



Pearl River Delta

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UnicView Insight

Pearl River Delta

The Pearl River Delta has been the most economically dynamic region of the People's Republic of China since the launch of China's reform programme in 1979. Since the onset of China's reform program, the Pearl River Delta Economic Zone has been the fastest growing portion of the fastest growing province in the fastest growing large economy in the world



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Overview of Pearl River Delta



The Pearl River Delta Economic Zone encompasses only 0.4 percent of the land area and only 3.2 percent of the 2000 Census population of mainland China, it accounted for 8.7 percent of GDP, 35.8 percent of total trade, and 29.2 percent of utilised foreign capital in 2001.

The three largest cities include Guangzhou, Shenzhen and Hong Kong with populations boasting 10 Million, 8.4 million and 7 million respectively



Overview of Pearl River Delta

Guangzhou

Also known to many English speakers as Canton, Guangzhou is the capital of Guangdong province. It is a port on the Pearl River, navigable to the south China Sea, and is located about 120 km (75 miles) northwest of Hong Kong.

GDP: 133 B USD POP: 10M



Shenzhen

Shenzhen once was a small fishing village, singled out by Deng Xiaoping and became the first of the Special Economic Zones (SEZ) in China since the late 1970s has been one of the fastest growing cities in the world due to its proximity to Hong Kong, once a British colony until 1997. It is also the busiest port in China after Shanghai.

GDP: 120 B USD POP: 8.4M



Hong Kong

Hong Kong Island was first occupied by British forces in 1841, and then formally ceded from China under the Treaty of Nanjing at the end of the war. Hong Kong remained a crown colony of the United Kingdom until 1997 when it was returned to China. Hong Kong is known as one of the world's leading financial capitals also a major business and cultural hub.

GDP: 233 B USD POP: 7M



Pearl River Delta – Quick Facts

Guangzhou is the fastest growing city in terms of GDP among the 3 pearl river delta cities while Shenzhen is second.

Hong Kong's GDP has decreased over the past year by -2.3%, attributed to the economic downturn however it's economic is almost as large as Guangzhou and Shenzhen put together in terms of GDP

	Guangzhou	Shenzhen	Hong Kong
GDP	133.5B	120.14B	233.764B
Population	7.8M	8.9M	7.0M
GDP Per Capita	13,111	13,590	31849
Growth	12.30%	10.70%	-2.30%
Density	1,055/Km2	4,347/km2	6,480/km2

The Pearl River Delta (PRD) is the most economically dynamic region of the People's republic of China

The PRD the world's workshop and is a major manufacturing base for products, specifically electronic products (watches/clocks), toys, garments, textiles and plastics.

About 5% of the world's goods are produced in the greater pearl river delta

Over 70,000 Hong Kong companies have plants in the pearl river delta

Only 0.4% of the land but almost 10% of total overall China GDP



Guangzhou – Economic Indicators

Guangzhou’s development has not been affected by the global economic downturn GDP, Population, Industrial & agricultural production have all steadily increased over the past 3 years.

In the past two years, the number of unemployed in the labour force has been in the single digits

Economic Indicators	Units	2009	2008	2007
I. Population and labour force				
Total household population at the end of the year	Millions	7.9	7.8	7.7
Employed people at the end of the year	Millions	7.4	7.1	6.6
#Number of workers and employees in urban units	Millions	2.3	2.2	2.2
II. Economic aggregate				
Gross domestic product (GDP)	Billions USD	134.4	121.9	105.0
Primary industry	Billions USD	2.5	2.5	2.2
Second industry	Billions USD	50.1	47.5	41.6
#Industry	Billions USD	45.8	43.7	38.3
Tertiary industry	Billions USD	81.8	71.9	61.2
GDP per capita	USD/ Person	13100	12050	10606
III. Agricultural production				
Gross output value of agriculture, forestry, animal husbandry and fishery	Billions USD	4.3	4.3	3.7
IV. Industry				
Gross industrial output value	Billions USD	181.7	168.7	145.2
Light industry	Billions USD	68.7	64.0	54.7
Heavy industry	Billions USD	113.0	104.6	90.5

The price of consumer goods decreased in 2009 in Guangzhou, indicating a turn in its rising prices of the previous years

PPI however remained stable for producers in the region, with prices for Raw materials, Fuel and Power steadily increasing at 8.2%

Indicators	2009	2008	2007
CPI	-2.50%	5.90%	3.40%
Consuming goods	-2.30%	7.70%	4.40%
Services	-2.90%	1.70%	1.10%
PPI of Raw Materials, Fuel & Power	8.20%	9.40%	4.70%
PPI for Manufactured Products	3.50%	3.70%	1.40%

