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China: Three things in China

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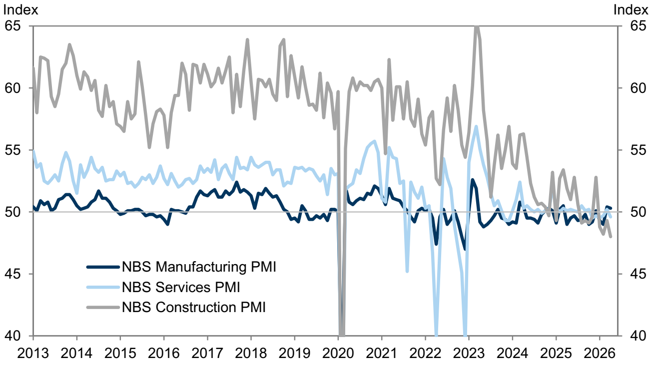
Three quick highlights from China:

- **April Politburo meeting recap:** Policymakers expressed satisfaction with year-to-date economic growth, describing key indicators as "better than expected." As a result, cyclical policies will concentrate on risk management and effective implementation. Structural priorities—such as AI, "anti-involution," and urban renewal—were reaffirmed. Efforts to boost consumption will likely focus on the supply side rather than the demand side, as policymakers pledged to "expand the supply of high-quality goods and services" to promote consumption.

- **April PMIs mixed:** Both the official NBS and non-official RatingDog manufacturing PMIs exceeded expectations (NBS: 50.3 vs. 50.1 consensus; RatingDog: 52.2 vs. 51.0 consensus). However, the NBS non-manufacturing PMI was below market expectations (49.4 vs. 49.8 consensus). Before 2024, the NBS construction PMI consistently outperformed the NBS manufacturing PMI. In contrast, this trend reversed in 2026, highlighting a structural shift from construction to manufacturing.

NBS construction PMI feel below manufacturing PMI in 2026



Source: Haver Analytics, Goldman Sachs Global Investment Research

- **Property market update:** The April Politburo meeting on April 28 stated to "make efforts to stabilize the property market". We do not believe this signals major nationwide property easing. Instead, the central government will continue to let cities tailor easing measures to local conditions. On April 29, Shenzhen announced relaxed home purchase restrictions. Given stronger fundamentals and more local easing, we expect Shanghai and Shenzhen to lead property market stabilization among top-tier cities.

Recent GS China macro research

Forecast revision and thematic research:

China: Industrial profits rose slightly in March; Raising our 2026/27 PPI forecasts, 27 April 2026

China Matters: Stability Premium, 24 April 2026

Data comments and trackers:

China: Trade Dashboard 2026Q1: Both export and import volume growth accelerated, 1 May 2026

China Economic Activity and Policy Tracker: April 30, 30 April 2026

Asia-Pacific Inflation Monitor: Early impact of the energy price shock, 30 April 2026

China: Manufacturing PMIs mixed, but continue to show inflation pressures; official non-manufacturing PMI ties post-Covid low, 30 April 2026

GS China Econ Proprietary Indicators: April, 28 April 2026

China: April Politburo meeting stresses stability amid external uncertainty, 28 April 2026

China: Fiscal revenue growth accelerated in March, while expenditure growth slowed, 24 April 2026

China Consumer Dashboard: 2026Q1: Household spending showed divergence, 22 April 2026

Team presentation materials and webinar replays:

Macro & Strategy | Global Macro, Activity Data, Market Views (in Mandarin), 27 April 2026

GS China Economic Outlook: April 2026 [Presentation], 1 May 2026

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