

Money

Bank regulator to curb speculative property investment

(Xinhua)

Updated: 2010-09-01 10:22

BEIJING - China's banking regulator will strictly implement the central government's macroeconomic policies that aim to curb soaring housing prices, an official said Tuesday.

Ye Yanfei, deputy head of the Statistics Department of the China Banking Regulatory Commission (CBRC), said the CBRC will restrain speculative property investment and support the building of affordable housing while controlling risk.

China's housing market and lending to the property sector are crucial to the national economy and people's livelihood, as well as to the stable and steady development of the nation's banking sector, Ye said at a seminar in Beijing.

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Ye's remarks come after the banking regulator said it would further "instruct and monitor" commercial banks' efforts to strengthen the management of lending to home-buyers.

Ye's comments echo those of Zhang Ping, director of the National Development and Reform Commission, who said last Thursday in a report to China's top legislature the government will "further implement the measures meant to curb excessive gains in housing prices and resolutely restrain speculative property investment in the second half the year."

Ye also said the CBRC has pushed lenders to test the impact of falling house prices, although the regulator said earlier that hypothetical scenarios examined in stress tests do not herald any change in policy

Housing prices in major Chinese cities rose 10.3 percent year on year in July, slower than the 11.4 percent growth rate in June, according to official figures.

On a monthly basis, housing prices in June fell 0.1 percent from May and July prices were unchanged from June.