

《Li : tuning and targets to keep China on track》

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Premier Li Keqiang said China will target "prominent problems" in the economy and precisely and appropriately fine-tune policies in a timely manner to keep it running within a reasonable range.

An optimal combination of policy tool will be used in macroeconomic control, and China will focus more on "targeted adjustment" — instead of big stimulus — to achieve the annual growth target of about 7.5 percent, he said on Tuesday.

"China's economy, after the high-speed expansion of three decades, still has the conditions and the ability to leap over the middle-income trap and keep the economy moving at an intermediate and high speed for a longer period of time," he said.

Li made the remarks when addressing the biennial conference of the country's two top research bodies, the Chinese Academy of Sciences and Chinese Academy of Engineering.

Li said China's economic situation is "generally stable" and major economic indicators are within the reasonable range. "Positive signs are showing in economic restructuring and market expectation is rising."

China must have "firm confidence and composure" to maintain the current macroeconomic stance, using a combination of proactive fiscal policy and prudent monetary policy, he stressed.

Li said the country still has great potential for development and strong resilience, considering the people's longing for a better life, an ever-growing domestic market and industrialization.

Liu Ligang, chief Greater China economist at Australia & New Zealand Banking Group in Hong Kong, told Bloomberg News that the so-called mini-stimulus is helping stabilize the economy.

Lu Ting, head of Greater China economics at Bank of America Corp in Hong Kong, said the government is likely to "step up targeted measures", such as the reserve-ratio cut for qualified banks, while resisting calls for bigger steps including cutting benchmark interest rates and reserve ratios for all banks.

China will increase the strength and frequency of policy fine-tuning to lend more support to rural sector and small firms, Xinhua News Agency reported.