

Reports of property easing lift listed firms

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Construction workers at a housing development in Shunyi district in Beijing. Fu Ding / For China Daily

Central govt said to adopt unwritten rule leaving curbs to local discretion

Market reaction to reports that China will ease property curbs in most cities has underscored the depth of anxiety over the danger of a plunge in the housing market, one of the economy's biggest growth engines.

The Guangzhou-based weekly newspaper Southern Weekend reported on Thursday that except for the four largest cities (Beijing, Shanghai, Guangzhou and Shenzhen), cities will be allowed to "adjust" housing control policies as they see fit.

The shares of China Vanke Co and Poly Real Estate Group Co advanced more than 3 percent on Friday, while the Shanghai property sub-index climbed 2.1 percent for the biggest gain in a month. The Shanghai Composite Index was up 0.7 percent.

Greentown China Holdings Ltd and China Overseas Land and Investment Ltd jumped more than 5 percent each in Hong Kong.

Citing a source close to the Ministry of Housing and Urban-Rural Development, the China Securities Journal said that the easing of purchase restrictions has become unwritten policy.

"The curb (on purchases) was a temporary measure that inevitably had to end. The specific timing depended on market conditions," the source was quoted as saying.

The ministry didn't respond to China Daily's request for comment.

The ministry and other regulators involved in the sector haven't publicly commented on moves by a few cities to ease local curbs. Some second- and third-tier cities such as Nanning in the Guangxi Zhuang autonomous region, Wuxi in Jiangsu and Wuhu in Anhui have eased curbs.

They used a variety of methods, such as granting household registration (*hukou*) to buyers or offering subsidies. These moves occurred after the Lunar New Year, when sales began to slump and prices weakened.



Home prices spurring a panic or patience?



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