2010 Asian Games in Guangzhou



Take place in Guangzhou, China from Nov 12th to Nov 27th

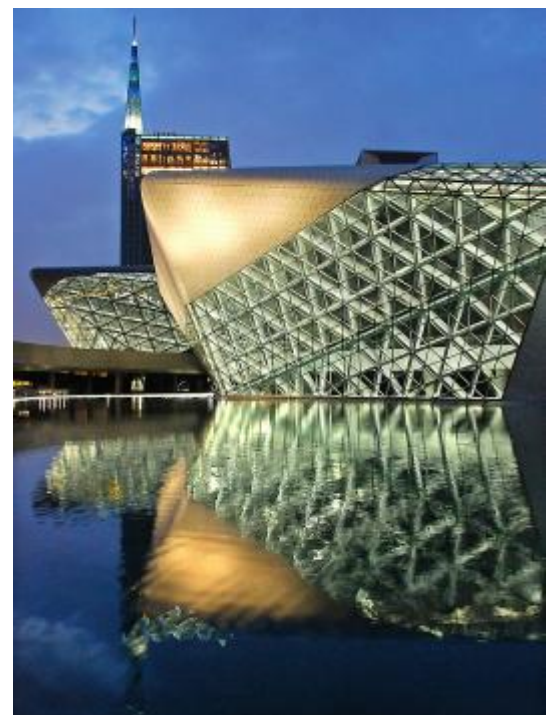
45 countries participating

Approximately \$17 Billion USD, with the majority being spent on infrastructure (\$15 Billion USD)

Investors from 37 Asian countries and regions have set up 18,051 projects in Guangzhou as of last August

Committed investment reached \$34.3 Billion

Guangzhou's government encourages investment



Shenzhen – Economic Indicators

Like its counterpart, Guangzhou, Shenzhen's economy has remained stable during the global downturn

Its GDP has been steadily increasing at an effective rate of 10% over the past 2 years

The greatest increase in specific industry growth has been in the financial industry as well as the accommodation and catering service industry

* Compounded Annual Growth

Indicator (USD Billions)	2009	2008	2007	CAGR* (2 year)
GDP	120.61	114.80	99.49	10.10%
primary industry	0.10	0.10	0.09	1.91%
secondary industry	56.20	56.11	50.66	5.33%
#industry (# Billions)	52.91	53.21	48.09	4.89%
tertiary industry	64.16	58.59	48.74	14.73%
#transport, storage, and post services	4.71	4.65	5.64	-8.62%
wholesale and retail trade	12.67	10.94	9.41	16.03%
accommodation and catering services	2.84	2.22	1.70	29.35%
financial industry	16.88	14.88	10.59	26.25%
real estate	8.62	9.99	8.34	1.65%
other industries	18.45	15.91	13.07	18.82%

Shenzhen has witnessed a small decrease in CPI in 2009 compared to its previous years of growth, same goes for consumer consumption and the level of services provided

Overall Shenzhen weathered the global downturn better than Guangzhou

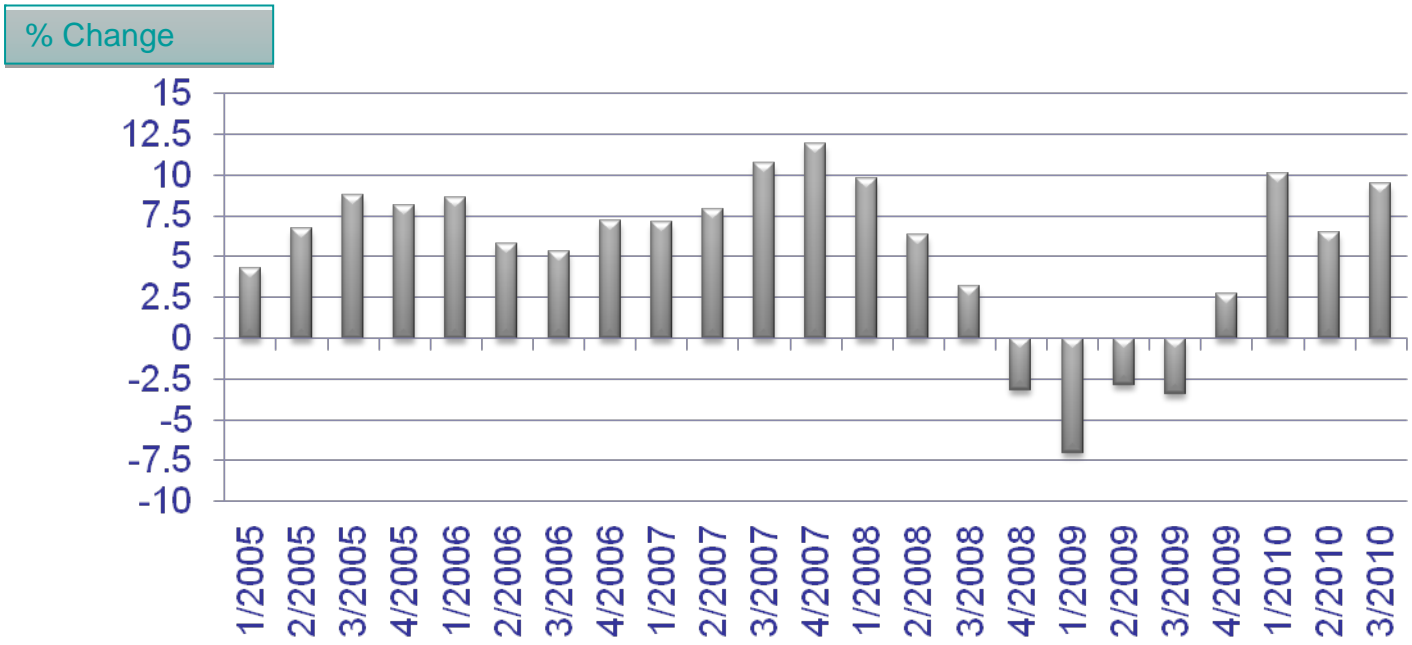
Despite this, unlike Guangzhou, the PPI index decreased in 2009

