

National Economy Made a Good Start in the First Quarter

National Bureau of Statistics of China 2024-04-16

National Bureau of Statistics of China

16 April, 2024

In the first quarter, under the strong leadership of the Central Committee of the Communist Party of China (CPC) with Comrade Xi Jinping at its core, all regions and departments strictly implemented the decisions and arrangements made by the CPC Central Committee and the State Council, adhered to the general principle of seeking progress while maintaining stability, promoting stability through progress and establishing the new before abolishing the old, intensified efforts on macro regulation, gave priority to ensuring stability in expectations, growth and employment, and continued to push ahead with transforming the growth model, making structural adjustments, improving quality and enhancing performance. As a result, the policies continued to take effects, production and demands maintained stable and witnessed an increase, employment and prices were generally stable, market confidence continued to boost, and high-quality development made new progress. The national economy continued the good momentum of rebound, kicking off a good start.

According to preliminary estimates, the gross domestic product (GDP) in the first quarter reached 29,629.9 billion yuan, up by 5.3 percent year on year at constant price, or up by 1.6 percent over that in the fourth quarter of 2023. By industry, the value added of the primary industry was 1,153.8 billion yuan, up by 3.3 percent year on year; that of the secondary industry was 10,984.6 billion yuan, up by 6.0 percent; and that of the tertiary industry was 17,491.5 billion yuan, up by 5.0 percent.

1. Agricultural Production Witnessed Good Momentum and Animal Husbandry Grew Steadily.

In the first quarter, the value added of agriculture (crop farming) witnessed a year-on-year increase of 3.8 percent. The planting area of winter wheat remained stable and a generally good growth was observed. The spring farming and sowing were carried out in an orderly manner. According to the year-round planting intention survey, the planting area intended for rice and corn nationwide increased. In the first quarter, the output of pork, beef, mutton and poultry was 24.90 million tons, up by 1.4 percent year on year. Of this total, the output of pork dropped by 0.4 percent, while that of beef, mutton and poultry grew by 3.6 percent, 0.1 percent and 6.1 percent respectively. The output of milk was up by 5.1 percent and that of eggs up by 1.5 percent. At the end of the first quarter, the number of pigs registered in stock was 408.50 million, down by 5.2 percent year on year; and 194.55 million pigs were slaughtered, down by 2.2 percent in the first quarter.

2. Industrial Production Registered Fast Growth and High-tech Manufacturing Growth Accelerated.

The total value added of industrial enterprises above the designated size grew by 6.1 percent year on year in the first quarter. In terms of sectors, the value added of mining increased by 1.6 percent, that of manufacturing increased by 6.7 percent, and that of production and supply of electricity, thermal power, gas and water increased by 6.9 percent. The value added of high-tech manufacturing increased by 7.5 percent, 2.6 percentage points faster than that of the fourth quarter of 2023. An analysis by types of ownership showed that the value added of state holding enterprises was up by 5.2 percent; that of share-holding enterprises was up by 6.5 percent; that of enterprises funded by foreign investors or investors from Hong Kong, Macao and Taiwan was up by 4.8 percent; and that of private enterprises was up by 5.4 percent. In terms of products, the production of electric vehicle charging facilities, 3D printing devices and electronic components went up by 41.7 percent, 40.6 percent and 39.5 percent year on year respectively. In March, the value added of industrial enterprises above the designated size went up by 4.5 percent year on year, or down by 0.08 percent month on month. In March, the Manufacturing Purchasing Managers' Index stood at 50.8 percent, 1.7 percentage points higher than the previous month. The Production and Operation Expectation Index was 55.6 percent, up by 1.4 percentage points. In the first two months, the total profits made by industrial enterprises above the designated size were 914.1 billion yuan, up by 10.2 percent year on year.

3. Service Sector Enjoyed Sound Momentum of Growth and Modern Services Grew Fast.

In the first quarter, the value added of services went up by 5.0 percent year on year. Specifically, the value added of information transmission, software and information technology services, leasing and business services, transport, storage and postal services, accommodation and catering, and wholesale and retail grew by 13.7 percent, 10.8 percent, 7.3 percent, 7.3 percent and 6.0 percent respectively. In March, the Index of Services Production increased by 5.0 percent year on year. Specifically, the Index of Services Production of information transmission, software and information technology services, leasing and business services and accommodation and catering went up by 12.7 percent, 8.2 percent and 6.2 percent respectively. In the first two months, the business revenue of service enterprises above the designated size grew by 12.0 percent year on year, 3.7 percentage points faster than that of 2023. In March, the Business Activity Index for Services stood at 52.4 percent, 1.4 percentage points higher than that of the previous month. The Business Activity Expectation Index was 58.2 percent. Among which, the Business Activity Index for industries like postal services, telecommunication, broadcast, television and satellite transmission services, monetary and financial services and capital market services were above 60.0 percent.

