



Video transcript

China manufacturing PMI – October 2012

China's manufacturing industry enjoyed an improvement in trading conditions during October, with the latest HSBC Purchasing Managers' Index™ coming in at 49.5 – up from 47.9 the previous month.

The upward swing was in part thanks to a rise in new orders – the first increase for a year.

Although the rate of contraction slowed in October, the figure of 49.5 still represents the 12th month in a row in which the industry has shrunk.

Qu Hongbin, HSBC's Chief Economist for Greater China, believes the latest figures show China's industrial activity is bottoming out, and further policy easing will help the recovery.

[Quote in text on screen]: “We expect a continuation of policy easing to further boost domestic demand and counterbalance the external weakness, leading to a gradual growth recovery in the coming quarters.”