

## Market Overview

*China's* economy is advancing with a positive momentum despite the implementation of macro-economic regulation and control measures by the government in the first half of 2004. The measures have successfully rectified the land market and reduced excessive and ineffective investments in heavy industries, regulating the business environment in an orderly manner. No adverse impact has been seen on the property market, and the demand for quality commercial and residential properties in Shanghai and Guangzhou looks continually promising in the future.

*Zhongshan*, a fast emerging city in the Pearl River Delta, has witnessed rapid economic development and growth in recent years. Enterprises around the globe have been building their presences in Zhongshan, coupled with the recent successful investments by other leading property developers from Hong Kong and Mainland of China, Zhongshan is set to become another prosperous city in Guangdong Province. The likely construction of the Hongkong-Zhuhai-Macau Bridge is expected to further boost the city to unprecedented growth.

## Shanghai

*Shanghai*, the largest metropolis in Mainland of China, has continued to benefit from the unprecedented growth in China's economy. The success of Formula One Racing in September 2004 has not only drawn the world's attention onto Shanghai, but also created ample business opportunities for the city. The 2010 World Expo in Shanghai is expected to boost investments and help bring the city to new heights.



Beijing

## Yangtze River Delta

Shanghai

## Pearl River Delta

Guangzhou

Zhongshan

Hong Kong

## Guangzhou

*Guangzhou* entered into a new era with the opening of new Baiyun Airport in August 2004. The signing of CEPA II, in which further trade liberation is introduced, will bring forth a new energy into Guangzhou's development with a broader business interaction between Hong Kong and Guangzhou enterprises. The 2010 Asian Games in Guangzhou is expected to further enhance its economic development, contributing significantly to the growth of the city.