4. Market Sales Registered Stable Growth and Services Consumption Grew Fast.

In the first quarter, the total retail sales of consumer goods reached 12,032.7 billion yuan, up by 4.7 percent year on year. Analyzed by different areas, the retail sales of consumer goods in urban areas reached 10,428.0 billion yuan, up by 4.6 percent, and that in rural areas stood at 1,604.7 billion yuan, up by 5.2 percent. Grouped by consumption patterns, the retail sales of goods were 10,688.2 billion yuan, up by 4.0 percent; the income of catering was 1,344.5 billion yuan, up by 10.8 percent. Goods for basic living enjoyed good sales, with the retail sales of grain, oil and food and of beverage by enterprises above the designated size up by 9.6 percent and 6.5 percent respectively. The sales of some upgraded goods grew fast. The retail sales of sports

and recreational articles and of communication equipment by enterprises above the designated size grew by 14.2 percent and 13.2 percent respectively. The online retail sales reached 3,308.2 billion yuan, up by 12.4 percent year on year. Specifically, the online retail sales of physical goods were 2,805.3 billion yuan, up by 11.6 percent, accounting for 23.3 percent of the total retail sales of consumer goods. In March, the total retail sales of consumer goods went up by 3.1 percent year on year, or up by 0.26 percent month on month. In the first quarter, the retail sales of services went up by 10.0 percent year on year.

5. Investment in Fixed Assets Went up Steadily and Investment in High-tech Industries Grew Fast.

In the first quarter, the investment in fixed assets (excluding rural households) reached 10,004.2 billion yuan, up by 4.5 percent year on year, 1.5 percentage points faster than that of the previous year; the investment in fixed assets was up by 9.3 percent with the investment in real estate development deducted. Specifically, the investment in infrastructure grew by 6.5 percent; that in manufacturing grew by 9.9 percent; and that in real estate development declined by 9.5 percent. The floor space of new commercial buildings sold was 226.68 million square meters, down by 19.4 percent year on year; the total sales of new commercial buildings were 2,135.5 billion yuan, down by 27.6 percent. By industry, the investment in the primary industry went up by 1.0 percent, that in the secondary industry up by 13.4 percent, and that in the tertiary industry up by 0.8 percent. The private investment went up by 0.5 percent. Deducting the investment in real estate development, the private investment grew by 7.7 percent. The investment in high-tech industries grew by 11.4 percent year on year, of which the investment in high-tech manufacturing and high-tech services grew by 10.8 percent and 12.7 percent respectively. In terms of high-tech manufacturing, the investment in manufacturing of aerospace vehicle and equipment and in manufacturing of computers and office devices grew by 42.7 percent and 11.8 percent respectively. In terms of high-tech services, the investment in e-commerce services and in information services grew by 24.6 percent and 16.9 percent respectively. In March, the investment in fixed assets (excluding rural households) grew by 0.14 percent month on month.

6. Imports and Exports of Goods Grew Steadily and Trade Structure Continued to Optimize.

In the first quarter, the total value of imports and exports of goods was 10,169.3 billion yuan, an increase of 5.0 percent year on year. The total value of exports was 5,737.8 billion yuan, up by 4.9 percent. The total value of imports was 4,431.5 billion yuan, up by 5.0 percent. The trade balance was 1,306.3 billion yuan in surplus. The imports and exports by private enterprises increased by 10.7 percent, accounting for 54.3 percent of the total value of the imports and exports. The imports and exports with the Belt and Road partner countries grew by 5.5 percent, accounting for 47.4 percent of the total value of imports and exports. The exports of mechanical and electrical products grew by 6.8 percent, accounting for 59.2 percent of the total value of exports. In March, the total value of imports and exports was 3,558.0 billion yuan, down by 1.3 percent year on year. The total value of exports was 1,986.9 billion yuan, down by 3.8 percent; that of imports was 1,571.0 billion yuan, up by 2.0 percent.

