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## China's credit policy unchanged despite 1Q loan surge: bank supervisor

BEIJING, April 23 (Xinhua) -- The credit policy set at the beginning of the year would remain in place, despite a surge of loans in the first quarter, the China Banking Regulatory Commission (CBRC) said in a brief statement on its website Thursday.

According to the People's Bank of China (PBOC, the central bank), bank credit extensions hit 4.58 trillion yuan (670.6 billion U.S. dollars) in the first quarter, representing about 90 percent of the annual target.

Premier Wen Jiabao said on March 5 at the opening of the annual session of the National People's Congress, the national legislature, that new yuan-denominated loans this year were expected to reach 5 trillion yuan.

The surge in bank loans, and a CBRC investigation into the use of the funds, have fueled market speculation that the government might tighten controls on lending to avoid risk.

The investigation was a regular one, the statement said. The CBRC would conduct investigations every year according to work demand to ensure credit safety and financial stability.

The CBRC did not say when the investigation was conducted nor release any results.

The CBRC would continue urging financial institutions to firmly implement the government's macroeconomic policies -- ensure economic growth, boost domestic demand and adjust industrial structure, it said.

On Wednesday, PBOC vice governor Yi Gang also said the bank would maintain a moderately easy monetary policy to promote economic growth.