

**ZEW/Fudan China Economic Panel: Results May 2020**

<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	2.9	(- 8.2)	14.3	(- 5.1)	31.3	(+11.8)	48.6	(+12.5)	2.9	(-11.0)	-17.2	(- 6.0)
Eurozone	9.1	(-10.9)	21.2	(+ 1.2)	3.0	(- 2.8)	36.4	(+19.3)	30.3	(- 6.8)	-28.8	(-13.1)
USA	12.5	(- 1.8)	12.5	(-10.4)	9.3	(+ 0.8)	21.9	(- 1.0)	43.8	(+12.4)	-36.0	(-18.9)
<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)	26.5	(- 8.6)	26.5	(- 8.6)	11.7	(+ 6.2)	20.6	(+ 4.4)	14.7	(+ 6.6)	14.8	(-21.7)
<b>GDP (growth rate) in %</b>	<b>2020Q2</b>			<b>2020Q3</b>			<b>2020</b>			<b>2021</b>		
China	0.5			3.5			2.1			5.6		
Eurozone	-4.6			-1.5			-2.4			2.1		
USA	-5.3			-0.9			-1.8			3.2		
<b>Inflation (CPI) in %</b>	<b>3 months</b>						<b>1 year</b>					
China	4.1 (5.0)						3.9 (4.7)					
Eurozone	0.9 (1.2)						1.2 (1.5)					
USA	1.4 (1.9)						1.9 (2.3)					
<b>Wage Inflation in %</b>	<b>3 months</b>						<b>1 year</b>					
China	4.7 (4.4)						5.8 (6.2)					
Eurozone	1.0 (1.1)						1.9 (1.8)					
USA	1.0 (1.1)						2.2 (2.1)					
<b>Interest rates</b>	<b>3 months</b>						<b>1 year</b>					
SHIBOR (3 months)	1.5 (1.7)						1.6 (1.7)					
One-year deposit rate	2.4 (1.4)						2.3 (1.3)					
One-year lending rate	4.3 (4.1)						4.2 (4.0)					
<b>Stock market indices</b>	<b>3 months</b>						<b>1 year</b>					
SSE Composite Index	2.852 (2.686)						3.058 (2.858)					
Hang Seng Index	23.799 (23.251)						24.718 (23.873)					
Growth Enterprise Market Index (SZ)	2.082 (1.862)						2.248 (1.980)					
WTI Crude Oil (US-Dollar)	27 (27)						35 (37)					
<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	25.0	(- 9.4)	32.1	(+22.8)	3.6	(+ 3.6)	21.4	(- 3.6)	17.9	(-13.4)	12.5	(+17.3)
<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	10.3	(- 2.2)	24.1	(- 7.2)	20.8	(+14.6)	31.0	(+ 6.0)	13.8	(-11.2)	-7.0	(+ 2.4)
FDI outflow (out of China)	3.4	(-24.7)	27.6	(- 9.9)	3.5	(+ 3.5)	44.8	(+26.0)	20.7	(+ 5.1)	-25.9	(-47.8)
FDI inflow (into China)	6.9	(-11.9)	20.7	(- 7.4)	0.0	(- 9.4)	37.9	(+22.3)	34.5	(+ 6.4)	-36.2	(-33.1)
Export activity	23.3	(- 0.2)	30.0	(- 5.3)	0.0	(+/- 0.0)	26.7	(+ 6.1)	20.0	(- 0.6)	5.0	(- 5.3)
Import activity	10.0	(-10.6)	40.0	(+ 4.7)	6.7	(- 5.0)	23.3	(+ 2.7)	20.0	(+ 8.2)	-1.7	(-17.9)
Private Consumption	13.8	(-10.4)	20.7	(-15.7)	6.9	(+ 3.8)	37.9	(+13.7)	20.7	(+ 8.6)	-15.5	(-33.7)
Private Investment	16.7	(-13.6)	23.3	(+ 2.1)	13.3	(+ 4.2)	30.0	(+ 8.8)	16.7	(- 1.5)	-3.4	(-15.5)
Govt. Consumption	36.7	(- 7.4)	30.0	(+18.2)	3.3	(+ 3.3)	6.7	(- 8.0)	23.3	(- 6.1)	25.1	(+11.8)
Debt Domestic	26.7	(-11.5)	40.0	(+28.2)	0.0	(- 5.8)	10.0	(- 1.8)	23.3	(- 9.1)	18.4	(+12.6)
Debt Foreign	13.8	(+ 4.7)	41.4	(+ 8.1)	24.1	(+11.9)	6.9	(-17.3)	13.8	(- 7.4)	17.3	(+24.9)
Employment rate	30.0	(- 2.4)	13.3	(- 4.3)	6.7	(+ 0.8)	30.0	(+ 3.5)	20.0	(+ 2.4)	1.7	(- 8.7)
Growth rate of new car registrations	13.3	(- 4.9)	30.0	(+ 2.7)	10.0	(+ 1.0)	30.0	(- 0.3)	16.7	(+ 1.5)	-3.4	(- 4.9)
