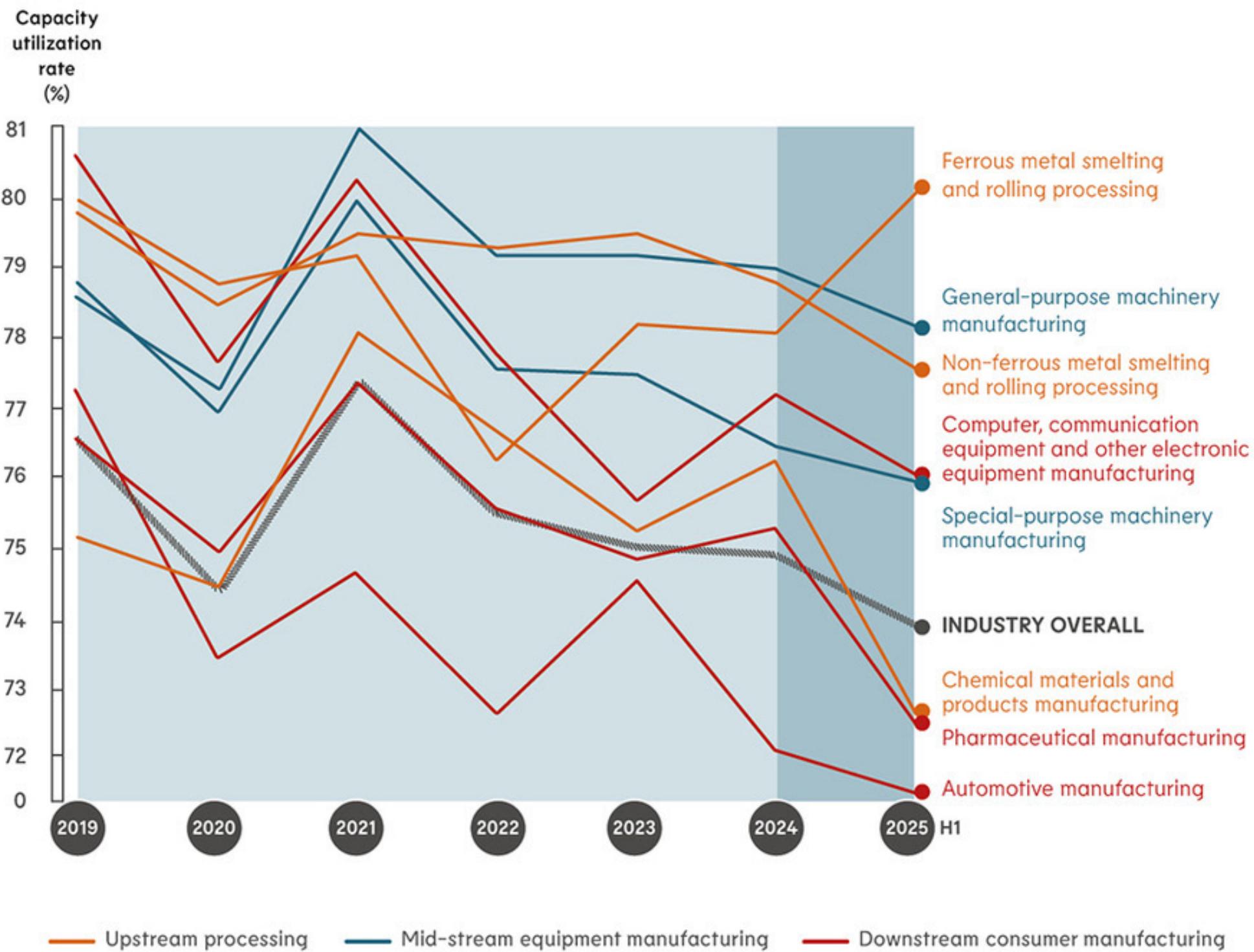


Capacity challenge: Downstream sectors struggle to regain ground



Weekly Facts & Figures.

- **Industrial slowdown:** China's capacity utilization in key industries has fallen to multi-year lows.
- **Regulatory action:** NDRC and MIIT are introducing stricter pricing and quality rules to curb "disorderly competition" and promote quality-focused growth.
- **Structural challenge:** Without deep reforms, overcapacity cycles are expected to persist despite targeted measures.

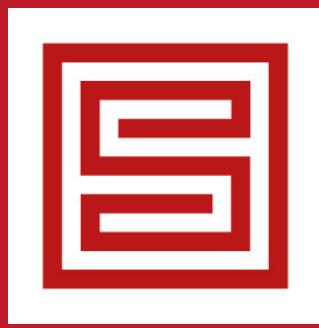
What This Means.

"China promises to address overcapacity and price competition, yet structural reforms remain to be observed."



Jingwen Tong

Director



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