7. Consumer Price was Generally Stable and Producer Prices for Industrial Products Dropped.

In the first quarter, the consumer price index (CPI) maintained the same level year on year. Grouped by commodity categories, prices for food, tobacco and alcohol went down by 1.7 percent; clothing up by 1.6 percent; housing up by 0.2 percent; articles and services for daily use up by 0.8 percent; transportation and communication down by 1.4 percent; education, culture and recreation up by 2.3 percent; medical services and health care up by 1.4 percent; and other articles and services up by 2.9 percent. In terms of food, tobacco and alcohol prices, the price for fresh fruit went down by 7.3 percent, pork down by 7.0 percent, fresh vegetable down by 3.9 percent and grain up by 0.4 percent. The core CPI excluding the prices of food and energy grew by 0.7 percent year on year. In March, the CPI went up by 0.1 percent year on year, or down by 1.0 percent month on month.

In the first quarter, the producer prices for industrial products went down by 2.7 percent year on year. Specifically, the prices in March dropped by 2.8 percent year on year, or down by 0.1 percent month on month. In the first quarter, the purchasing prices for industrial producers went down by 3.4 percent year on year; specifically in March, the prices dropped by 3.5 percent year on year, or down by 0.1 percent month on month.

8. Employment was Generally Stable and Surveyed Unemployment Rate in Urban Areas Declined Mildly.

In the first quarter, the urban surveyed unemployment rate averaged 5.2 percent, down by 0.3 percentage points over that of the same period last year. In March, the surveyed unemployment rate in urban areas was 5.2 percent, 0.1 percentage points lower than that of the previous month and that of the same month last year. The surveyed unemployment rate of population with local household registration was 5.3 percent and that of population with non-local household registration was 5.1 percent, of which, the rate of population with non-local agricultural household registration stood at 5.0 percent. The urban surveyed unemployment rate in 31 major cities was 5.1 percent. The employees of enterprises worked 48.6 hours per week on average. By the end of the first quarter, the number of rural migrant workers totaled 185.88 million, up by 2.2 percent year on year.

9. Residents Income Increased Steadily and Income of Rural Residents Grew Faster than That of Urban Residents.

In the first quarter, the nationwide per capita disposable income of residents was 11,539 yuan, a nominal growth of 6.2 percent year on year; the real growth was 6.2 percent after deducting price factors. In terms of permanent residence, the per capita disposable income of urban households was 15,150 yuan, a nominal growth of 5.3 percent year on year and a real growth of 5.3 percent; the per capita disposable income of rural households was 6,596 yuan, a nominal growth of 7.6 percent year on year and a real growth of 7.7 percent. In terms of income source, the nationwide per capita salary income, net business income, net property income and net income from transfers grew by 6.8 percent, 6.8 percent, 3.2 percent and 4.8 percent in nominal terms respectively. The median of the nationwide per capita disposable income of residents was 9,462 yuan with a nominal growth of 6.4 percent year on year.

Generally speaking, in the first quarter, the national economy made a good start with positive factors amassing, laying a strong foundation for achieving the

annual development targets. However, we should be aware that the external environment is becoming more complex, severe and uncertain, and the foundation for stable and sound economic growth is not solid yet. At the next stage, we must follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implement the spirits of the Central Economic Work Conference and the “Two Sessions” (National People’s Congress and Chinese People’s Political Consultative Conference), and adhere to the principles of pursuing progress while ensuring stability, promoting stability through progress and establishing the new before abolishing the old. We should fully and faithfully apply the new development philosophy on all fronts, accelerate the efforts to create a new pattern of development, strive to promote high-quality development, actively cultivate and develop new quality productive forces, and strengthen the implementation of macro policies. We must effectively boost economic vitality, prevent and defuse risks, improve public expectations, consolidate and enhance the momentum for economic recovery and growth, and continue to effectively pursue higher-quality economic growth and appropriately increase economic output.

Notes:

1. The growth rate of GDP and its sub-items are calculated at constant prices. The growth rates of value added of industrial enterprises above designated size and its sub-items are calculated at comparable prices. Both are real growth rates. The growth rates of other indicators are nominal growth by using current prices unless otherwise specified.