Total share of world trade	16.7	(- 3.9)	30.0	(+ 9.4)	16.6	(+ 1.9)	30.0	(+ 6.5)	6.7	(-13.9)	10.0	(+11.5)
<b>Exchange rates</b>	<b>3 months</b>						<b>1 year</b>					
Yuan / US-Dollar	7.08 (7.09)						7.17 (7.16)					
Yuan / Euro	7.68 (7.74)						7.75 (7.79)					
<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	14.8	(+ 4.8)	25.9	(+ 2.6)	18.6	(+ 5.2)	29.6	(-13.7)	11.1	(+ 1.1)	1.9	(+11.9)
Investment banking	18.5	(- 1.5)	11.1	(- 8.9)	18.6	(+ 5.3)	33.3	(+ 3.3)	18.5	(+ 1.8)	-11.1	(- 9.4)
Insurance	22.2	(+ 8.9)	18.5	(+ 1.8)	7.5	(-19.1)	33.3	(- 3.4)	18.5	(+11.8)	-3.7	(- 0.3)
Automotive	11.1	(- 5.6)	33.3	(+/- 0.0)	11.2	(+ 7.9)	25.9	(- 0.8)	18.5	(- 1.5)	-3.7	(- 3.7)
Chemical / Pharmaceutical	18.5	(+ 1.8)	18.5	(+ 1.8)	18.6	(- 1.4)	22.2	(-11.1)	22.2	(+ 8.9)	-5.6	(- 0.7)
Machinery / Engineering	18.5	(+ 5.2)	14.8	(+ 4.8)	14.9	(- 1.8)	37.0	(- 3.0)	14.8	(- 5.2)	-7.4	(+14.3)
Electronics	7.4	(- 5.9)	22.2	(+ 8.9)	26.0	(+ 2.6)	25.9	(-14.1)	18.5	(+ 8.5)	-13.0	(- 2.9)
Retail and commerce	14.3	(-11.5)	25.0	(- 4.0)	21.4	(+14.9)	28.6	(- 0.4)	10.7	(+ 1.0)	1.8	(-14.3)
Construction	7.4	(-13.3)	33.3	(+12.6)	11.2	(- 2.6)	29.6	(- 4.9)	18.5	(+ 8.2)	-9.3	(-12.8)
Energy	14.8	(+ 1.0)	25.9	(+ 5.2)	18.6	(-12.4)	29.6	(+ 8.9)	11.1	(- 2.7)	1.9	(+ 1.9)
Information Technology	18.5	(+ 4.7)	18.5	(- 5.6)	22.3	(+11.9)	22.2	(-12.3)	18.5	(+ 1.3)	-1.9	(+ 6.7)
Services	22.2	(- 1.1)	25.9	(+ 2.6)	22.3	(+ 8.9)	14.8	(- 5.2)	14.8	(- 5.2)	13.0	(+ 8.0)
<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	18.5	(- 3.4)	22.2	(-15.3)	18.6	(+15.6)	33.3	(+ 2.0)	7.4	(+ 1.1)	5.6	(-13.1)
Shanghai	18.5	(- 0.3)	14.8	(-13.3)	11.2	(- 1.3)	40.7	(+12.6)	14.8	(+ 2.3)	-9.3	(-15.6)
Hong Kong	25.9	(+13.4)	22.2	(-12.2)	7.5	(- 5.0)	29.6	(+ 1.5)	14.8	(+ 2.3)	7.4	(+ 4.2)
Guangzhou	22.2	(+ 3.4)	18.5	(-15.9)	7.5	(- 1.7)	44.4	(+13.1)	7.4	(+ 1.1)	1.9	(-12.2)
Shenzhen	14.8	(- 4.0)	25.9	(+ 0.9)	3.8	(-11.8)	37.0	(+12.0)	18.5	(+ 2.9)	-9.3	(-12.5)
Tianjin	18.5	(+ 2.9)	22.2	(-15.3)	26.0	(+10.4)	25.9	(+ 0.9)	7.4	(+ 1.1)	9.3	(- 6.3)
Chongqing	18.5	(- 0.9)	14.8	(-20.7)	18.6	(+12.2)	37.0	(+ 8.0)	11.1	(+ 1.4)	-3.7	(-16.7)
<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	7.4	(- 2.0)	29.6	(+ 7.7)	22.3	(- 5.8)	37.0	(- 0.5)	3.7	(+ 0.6)	0.0	(+ 1.5)
Shanghai	3.7	(- 2.6)	25.9	(+13.4)	22.3	(- 2.6)	40.7	(- 9.3)	7.4	(+ 1.1)	-11.1	(+ 7.7)
Hong Kong	7.4	(- 2.0)	33.3	(+ 8.3)	11.2	(-23.1)	44.4	(+22.5)	3.7	(- 5.7)	-1.9	(- 3.5)
Guangzhou	7.4	(- 2.0)	18.5	(+ 6.0)	26.0	(-14.6)	40.7	(+ 3.2)	7.4	(+ 7.4)	-11.1	(- 8.0)
Shenzhen	11.1	(+ 4.8)	18.5	(+ 2.9)	22.3	(+ 0.4)	40.7	(-12.4)	7.4	(+ 4.3)	-7.4	(+ 8.2)
Tianjin	3.7	(- 5.7)	33.3	(+ 8.3)	26.0	(-11.5)	33.3	(+ 8.3)	3.7	(+ 0.6)	0.0	(- 6.3)
Chongqing	11.1	(+ 1.7)	18.5	(- 0.3)	26.0	(-11.4)	25.9	(- 5.4)	18.5	(+15.4)	-11.1	(-11.2)

Note: 35 analysts participated in the May survey, which was conducted during the period 5/11-5/20/2020. 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.