Annual*: SAFE Annual Report* (Chinese and English)

- Internet: www.safe.gov.cn (Chinese and English), www.pbc.gov.cn (Chinese and English).

Periodicity

Daily and monthly

Unit of measurement

Yuan / US Dollar

Definition

The exchange rate arrangement is a managed floating system. The People's Bank of China (PBC) quotes spot rates of the Yuan (also referred to as RMB or Renmimbi) against U.S. dollars, Japanese yen, and Hong Kong dollars on a daily basis.

The exchange rates quoted by PBC are used as benchmark rates for the following day's foreign exchange transactions, and therefore, are treated as the following date's spot rates. Spot rates are available at 4 p.m. on each trading day and become effective as benchmark rates for the following day at 12 a.m.

Collection

Data are collected from the State Administration of Foreign Exchange.

Calculation

The rates are calculated as a weighted average of exchange rates at which transactions are made at the PBC's Shanghai Foreign Exchange Trade Centre. Exchange rates of RMB against other foreign currencies are calculated by commercial banks based on the cross-rates between rates of RMB against U. S. Dollars and U.S. dollars rates against other currencies in international markets. The exchange rates are expressed in Yuan per 100 foreign currency units.

12.6 Official reserves excluding gold

Source agency

The State Administration of Foreign Exchange (SAFE)

Dissemination formats

- Publication:
  News release: Financial Times (China)
  Annual*: PBC Annual Report* (Chinese and English)

- Internet: www.pbc.gov.cn (Chinese and English).

Series title in national publication

Foreign exchange reserves

Time series data available

Data are available from 1980.

Periodicity

Monthly

Unit of measurement

Million US Dollar

Definition

Foreign exchange reserves (International reserves) are defined as those external assets which are readily available to and controlled by monetary authorities for balance of payments needs and for other purposes. They consist of monetary gold, SDR holdings, reserve position in the IMF, and foreign exchange primarily in the form of (i) securities, (ii) deposits at banks abroad, (iii) repo agreements with non-residents, (iv) inter-bank loans, (v) foreign exchange swaps, and (vi) options. All foreign exchange assets are held by the State Administration of Foreign Exchange (SAFE) on behalf of PBC.

Collection

Data on monetary gold, SDR holdings, and reserve position in the IMF are from PBC's accounting records. Data on foreign exchange are compiled by SAFE based on its accounting records and submitted subsequently to PBC for use in compiling statistics on international reserves.

Calculation

International reserve assets are valued as follows:

- Monetary gold is recorded at acquisition prices in RMB Yuan and converted to U. S. dollars monthly, using end-of-period exchange rate

- IMF-related accounts are valued using end-of-period market exchange rate

- Foreign exchanges are recorded based on an accrual accounting system. Actively traded asset instruments are valued at market prices on a daily basis.

Timeliness

Monthly data on official foreign exchange reserves are disseminated 2 to 4 weeks after the end of the reference month in (China) *Financial Times*; 4-6 weeks in PBC's website after the end of the reference month.

13.   EXTERNAL DEBT

Source agency

The State Administration of Foreign Exchange (SAFE), Capital Account Management Department

Dissemination formats

- Publications:
  News Release of China's External Debt Statistics" through Xinhua News Agency (Chinese)
  SAFE's Annual Report (Chinese and English)

- Internet:
  SAFE's website: http://www.safe.gov.cn (Chinese and English).

Breakdown available

- *Annual and semi-annual news release*
  Outstanding amount of external debt, ratios between long-and-short-term debts (classified by remaining maturity), transactions during the period, and outstanding amounts classified by debtors.

- *SAFE's "Annual Report.*
  Total amount of outstanding external debt classified by type of debtors and type of debts; structure and growth of long-term and short-term external debt; external debts, national economy and foreign exchange income; and flows of external debts, national economy and foreign exchange income (the last two tables include indicators on debt service ratio, ratio of outstanding external debt to foreign exchange income, and ratio of outstanding external debt to GDP).

Time series data available

Data are available from 1980.

Periodicity

Monthly data on external debt are compiled on a confidential basis for internal use only. Semi-annual and annual data are compiled and disseminated to the public twice a year.

Unit of measurement

Million US Dollar

Definition

The amounts of external debt of all types include only amounts that have actually been disbursed and exclude the amounts of debt agreements that have been signed but for which no funds have been disbursed.

