

**ZEW/Fudan China Economic Panel: Results May 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	(- 2.9)	27.3	(- 2.1)	69.7	(+ 2.0)	3.0	(+ 3.0)	0.0	(+/- 0.0)	12.2	(- 5.4)
USA	10.3	(+ 7.1)	51.7	(-22.5)	34.6	(+12.0)	3.4	(+ 3.4)	0.0	(+/- 0.0)	34.5	(- 5.8)
<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>	
China (CEP-Indicator)	3.0	(- 2.9)	30.3	(-16.8)	30.3	(+ 6.8)	36.4	(+12.9)	0.0	(+/- 0.0)	-0.1	(-17.8)
<b>GDP (growth rate) in %</b>	<b>2017Q2</b>			<b>2017Q3</b>			<b>2017</b>			<b>2018</b>		
China	6.7			6.7			6.7			6.5		
USA	1.4			1.5			1.5			1.7		
<b>Inflation (CPI) in %</b>	<b>3 months</b>						<b>1 year</b>					
China	1.2 (2.2)						1.5 (2.5)					
USA	2.4 (2.5)						2.5 (2.7)					
<b>Interest rates</b>	<b>3 months</b>						<b>1 year</b>					
SHIBOR (3 months)	4.4 (4.3)						4.4 (4.4)					
One-year deposit rate	1.5 (1.5)						1.6 (1.5)					
One-year lending rate	4.4 (4.4)						4.4 (4.4)					
<b>Stock market indices</b>	<b>3 months</b>						<b>1 year</b>					
SSE Composite Index	3.166 (3.299)						3.353 (3.562)					
Hang Seng Index	24.647 (23.865)						25.233 (24.606)					
Growth Enterprise Market Index (SZ)	1.378 (1.944)						1.415 (1.948)					
WTI Crude Oil (US-Dollar)	49 (54)						51 (54)					
<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	3.2	(+ 3.2)	54.8	(- 4.6)	13.0	(+ 3.7)	29.0	(- 2.3)	0.0	(+/- 0.0)	16.1	(+ 2.0)
<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)	24.1	(+ 8.5)	10.4	(- 2.1)	62.1	(- 6.7)	3.4	(+ 0.3)	-22.4	(+ 7.3)
FDI outflow (out of China)	6.9	(- 9.8)	62.1	(+18.8)	17.2	(- 2.8)	13.8	(- 6.2)	0.0	(+/- 0.0)	31.1	(+ 2.7)
FDI inflow (into China)	3.4	(+ 3.4)	37.9	(+ 4.6)	17.4	(- 6.0)	37.9	(- 2.1)	3.4	(+ 0.1)	0.0	(+ 6.7)
Export activity	10.3	(- 5.3)	55.2	(+ 5.2)	17.3	(+ 7.9)	17.2	(- 7.8)	0.0	(+/- 0.0)	29.3	(+ 1.2)
Import activity	3.4	(-18.5)	65.5	(+ 9.2)	17.3	(+ 8.0)	13.8	(+ 4.4)	0.0	(- 3.1)	29.3	(-13.0)
Domestic consumption	0.0	(-12.5)	69.0	(- 6.0)	20.7	(+14.5)	10.3	(+ 4.0)	0.0	(+/- 0.0)	29.4	(-17.5)
Employment rate	0.0	(- 3.2)	20.7	(-11.6)	55.2	(+16.5)	20.7	(- 1.9)	3.4	(+ 0.2)	-3.4	(- 8.3)
Growth rate of new car registrations	7.1	(- 2.9)	64.3	(+ 4.3)	10.7	(-12.6)	14.3	(+ 7.6)	3.6	(+ 3.6)	28.5	(- 8.2)
Total share of world trade	6.9	(+ 3.6)	58.6	(+ 1.9)	20.7	(-16.0)	13.8	(+10.5)	0.0	(+/- 0.0)	29.3	(- 0.7)
<b>Exchange rates</b>	<b>3 months</b>						<b>1 year</b>					
Yuan / US-Dollar	6.93 (6.92)						7.07 (7.07)					
US-Dollar / Euro	1.08 (1.07)						1.07 (1.09)					
<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	3.8	(- 3.3)	53.8	(- 6.9)	23.2	(+ 1.7)	19.2	(+ 8.5)	0.0	(+/- 0.0)	21.1	(-11.0)
Investment banking	3.8	(-21.2)	61.5	(+ 0.8)	27.0	(+23.4)	7.7	(- 3.0)	0.0	(+/- 0.0)	30.7	(-19.3)
