

《上半年中国工业利润上升22%》

China's industrial profits up 22% in H1



Workers install solar panels in Golmud, Qinghai province. [Photo/Xinhua]

BEIJING — China's major industrial firms posted increased profit growth in June, official data showed Thursday.

Profits of major industrial firms rose 19.1 percent year-on-year last month, up on May's 16.7 percent, the National Bureau of Statistics (NBS) said in a statement.

NBS statistician He Ping attributed the growth to strong production and sales, as well as reduced raw material costs.

In H1, industrial companies with annual revenue over 20 million yuan (about \$3 million) reported total profits of more than 3.6 trillion yuan, 22 percent more than the same period in 2016.

Supply-side structural reform helped hi-tech equipment manufacturing contribute more to the growth, He said.

Equipment manufacturing took a 40.7-percent share of industrial profits in June, up 11.3 percentage points on May, while the mining industry accounted for 22.1 percent, down 13.4 percentage points.

In the January-June period, companies also reported healthier balance sheets. The average collection period for accounts receivable decreased from 38.1 days a year earlier to 37 days.

The corporate leverage ratio continued to decline. Debt-asset ratios of major industrial firms dropped 0.8 percentage points year-on-year to 55.9 percent.

Despite a general improvement, He warned of rising financing costs. In June, expenses rose 9.7 percent year-on-year, up 4.6 percentage points from May.

The industrial sector, which accounts for about a third of China's GDP, started to pick up last year after a bad 2015.

