

**ZEW/Fudan China Economic Panel: Results January 2017**

<b>Current economic situation</b>	<b>very good</b>		<b>good</b>		<b>normal</b>		<b>bad</b>		<b>very bad</b>		<b>balance</b>	
China	0.0	(+/- 0.0)	14.6	(- 2.6)	75.6	(+20.4)	9.8	(-17.8)	0.0	(+/- 0.0)	2.4	(+ 7.6)
USA	0.0	(+/- 0.0)	58.3	(+26.2)	36.1	(-24.7)	5.6	(- 1.5)	0.0	(+/- 0.0)	26.4	(+13.9)
<b>Economic expectation (1 Y)</b>	<b>improve</b>		<b>slightly improve</b>		<b>not change</b>		<b>slightly worsen</b>		<b>worsen</b>		<b>balance</b>	
China (CEP-Indicator)	2.4	(+ 2.4)	28.6	(-11.4)	23.8	(- 6.2)	45.2	(+15.2)	0.0	(+/- 0.0)	-5.9	(-10.9)
<b>GDP (growth rate) in %</b>	<b>2017Q1</b>				<b>2017Q2</b>				<b>2017</b>		<b>2018</b>	
China	6.6				6.6				6.5		6.4	
USA	1.2				1.2				1.3		1.4	
<b>Inflation (CPI) in %</b>	<b>3 months</b>						<b>1 year</b>					
China	2.4 (2.1)						2.6 (2.5)					
USA	1.8 (1.6)						2.0 (1.8)					
<b>Interest rates</b>	<b>3 months</b>						<b>1 year</b>					
SHIBOR (3 months)	3.3 (3.0)						3.3 (3.0)					
One-year deposit rate	1.5 (1.5)						1.5 (1.5)					
One-year lending rate	4.4 (4.3)						4.3 (4.4)					
<b>Stock market indices</b>	<b>3 months</b>						<b>1 year</b>					
SSE Composite Index	3,228 (3,231)						3,469 (3,441)					
Hang Seng Index	22,021 (22,991)						23,369 (24,021)					
Growth Enterprise Market Index (SZ)	1,619 (1,727)						1,768 (1,735)					
WTI Crude Oil (US-Dollar)	53 (46)						56 (48)					
<b>Monetary aggregate M2 (6 M)</b>	<b>increase</b>		<b>slightly increase</b>		<b>not change</b>		<b>slightly decrease</b>		<b>decrease</b>		<b>balance</b>	
China M2 growth rate	8.1	(+ 4.1)	59.5	(-16.5)	16.2	(+ 0.2)	16.2	(+12.2)	0.0	(+/- 0.0)	29.8	(-10.2)
<b>Specific indicators China (1 Y)</b>	<b>increase</b>		<b>slightly increase</b>		<b>not change</b>		<b>slightly decrease</b>		<b>decrease</b>		<b>balance</b>	
Foreign exchange reserves	0.0	(+/- 0.0)	15.8	(- 0.2)	5.3	(+ 1.3)	52.6	(-19.4)	26.3	(+18.3)	-44.7	(- 8.7)
FDI outflow (out of China)	18.4	(-13.6)	47.4	(+ 7.4)	15.7	(+ 7.7)	13.2	(- 6.8)	5.3	(+ 5.3)	30.2	(-11.8)
FDI inflow (into China)	5.3	(+ 5.3)	36.8	(+ 0.8)	23.7	(+ 3.7)	26.3	(-13.7)	7.9	(+ 3.9)	2.7	(+ 8.7)
Export activity	7.9	(+ 7.9)	50.0	(+ 7.7)	15.8	(- 7.3)	18.4	(-12.4)	7.9	(+ 4.1)	15.8	(+13.8)
Import activity	13.2	(+ 1.7)	50.0	(+11.5)	21.0	(- 2.1)	10.5	(-16.4)	5.3	(+ 5.3)	27.7	(+10.4)
Domestic consumption	18.4	(+ 6.9)	52.6	(- 8.9)	26.4	(+18.6)	2.6	(-16.6)	0.0	(+/- 0.0)	43.4	(+10.7)
Employment rate	0.0	(- 4.0)	18.4	(- 1.6)	63.2	(+15.2)	18.4	(- 9.6)	0.0	(+/- 0.0)	0.0	(+/- 0.0)
Growth rate of new car registrations	5.6	(- 2.4)	69.4	(+21.4)	19.4	(- 0.6)	5.6	(-18.4)	0.0	(+/- 0.0)	37.5	(+17.5)
Total share of world trade	5.4	(+ 1.2)	51.4	(+18.1)	21.6	(-11.7)	21.6	(- 3.4)	0.0	(- 4.2)	20.3	(+16.1)
<b>Exchange rates</b>	<b>3 months</b>						<b>1 year</b>					
Yuan / US-Dollar	6.99 (6.91)						7.12 (7.11)					
US-Dollar / Euro	1.04 (1.05)						1.04 (1.03)					
<b>Sectors (1 Y)</b>	<b>increase</b>		<b>slightly increase</b>		<b>not change</b>		<b>slightly decrease</b>		<b>decrease</b>		<b>balance</b>	
Retail banking	3.3	(- 2.0)	63.3	(+26.5)	16.8	(-20.0)	13.3	(- 7.8)	3.3	(+ 3.3)	25.0	(+11.8)