Insurance	19.2	(- 5.8)	57.7	(- 6.6)	15.4	(+11.8)	7.7	(+ 0.6)	0.0	(+/- 0.0)	44.2	(- 9.4)
Automotive	20.0	(+ 5.7)	44.0	(-23.9)	20.0	(+ 9.3)	16.0	(+ 8.9)	0.0	(+/- 0.0)	34.0	(-10.7)
Chemical / Pharmaceutical	4.0	(- 3.7)	60.0	(-13.1)	24.0	(+ 8.6)	12.0	(+ 8.2)	0.0	(+/- 0.0)	28.0	(-14.4)
Machinery / Engineering	8.0	(- 6.8)	32.0	(-16.1)	36.0	(+13.7)	24.0	(+ 9.2)	0.0	(+/- 0.0)	12.0	(-19.5)
Electronics	12.0	(+ 0.9)	40.0	(-15.6)	32.0	(+ 9.8)	16.0	(+ 4.9)	0.0	(+/- 0.0)	24.0	(- 9.4)
Retail and commerce	7.7	(- 6.6)	57.7	(- 3.0)	26.9	(+ 9.0)	7.7	(+ 0.6)	0.0	(+/- 0.0)	32.7	(- 8.4)
Construction	15.4	(-13.2)	38.5	(- 4.4)	23.1	(+ 5.3)	19.2	(+ 8.5)	3.8	(+ 3.8)	21.3	(-23.4)
Energy	3.8	(-10.5)	46.2	(- 0.2)	38.5	(+ 9.9)	11.5	(+ 0.8)	0.0	(+/- 0.0)	21.2	(-11.0)
Information Technology	23.1	(- 6.5)	61.5	(+ 2.2)	11.6	(+ 7.9)	3.8	(- 3.6)	0.0	(+/- 0.0)	52.0	(- 3.6)
Services	26.9	(+ 1.0)	42.3	(- 2.1)	27.0	(+12.1)	3.8	(-11.0)	0.0	(+/- 0.0)	46.2	(+ 5.5)
<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	8.7	(- 9.8)	34.8	(- 5.9)	47.8	(+18.1)	8.7	(- 2.4)	0.0	(+/- 0.0)	21.8	(-11.5)
Shanghai	8.7	(-13.5)	39.1	(- 1.6)	43.5	(+13.8)	8.7	(+ 1.3)	0.0	(+/- 0.0)	23.9	(-15.0)
Hong Kong	0.0	(- 3.7)	39.1	(+ 9.5)	21.8	(-30.1)	39.1	(+24.3)	0.0	(+/- 0.0)	0.0	(-11.1)
Guangzhou	4.5	(- 7.5)	40.9	(- 7.1)	31.9	(+ 3.9)	22.7	(+10.7)	0.0	(+/- 0.0)	13.6	(-16.4)
Shenzhen	23.8	(+ 0.7)	42.9	(-14.8)	23.8	(+12.3)	9.5	(+ 1.8)	0.0	(+/- 0.0)	40.5	(- 7.6)
Tianjin	9.5	(- 2.0)	33.3	(- 5.2)	28.6	(+ 1.6)	23.8	(+ 4.6)	4.8	(+ 1.0)	9.5	(- 7.9)
Chongqing	9.5	(- 6.5)	42.9	(- 5.1)	28.6	(+ 4.6)	19.0	(+ 7.0)	0.0	(+/- 0.0)	21.5	(-12.5)
<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	12.0	(+ 4.6)	28.0	(-27.6)	32.0	(+ 2.4)	24.0	(+16.6)	4.0	(+ 4.0)	10.0	(-21.5)
Shanghai	12.0	(+ 0.9)	36.0	(- 8.4)	24.0	(- 2.0)	28.0	(+ 9.5)	0.0	(+/- 0.0)	16.0	(- 8.1)
Hong Kong	12.0	(+ 8.2)	36.0	(- 6.3)	28.0	(- 2.8)	24.0	(+ 0.9)	0.0	(+/- 0.0)	18.0	(+ 4.6)
Guangzhou	9.1	(- 2.4)	36.4	(- 5.9)	22.7	(- 4.3)	27.3	(+ 8.1)	4.5	(+ 4.5)	9.2	(-13.9)
Shenzhen	8.3	(- 3.2)	37.5	(+ 2.9)	25.0	(+ 1.9)	25.0	(- 5.8)	4.2	(+ 4.2)	10.4	(- 3.0)
Tianjin	8.7	(+ 1.0)	30.4	(-11.9)	30.5	(+11.3)	21.7	(- 9.1)	8.7	(+ 8.7)	4.4	(- 9.1)
Chongqing	9.1	(+ 5.1)	40.9	(- 3.1)	31.8	(+ 3.8)	9.1	(- 6.9)	9.1	(+ 1.1)	15.9	(+ 5.9)

Note: 33 analysts participated in the May survey, which was conducted during the period 5/2-5/17/2017. 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 previous survey in parentheses) and numerical values in case of point forecasts (results of previous survey in parentheses). Balances refer to the weighted distributions from positive and negative assessments.