Indicator	2009	2008	2007
CPI (% increase)	-1.3%	5.9%	4.1%
Consumer Consumption (% increase)	-1.7%	7.5%	4.4%
Services (% increase)	-0.5%	2.1%	3.4%
PPI of Raw Materials, Fuel & Power (Index 100 = 2006)	96.3	105.3	102.9
PPI for Manufactured Products (Index 100 = 2006)	95.3	99.6	98.4

Hong Kong – Economic Indicators

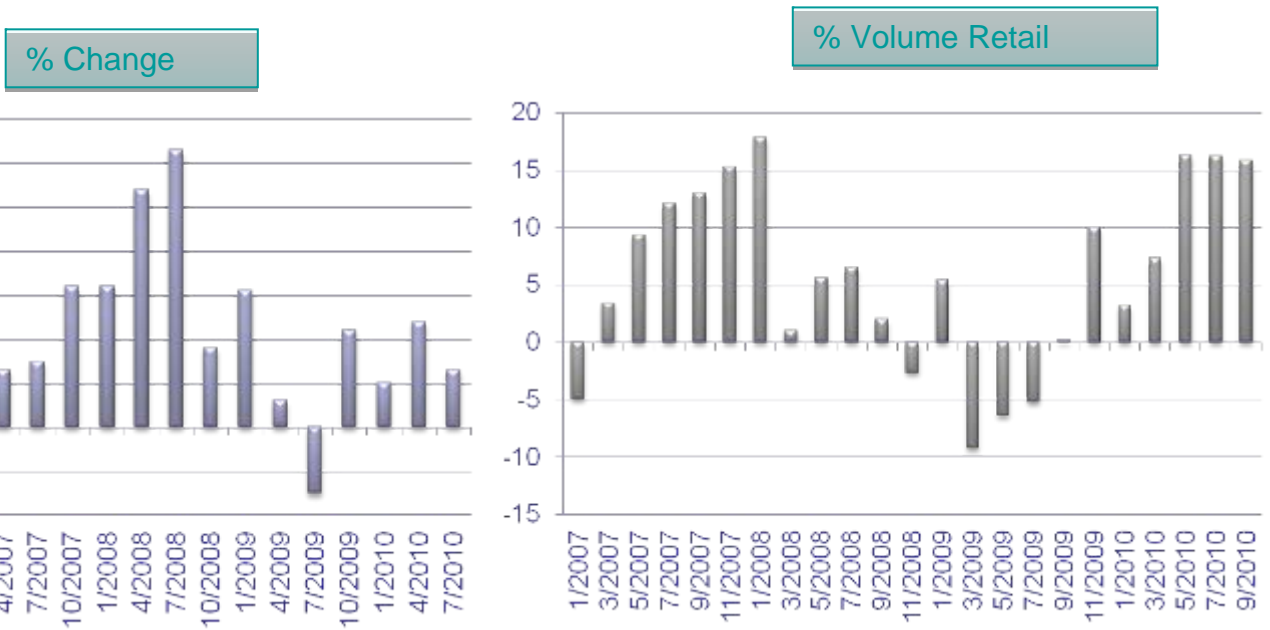
Hong Kong was impacted by far the most by the Global downturn due to its large financial sector, decreased retail sales and consumer spending

Despite this Hong Kong has once again returned to growth in 2010 with a quarterly growth rate just above 5%



We see the impact of the recession not just in GDP, but in CPI and Total retail sales

These indicators have both rebounded to similar levels seen 3 to 5 years ago



About UnicView

- Founded in 2004, UnicView is a full service research firm focusing on ad-hoc market research. Our main research industry are fast moving consumer goods, IT and communication technology, automotive, financial industry.
- The business of UnicView includes the following four major research areas: consumer needs and market segmentation, products, concepts and packaging research, brand and advertising research, customer satisfaction and loyalty research.
- We are not only focusing on the consumers, but also will deeply understand the industry & trade and the



We are focusing on consumers & products study



We expand our research network across China via high qualified FW partners.



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