2. According to the auto-revision function of the seasonal adjustment model, revisions are made to quarter-on-quarter growth of GDP and to month-on-month changes of the value added of industrial enterprises above designated size, investment in fixed assets (excluding rural households), and total retail sales of consumer goods. The revised figures, quarter-on-quarter GDP growth for the first quarter of 2024 and month-on-month changes of other indicators for March 2024 are as follows:

The quarter-on-quarter growth of GDP in 2023 and in the first quarter of 2024 are 1.8 percent, 0.5 percent, 1.8 percent, 1.2 percent and 1.6 percent respectively.

Month-on-Month Growth Rate of Other Indicators

	Value Added of Industrial Enterprises above Designated Size (%)	Investment in Fixed Assets (Excluding Rural Households) (%)	Total Retail Sales of Consumer Goods (%)
March, 2023	0.64	-0.37	1.02
April	-0.32	-1.00	1.07
May	0.77	1.01	0.16
June	0.76	-0.15	0.01
July	0.13	-0.03	-0.05
August	0.61	0.45	0.78
September	0.41	0.27	0.49
October	0.42	0.29	0.52
November	0.87	0.46	0.01
December	0.41	0.35	0.14
January, 2024	0.93	0.16	0.03
February	0.40	0.62	0.01

3. Industrial enterprises above designated size are industrial enterprises with annual revenue from principal business over 20 million yuan.

As industrial enterprises above the designated size change every year, to ensure the data comparability between years, the coverage of the data of the same period last year used for estimating year-on-year growth rates like that of products output, are as consistent as possible with the current period and different from the coverage of the data published last year. The main reasons are as follows: First, the statistical units change. Every year, some enterprises are included in the survey as they meet the threshold, while some enterprises are removed from the survey because of downsizing. Besides, enterprises that have newly gone into operation, been bankrupted, canceled their registrations or had their business licenses revoked also cause impact. Second, duplicated outputs across regions of enterprise groups have been removed based on the ad hoc surveys since duplication is found in the products output of some enterprise groups.

4. The Index of Services Production is the change of production in the reporting period compared to the base period with the price factors deducted.

5. The scope of the total retail sales of consumer goods include all legal entities, establishments and self-employed individuals involved in retail trades or providing catering services. Specifically, businesses above the designated size include wholesale enterprises (businesses, self-employed individuals), retail enterprises (businesses, self-employed individuals) and lodging and catering enterprises (businesses, self-employed individuals) with annual revenue from principal business over 20 million yuan, 5 million yuan and 2 million yuan respectively.

As the wholesale, retail, and lodging and catering enterprises (businesses, self-employed individuals) above the designated size change every year, to ensure the data comparability between years, the coverage of the data of the same period last year used for estimating year-on-year growth rates like that of the retail sales of consumer goods by businesses above the designated size is consistent with the current period and different from the coverage of data published last year. The main reasons are: some enterprises (businesses, self-employed individuals) are included in the survey as they meet the threshold, while some enterprises (businesses, self-employed individuals) are removed from the survey because of downsizing every year. Besides, enterprises (businesses, self-employed individuals) that have newly gone into operation, been bankrupted, canceled their registrations or had their business licenses revoked also cause impact.

Online retail sales refer to the retail sales of goods and services realized through internet trading platforms (including self-built websites and third-party platforms). Goods and services include physical goods and non-physical goods (e.g. virtual goods and services).

The total retail sales of consumer goods include the online retail sales of physical goods, but not the non-physical goods.

6. The retail sales of services refer to the total value of services directly provided by enterprises (establishments, self-employed units) to individuals and other units for

non-production and non-operating purposes in the form of transactions. It aims to reflect the value of services with the nature of consumption sold by service providers in monetary terms, including the retail sales of services in transportation, accommodation, catering, education, health, sports, entertainment, and other fields.

7. The growth rates of investment in fixed assets are calculated on a comparable basis.

8. Data of imports and exports are from the General Administration of Customs.

9. Employed people refer to people aged 16 and above who have the ability to work and engage in gainful employment for remuneration payment or business income.

10. The median of the nationwide per capita disposable income of residents refers to the per capita disposable income of households which lies in the middle of all surveyed households ranked from low to high on the basis of per capita disposable income level.

11. Due to the rounding-off reasons, the subentries may not add up to the aggregate totals.

In case of any differences between English translation and the original Chinese text, the Chinese edition shall prevail.