Currently, government guaranteed debts are not compiled separately. According to the regulations stipulated in the "Guarantee Law of the People's Republic of China," government agencies and institutions are not allowed to provide guarantees for external debt unless approved by the State Council for loans by foreign government and international organisations.

External debt incurred by government ministries under the State Council includes borrowings of the central government, which are obtained for subsequent on-lending to different levels of local governments and public enterprises.

Coverage

The statistics on external debt cover external debt classified by type of debtors and type of debts.

- The type of debtors includes government ministries under the State Council; domestic banks; domestic non-bank financial institutions; foreign funded financial institutions; foreign investment enterprises; domestic enterprises; leasing companies, and other entities.

- The type of debts includes loans from foreign governments; loans from international financial institutions; loans from foreign banks and other financial institutions; buyer's credits; loans from foreign exporters, enterprises and individuals; securities issued abroad; trade credits; private deposits from overseas; international financial leases, liabilities to be paid with foreign exchange in compensation trade, and other liabilities.

Collection

China's official external debt statistics are based on debt information provided by the Ministry of Finance and other debtors.

Calculation

Data refer to the end of period

Timeliness

Four months after the reference period for semi-annual and annual data on external debt

14. FOREIGN TRADE

Foreign trade statistics cover:

a)   Imports (c.i.f.)

b)   Exports (f.o.b.)

c)   Net trade (f.o.b. - c.i.f.)

Source agency

General Administration of Customs (GAC)

Dissemination formats

- News Release:
  Monthly preliminary trade data are released around 13 days after the reference month through CCTV and Xinhua News Agency, *China Daily, Economic Daily, International Business Daily, Economic Reference, International Trade News.*

- Publications:
  Monthly: China Customs Statistics Monthly (Chinese and English)
  Annual: China Customs Statistics Yearbook (Chinese and English)

Breakdown available

Customs statistics are compiled from the declarations submitted to the Customs by importers and exporters. The statistical information taken from these declarations includes:

- Commodity code and description, quantity, value,

- Partner country (origin, final destination, consignment),

- Type of customs regimes and type of enterprises,

- Individual importer or exporter,

- Domestic destination for imports and place of origin for exports,

- Customs districts of clearance and mode of transport.

Time series data available

Data are available from 1984.

Periodicity

Monthly

Unit of measurement

Million US dollars

Definition

Foreign trade statistics are compiled from custom documents and record physical movements of goods across the frontier. Foreign trade data refer to the value of commodities imported into and exported from the boundary of China. Imports are calculated at c.i.f. while exports are calculated at f.o.b.

- Commodity classification

Since 1992, an 8-digit classification based upon the Harmonized System (HS) is used for collecting and compiling trade statistics. The current statistical nomenclature contains about 7100 8-digit commodity subdivisions: the first six digits correspond to the HS, the 7th and 8th digits are national subheadings established for purposes of tariff, trade statistics or trade policy measures. SITC Rev. 3 is used for trade analysis. During 1980-1991, customs statistics were classified using a 6-digit classification based upon SITC Rev. 2.

- Partner classification

Before 1994, Chinese import-export statistics used the trading-country principle. Imports were attributed to the country from which they came into China and exports were attributed to the first country to which they were exported. This was found to be an adequate recording system for foreign trade statistics under a planned economic system. However, following the establishment of a market economy, the weakness of this trading-country principle became more obvious. From 1994, Chinese foreign trade statistics were changed so that imports were recorded by country/region of origin and exports by the country/region of final destination.

The country/region of origin refers to the country or region in which goods have been grown, mined or manufactured. If two or more countries were involved in the manufacture of the products, the place where the last substantial processing was carried out will be recorded as the country of origin. If the country of origin cannot be ascertained, the imports will be recorded as "country unknown".

The country/region of destination refers to the country or region in which the goods are to be consumed, utilised or further processed or manufactured. In instance where the country of destination cannot be ascertained, exports will be credited to the final country of destination as known at the time of exportation. The country of consignment for imports or exports is also recorded as additional information.

Coverage

Geographical coverage: The statistical territory of merchandise trade statistics coincides with the customs territory of the People's Republic of China (PR China), excluding the customs territories of Hong Kong and Macao Special Administrative Regions and Taipei Province of China.

Commodity coverage: Foreign Trade Statistics of China comprise all merchandise passing through Chinese customs territory.

They include:

- Goods from abroad entering customs warehouses, bonded areas or special economic zones (SEZ) and goods leaving above-mentioned areas to abroad;

- Goods for inward or outward processing or assembling and subsequent re-exportation or re-importation;

- Goods on lease for one year or more; goods imported or exported by foreign-invested enterprises; international aids or donations, etc.

