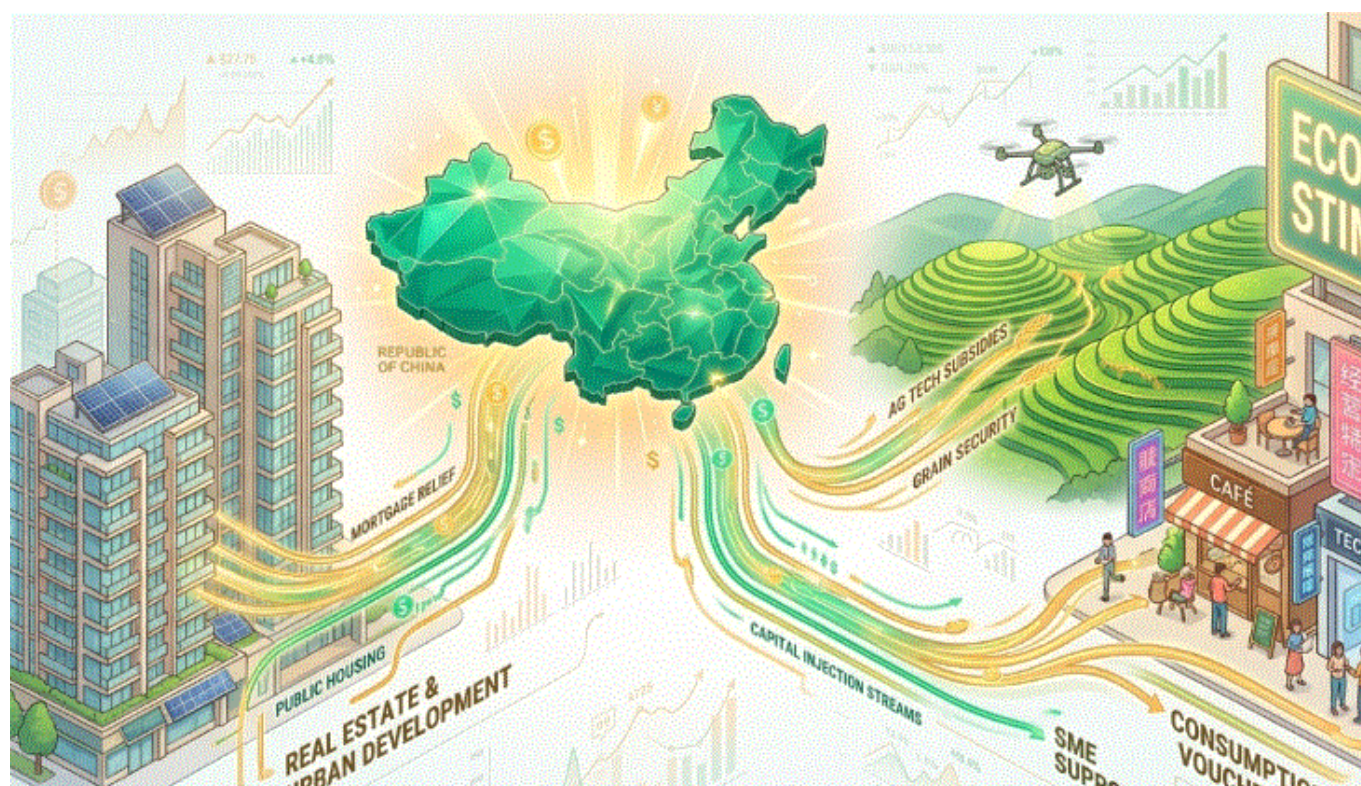


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China's cabinet pledges more stimulus as growth slows

Premier Li Qiang's State Council promised stronger counter-cyclical support, including new housing measures, to hit this year's 4.5–5% growth target.

By **Manasee Kurlekar** | September 29, 2026



China's property crash began in 2021, when Beijing's "three red lines" curbs on developer borrowing tipped Evergrande into default.

Premier Li Qiang's State Council pledged faster bond issuance, new housing support and more stimulus as China's growth slows.

Real estate and related industries once made up roughly a quarter of the economy, so the slump has dragged on household wealth, local government revenue and consumer spending ever since.

Beijing has responded with rounds of piecemeal stimulus, but growth has kept losing steam. Q2 growth slowed to 4.3%, and industrial output, retail sales and investment weakened in Q3.

Now in the latest attempt to induce renewed momentum, on Mon, 28 Sep 2026, the State Council pledged to "step up counter-cyclical macroeconomic policy adjustments."

Premier Li Qiang's key measures include faster bond issuance, new housing support and more stimulus.

The plan speeds up government bond issuance and brings forward major projects under the 2026–30 five-year plan. It also expands *relending* for tech, agriculture and small businesses and studies new property support.

The pledge comes days after the US–China tariff deal.

Read online: <https://worldbusinesswatch.com/news/46/186/chinas-cabinet-pledges-more-stimulus-as-growth-slows.html>

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