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### **Premier Wen: China has confidence to ensure fast, sound economic growth**

DATE: 2008/09/28

TIANJIN, Sept. 27 (Xinhua) - China has full confidence and capability to overcome various difficulties to ensure sound and fast economic growth for an even longer period of time, said Premier Wen Jiabao on Saturday.

Addressing the opening ceremony of the 2008 Summer Davos Forum in the north China port metropolis of Tianjin, Wen said China is in the stage of rapid industrialization and urbanization, and has huge potential for economic growth. The important period of strategic opportunities for China's development will last quite a long time.

Despite the heavy snow and sleet storms and the devastating earthquake and a complex situation both at home and abroad the nation faced, China have overcome difficulties one after another and maintained the momentum of steady economic growth.

"There are many favorable conditions for China to maintain sustained and fast growth, such as abundant supply of labor and capital as well as huge potential of increased domestic consumption and investment demands, vast market and more competitive and dynamic enterprises," said Wen.

The demands for investment, consumption and export are growing in a more balanced way. The economic fundamentals in China remain unchanged and the economy is moving in the direction envisaged in the macro-economic control policy, he added.



Chinese Premier Wen Jiabao delivers a speech at the opening ceremony of the second Annual Meeting of the New Champions organized by the World Economic Forum at Tianjin Binhai Convention and Exhibition Center in north China's Tianjin Municipality, Sept. 27, 2008. (Xinhua/Ma Ping)



The second Annual Meeting of the New Champions organized by the World Economic Forum is officially opened at Tianjin Binhai

Source: China Textile Network Company

added.

Convention and Exhibition Center in north China's Tianjin Municipality, Sept. 27, 2008.(Xinhua/Ma Ping)

The two-day forum, also known as the New Champions 2008, has attracted about 1,400 participants from nearly 90 countries and regions, including business elite and senior officials, to discuss topics about the theme "The Next Wave of Growth".

Source: Xinhua

## China's economy in good shape despite global financial chaos

DATE: 2008/09/28

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TIANJIN, Sept. 27 (Xinhua) - China's economy was in good shape and capable of maintaining financial stability despite global chaos, Liu Mingkang, chairman of the China Banking Regulatory Commission (CBRC), said on Saturday.

Liu made the remarks at the ongoing 2008 Summer Davos forum, also known as the Annual Meeting of the New Champions 2008, which kicked off on Saturday in the north China metropolis of Tianjin.

Though feeling gloomy about the outlook of the world economy, most attendees were confident about China's economic prospects.

"China has full confidence and capabilities to ensure sound and fast economic growth for a long period of time," Premier Wen Jiabao said at the opening ceremony.

Klaus Schwab, founder and executive chairman of the World Economic Forum, said China is still a fast growing economy and may lead the world economy in the future.

But for now, as the financial market globalizes, no country could escape the financial crisis, Liu said.

He forecast the annual economic growth would slow to between 9 percent or 9.5 percent, as falling consumer spending in Europe and the United States cut export demands. China's economy expanded 11.9 percent last year.

"This is not a bad thing for China," Liu said, "China needs not only speed, but also quality."  
"We had more room to boost growth as consumption and investment demands could make up for the falling exports," Liu said.

Speaking about the U.S. government's 700 billion dollar bailout package, Liu said, it would boost market confidence, but not enough for a cure.

He compared the proposed rescue plan to convenient "fast food", and said "slow and fine-cooked food" was what the world needs.

According to William R. Rhodes, Senior Vice-Chairman of Citigroup, the People's Bank of China, the country's central bank, was working closely with the U.S. Federal Reserve on a series of measures to contain the impact of financial crisis. CBRC was also in close consultation with the Fed.

Source: Xinhua

## Producers' Price Index (PPI) for Manufactured Goods Increased in August

DATE: 2008/09/26

In August, Producers' Price Index (PPI) for manufactured goods up by 10.1 percent from the same month last year; purchasing prices for raw material, fuels and power rose by 15.3 percent.

PPI for means of production increased 12.0 percent over last June. Of the total, PPIs for mining and quarrying industry increased 35.1 percent; that for raw materials industry and machining industry correspondingly up by 14.4 and 7.9 percent; that for means of consumer goods grew 4.0 percent. Of which, price for foodstuff increased 7.4 percent; that of clothing and commodities rose 2.4 and 4.3 percent, while that for durable consumer goods dropped 0.4 percent.

In terms of different categories:

PPI for crude oil increased 38.2 percent, year-on-year. The prices for oil products, such as gasoline, diesel and kerosene increased 33.7, 22.1 and 36.1 percent respectively.

PPI for polystyrene grew 0.6 percent compared with the same month a year ago; that of latex up by 40.8 percent; and that of terylene declined by 1.5 percent, year-on-year.

PPI for mining and washing of coal industry was up by 39.0 percent from last August. Of which, PPI for crude coal increased 38.3 percent.

PPI for smelting and pressing of ferrous metals grew 29.9 percent from the same month last year. Of which, PPIs for ordinary small, medium, and large rolled-steels, wire rod and heavy steel plate correspondingly increased 33.5, 45.5, 38.2, 43.9 and 30.8 percent, year on year.

PPI for smelting and pressing of nonferrous metals down by 2.3 percent, year-on-year. Of the total, aluminum, copper, lead and zinc was declining 0.8, 1.4, 9.3 and 29.4 percent respectively.

In addition, wherein the purchasing price for raw materials, fuels and power products, the price for fuel and power, nonferrous metal materials, ferrous metals, and chemical materials increased 30.9, 26.6, 0.7 and 9.2 percent respectively, year-on-year.