Foreign Trade Statistics of China do not cover:

- Goods in transit through China

- Goods in resale abroad

- Temporary imports or exports

- Goods on lease for less than one year

- Export/import goods for use of Chinese/foreign embassies and consulates

- Returned inward/outward goods

- Goods of traveller's personal effects

- Goods procured in ports by carriers (such as fuels, provisions, stores, and supplies)

- Condemned smuggled goods

- Monetary gold and coins being legal tender

Collection

The foreign trade statistics have been collected by General Administration of Customs (GAC) since the resumption of customs statistics in 1980. Each customs office submits through a hierarchical reporting system to GAC the relevant data collected on the reporting form known as the "customs declaration of export-import goods of the People's Republic of China" reported by enterprises. The GAC is responsible for final processing and summarisation of the data. Now, the telecommunication system is used to allow each customs office to transfer the data directly to GAC and GAC processes the export and import statistic data of the whole nation immediately. This super-summarisation method increases the efficiency of the data application significantly.

Calculation

Imports are valued on a CIF basis and exports on a fob basis. Imports and exports are recorded on the date when the goods are cleared from Customs.

Timeliness

Data are published 18 days after the end of the reference months.

15.   BALANCE OF PAYMENTS

This field of statistics comprises:

a)   Current balance

b)   Capital and financial balance

c)   Changes in reserve assets

d)   Net errors and omissions

Source agency

State Administration of Foreign Exchange (SAFE)

Dissemination formats

- News Release:
  Xinhua News Agency, *Financial Times*, *China Finance*, major television stations and other news media in China.

- Publications:
  Annual: SAFE's Annual Report (Chinese and English)
  SAFE' Balance of Payments Annual Report (Chinese and English) Gazette of State Administration of Foreign Exchange (Chinese)

- Internet: SAFE's website: http://www.safe.gov.cn

Breakdown available

See "Definition" below.

Time series data available

Annual data are available from 1982.

Periodicity

Balance of payments data are compiled on a quarterly basis, but not disseminated to the public. Semi-annual (January-June) and annual (January-December) balance of payments data are compiled and disseminated twice a year.

Unit of measurement

Thousand US Dollars

Definition

The balance of payments statement covers in principle all transactions by residents in China with non-residents. The concept of residence and non-residence is identical to that used in the IMF's *Balance of Payments Manual*, fifth edition (*BPM5*).

The main components include:

- Current account: goods; services and income; and current transfers

- Capital and financial account: capital account (capital transfers and acquisition/disposal of non-produced, non-financial assets), and financial account (direct investment, portfolio investment, and other investment)

- Changes in reserve assets

- Net errors and omissions

Coverage

- *Geographical coverage:* The geographic territory of reference is the territory of China, excluding Hong Kong and Macao Special Administrative Regions and Taiwan Province of China.

- *Transaction Coverage:* The balance of payments covers in principle all transactions by residents in China with non-residents. However, the quality of data can be enhanced in the following areas: (a) measuring certain items under the current account, such as processing fee, travel expenditure, etc., and (b) measuring certain detailed components under foreign direct investment, and measuring trade credits under other investment.

Data are collected mainly by the international transactions reporting system (ITRS) introduced by the SAFE in January 1996. Export and import statistics are from Customs, and external debt statistics are from SAFE, and other statistics from relevant agencies. This data collection system, which is based on information drawn from bank transaction records, is also supplemented with surveys to collect data on travel, direct investment, and portfolio investment, as well as transactions of financial institutions.

Conversion to the U. S. dollars

When the balance of payments statement is compiled in U.S. dollars, most transactions in other currencies are converted to U.S. dollar equivalents using the statistical conversion rates. Data on foreign exchange reserves are based on data obtained from the People's Bank of China (the central bank of China).

Valuation

Transactions are valued at market prices where they are available, and mostly at face value for debt instruments. Exports of goods are valued on a f.o.b. basis. Imports data from Customs are on a c.i.f. basis, and an adjustment factor of five percent is applied to obtain an f.o.b. valuation.

Time of recording

Exports and imports are recorded at the time the goods cross the customs border. Other balance of payments transactions are recorded on an accruals basis.

Timeliness

Semi-annual balance of payments data are disseminated within four to five months after the end of the reference period. Annual balance of payment data are disseminated within five to six months after the end of the reference period.