

NEWSLETTER

BUILDING & INFRASTRUCTURE

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Infrastructure investment surges in Q1

A sharp acceleration in infrastructure spending has emerged as a key pillar of China's investment stabilization drive, offsetting a persistent decline in the property sector and helping overall investment return to positive growth in the first quarter. According to the National Bureau of Statistics, fixed-asset investment reached 10.27 trillion yuan (€1.28 trillion) in the first quarter, up 1.7% year-on-year. **(China Daily)**

Infrastructure spending countered the drag from the prolonged property downturn

As 2026 is the inaugural year of the 15th Five-Year Plan (2026-30), Local governments have strong incentives to create economic activities in the first year to set the foundation for the next five years of development. The National Bureau of Statistics said that in the first quarter, investment in projects with planned total investment of 100 million yuan or more rose 4.5% year-on-year, indicating that large-scale construction is accelerating. **(China Daily)**

The government infrastructure investment

Public bond issuance data show that in the first quarter, local governments issued about 3.1 trillion yuan (€0.39 trillion) in bonds, an increase of about 9.3% from the same period last year. Newly issued special bonds directly tied to infrastructure project construction reached about 1.2 trillion yuan (€0.15 trillion), up about 25% year-on-year. **(China Daily)**

China's transition to a digital, green and innovation-driven economy for the future

While traditional rail, road and airport projects remain important, new infrastructure areas including computing centers, 5G and 6G networks, electric vehicle charging piles, and low-altitude flight infrastructure are becoming the new growth drivers, said chief economist at China Minsheng Bank. Whether infrastructure can continue to play its role as a ballast for investment will depend on policy support from the central level. **(China Daily)**

Homebuying shows signs of recovery

New home prices in China's first-tier cities — Beijing and Shanghai, as well as Guangzhou and Shenzhen in Guangdong province — rose 0.2% in March from the previous month, snapping a flat reading in February, while secondhand home prices in these four major cities climbed 0.4%, reversing a 0.1% decline, said the National Bureau of Statistics. **(China Daily)**