From January to August, PPI grew 8.2 percent, year-on-year; the purchasing price for raw materials, fuels and power products increased 12.2 percent.

Source: CNTEX

## Industrial Profit Shot up From January to August

DATE: 2008/09/26

From January to August, the industrial enterprises above designated size (all state-owned enterprises and non-state-owned enterprises with an annual sales over 5 million yuan, same as follow) reached 1868.5 billion yuan, rose by 19.4 percent over the same period of the previous year.

Among the industrial enterprises that above designated size, the profits made by state-owned and state-controlled enterprises achieved 677.0 billion yuan, increased 0.7 percent year-on-year; that of collective-owned enterprises was 50.2 billion yuan, up by 36.0 percent; that of joint-stock cooperative enterprises reached 11.7 billion yuan, jumping 18.9 percent; that of share-holding enterprises gained 1051.5 billion yuan, up by 25.9 percent; that of foreign funded enterprises, and enterprises funded from Hong Kong, Macao and Taiwan achieved 499.3 billion yuan, increased 14.3 percent; and that of private enterprises reached 389.2 billion yuan, rose by 48.6 percent.

Within 39 branches of industry, the profits of extraction of petroleum and natural gas up by 54.7 percent, that of coal mining industry, steel industry, chemical industry, architectural materials industry, manufacture of special purpose machinery industry, manufacture of transport equipment, manufacture of electronic communication equipment grew by 142.8, 31.5, 32.0, 40.3, 20.2, 35.1 and 18.2 percent respectively, year-on-year. While that of the profits of electric power industry, smelting and pressing of nonferrous metals industry, manufacture of chemical fibers declined 81.6, 7.4 and 47.1 percent respectively, processing of petroleum and coking industry turned to get net loss of 96.1 billion yuan from profits gains of 32.3 billion yuan from of last year.

The total volume of tax contributed by industrial enterprises above designated size was 1329.6 billion yuan, a year-on-year increase of 26.7 percent.

The main income for industrial enterprises above designated size reached 31645.4 billion yuan, increased 29.0 percent over the same period of the previous year.

By the end of August, the total volume of net receivable for industrial enterprises above designated size amounted to 4315.4 billion yuan, a year-on-year increase of 16.0 percent. The total value of finished products for industrial enterprises was 2207.1 billion yuan, rose by 28.5 percent.

Source: CNTEX

## **INVISTA to build a Textile Research Center in Shanghai**

DATE: 2008/09/26

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INVISTA announced building a new research facility in Mainland China to further strengthen its ability to anticipate and address market demand for innovations in fiber and fabric applications.

The INVISTA China Textile Research Center, to be built in Qingpu District of Shanghai, will be a state of art commercial textile research center in Mainland China. It is expected to commence operations in May 2009 and is designed to serve customers in Mainland China and the rest of the Asian region.

The facility will be INVISTA's third textile research center in the world, with the other two in the U.S. and Taiwan.

"The establishment of the INVISTA China Textile Research Center demonstrates our commitment to the China and Asia markets," said Dr. Eric Chang, Asia technology director of INVISTA Apparel.

"Through developing the latest technologies in fiber and fabric applications, INVISTA's new research center is expected to not only help accelerate the advancement of the textile industry but also seek to align with the Chinese Government's goals to nurture high-value and innovative technologies and industries."

Focusing on application and commercialization of new fiber and fabric, the center is expected to offer comprehensive and innovative solutions to customers for every major aspect of the production process, ranging from yarn processing, knitting, dyeing to finishing.

The proximity of the center to customers' operations is anticipated to boost their confidence in the development and application of new fabrics. Customers should also benefit by enjoying cost savings in research and development.

With a planned floor area of over 3,000 square meters, the facility will be operated by INVISTA Fiber (Shanghai) Company Limited on the same site as the company's spandex plant in the Qingpu

Source: China Textile Network Company

District.

INVISTA is the world's largest producer of nylon and spandex. Its innovations in the nylon, spandex, polyester and specialty materials industries play an integral part in items that touch people's lives every day.

Source: INVISTA

## Cotton Yarn Trade Contracts in August as Exports Plummet

DATE: 2008/09/25

Chinese Cotton Fabric Export Growth Continues in August...



China extended its position as a larger net importer of cotton yarn in August as plummeting exports offset mildly weaker imports. August shipments out of Chinese ports fell -21.6% from a year earlier, down to 44,452 metric tons, the lowest August in three years. This month marks the ninth time in the last twelve months that volume declined, and marks the largest drop in three and a half years. The precipitous fall eroded the year-to-date gain to only 1.1% from the first eight months of last year, suggesting 2008 shipments may still rise from last year, but at the slowest rate in years. While higher volume this year would reach a new record and mark the ninth annual increase in the last decade, cotton yarn exports may have difficulty reaching 600,000 tons, just below Globecot's earlier forecast here.

...while Erosion in Cotton Yarn Imports Moderates in August



Declines in cotton yarn imports appear to be easing, but remain on track to drop for the second straight year. August shipments slipped -2.1% from a year earlier to 63,102 tons, the thirteenth consecutive month of declines. But this was also the smallest decline over this period, suggesting falling imports are moderating and may be approaching a bottom. Year to date, shipments are down -13.5% from the first eight months of last year to just over 555,000 tons. Globecot models continue to suggest from here that 2008 cotton yarn imports will fall Cbut at a decelerating rate Cto just under 790,000 tons, the lowest volume since 2004.

Source: Globecotnews