



China's export growth jumps in positive sign for demand

By: Zheping Huang | Mar 06 2024 at 10:07 PM | [International Trade](#)

China's exports grew much faster than expected in the first two months of 2024 in an early, encouraging sign for demand as the world's second-largest economy tries to find its footing.

Overseas shipments in US dollar terms rose 7.1% in the January-February period from a year earlier, well above the 1.9% forecast by economists in a Bloomberg survey. The uptick was also much better than December's gain of 2.3%. Imports grew 3.5%, leaving a surplus of \$125.2 billion.

China's trade has come under pressure within the last year as weak demand from many of its major trading partners and geopolitical tensions weigh on the country's ability to mount a sustained turnaround. Trade data for the first two months of the year is typically combined to avoid distortions from the Lunar New Year holiday.

At a Wednesday briefing in Beijing on the sidelines of the National People's Congress, Commerce Minister Wang Wentao told reporters that China still sees "a very grim outlook for trade this year" because of declining demand overseas. He added, though, that the nation's export products are "moving up the value chain."

Beijing is targeting economic growth of around 5% this year — an ambitious goal that so far has been met with skepticism as economists suggest more policy support is needed to hit that goal, given the property crisis and deflation. People's Bank of China Governor Pan Gongsheng on Wednesday hinted at a potential liquidity boost, saying there's still room to cut the reserve requirement ratio for banks.

Persistent pressures from deflation have made Chinese exports cheaper for foreign consumers — but that's also dragged down their value. An index of export prices in October hit the lowest in data going back to 2006. Last year, the exports posted their first full-year decline since 2016.