

## Impact of US Financial Crises 2008-09 on Chinese Economy

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### Abstract

The objective of the paper is to outline a brief evaluation of the impact of financial crisis of 2008 having origin in US on China. This paper discusses about the consequence of financial crisis that erupted in US but found its way to emerging economies riding on trade and financial channels of transmission. It also presents various policy rejoinders to contain the negative impact of crisis and stimulate domestic demand, reviving its economic growth. The paper concludes that the crisis reversed the record of sustained growth of three decades with depreciation in year 2008 and 2009. The slowdown in industrial production and construction sectors besides downward revision in export orders were attributed to be the core causes behind the slackening economy. The crisis abetted the decline in inflation which was high in pre-crisis period and decreased with the worsening of global and domestic economic scenario.

**Keywords:** Global Financial Crises, China, Economic Indicators, External Credit, International Trade

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