

Inflation puffs up cost of Chinese exports

by UPI

SHANGHAI - Western businesses said they have noticed higher bills coming in from Chinese suppliers as inflation begins to take hold in China. Various executives and analysts told The New York Times that a raft of factors, including the softer U.S. dollar, are making it more expensive to operate in the People's Republic. The Times, in a report Friday, said higher energy and material costs plus new business regulations and the weaker greenback added up to a 2.4 percent increase in the price of Chinese exports, although experts said that price could reach 10 percent by the end of the year. Credit Suisse economist Dong Tao said China's "heyday" in the world economy could be coming to an end. "China has been the world's factory and the anchor of the global disconnect between rising material prices and lower consumer prices," he told the Times. "But its heyday is over. We're going to see higher prices."

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