Investment banking	12.9	(+ 7.6)	71.0	(- 2.7)	6.4	(- 4.1)	6.5	(- 4.0)	3.2	(+ 3.2)	42.0	(+ 5.1)
Insurance	35.5	(+ 9.2)	51.6	(-11.6)	3.2	(+ 3.2)	9.7	(- 0.8)	0.0	(+/- 0.0)	56.5	(+ 3.8)
Automotive	9.7	(- 0.3)	61.3	(+16.3)	16.1	(-13.9)	9.7	(- 5.3)	3.2	(+ 3.2)	32.3	(+ 7.3)
Chemical / Pharmaceutical	10.0	(- 5.0)	56.7	(- 3.3)	20.0	(+/- 0.0)	13.3	(+ 8.3)	0.0	(+/- 0.0)	31.7	(-10.8)
Machinery / Engineering	10.0	(- 5.0)	46.7	(+ 6.7)	26.6	(+ 6.6)	16.7	(- 3.3)	0.0	(- 5.0)	25.0	(+ 5.0)
Electronics	16.1	(-13.9)	54.8	(+ 9.8)	19.4	(+ 4.4)	9.7	(- 0.3)	0.0	(+/- 0.0)	38.7	(- 8.8)
Retail and commerce	9.7	(- 0.8)	54.8	(+ 2.2)	25.8	(+10.0)	9.7	(-11.4)	0.0	(+/- 0.0)	32.3	(+ 6.0)
Construction	9.7	(- 0.3)	29.0	(-16.0)	35.4	(+20.4)	19.4	(- 5.6)	6.5	(+ 1.5)	8.0	(- 7.0)
Energy	6.5	(-14.6)	41.9	(+ 5.1)	38.7	(+17.7)	12.9	(- 8.2)	0.0	(+/- 0.0)	21.0	(- 8.0)
Information Technology	45.2	(+ 3.1)	45.2	(- 2.2)	6.4	(+ 1.2)	3.2	(- 2.1)	0.0	(+/- 0.0)	66.2	(+ 3.0)
Services	38.7	(+ 7.1)	45.2	(- 7.4)	9.6	(- 0.9)	6.5	(+ 1.2)	0.0	(+/- 0.0)	58.1	(+ 2.8)
<b>Economic expectation (1 Y)</b>	<b>improve</b>		<b>slightly improve</b>		<b>not change</b>		<b>slightly worsen</b>		<b>worsen</b>		<b>balance</b>	
Beijing	9.7	(+ 9.7)	54.8	(-10.2)	25.8	(+ 5.8)	9.7	(- 5.3)	0.0	(+/- 0.0)	32.3	(+ 7.3)
Shanghai	9.7	(+ 4.7)	74.2	(+ 4.2)	6.4	(+ 1.4)	9.7	(-10.3)	0.0	(+/- 0.0)	42.0	(+12.0)
Hong Kong	9.4	(+ 9.4)	25.0	(-15.0)	37.5	(+12.5)	28.1	(- 6.9)	0.0	(+/- 0.0)	7.9	(+ 5.4)
Guangzhou	19.4	(+ 4.4)	45.2	(+ 5.2)	22.5	(-17.5)	12.9	(+ 7.9)	0.0	(+/- 0.0)	35.6	(+ 3.1)
Shenzhen	38.7	(+13.7)	45.2	(- 9.8)	9.6	(- 0.4)	6.5	(- 3.5)	0.0	(+/- 0.0)	58.1	(+10.6)
Tianjin	12.9	(+ 2.9)	48.4	(+ 3.4)	25.8	(+10.8)	12.9	(-17.1)	0.0	(+/- 0.0)	30.7	(+13.2)
Chongqing	25.8	(+ 5.8)	41.9	(- 3.1)	16.2	(- 8.8)	16.1	(+ 6.1)	0.0	(+/- 0.0)	38.7	(+ 1.2)
<b>Real estate price expectation (1 Y)</b>	<b>increase</b>		<b>slightly increase</b>		<b>not change</b>		<b>slightly decrease</b>		<b>decrease</b>		<b>balance</b>	
Beijing	11.8	(- 3.2)	47.1	(+12.1)	20.5	(-14.5)	20.6	(+ 5.6)	0.0	(+/- 0.0)	25.1	(+ 0.1)
Shanghai	11.8	(- 3.2)	55.9	(+20.9)	14.7	(-10.3)	17.6	(- 7.4)	0.0	(+/- 0.0)	31.0	(+11.0)
Hong Kong	9.1	(- 0.9)	33.3	(+ 8.3)	21.3	(- 3.7)	33.3	(- 1.7)	3.0	(- 2.0)	6.1	(+ 6.1)
Guangzhou	9.4	(- 0.6)	40.6	(+ 5.6)	31.2	(- 3.8)	18.8	(- 1.2)	0.0	(+/- 0.0)	20.3	(+ 2.8)
Shenzhen	12.1	(+ 2.1)	39.4	(+ 4.4)	18.2	(- 6.8)	27.3	(- 2.7)	3.0	(+ 3.0)	15.2	(+ 2.7)
Tianjin	12.5	(+ 7.5)	25.0	(-10.0)	31.2	(+ 1.2)	31.3	(+ 1.3)	0.0	(+/- 0.0)	9.4	(+ 1.9)
Chongqing	18.8	(+13.8)	40.6	(+ 5.6)	28.1	(-16.9)	9.4	(- 5.6)	3.1	(+ 3.1)	31.3	(+16.3)

Note: 42 analysts participated in the January survey, which was conducted during the period 1/3-1/17/2017. The analysts were asked about their expectations for the respective time horizons (Y = year, M = month). Numbers displayed are percentages in case of directional forecasts (change compared to the November 2016 survey in parentheses) and numerical values in case of point forecasts (results of the November 2016 survey in parentheses). Balances refer to the weighted distributions from positive and negative assessments.