

**ZEW/Fudan China Economic Panel: Results October 2014**

<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)	25.8	(+ 5.8)	58.1	(+ 4.8)	16.1	(-10.6)	0.0	(+/- 0.0)	4.9	(+ 8.3)				
Eurozone	0.0	(+/- 0.0)	0.0	(+/- 0.0)	38.0	(-25.0)	51.7	(+14.7)	10.3	(+10.3)	-36.2	(-17.7)				
USA	3.4	(- 4.0)	55.2	(- 4.1)	31.1	(- 2.2)	10.3	(+10.3)	0.0	(+/- 0.0)	25.9	(-11.2)				
<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)	0.0	(- 6.7)	38.7	(+ 8.7)	25.8	(+ 2.5)	32.3	(- 7.7)	3.2	(+ 3.2)	0.0	(- 1.7)				
<b>GDP (growth rate) in %</b>	<b>2014Q4</b>				<b>2015Q1</b>				<b>2014</b>				<b>2015</b>			
China	7.3				7.2				7.4				7.2			
Eurozone	0.7				0.6				0.7				0.6			
USA	2.6				2.7				2.5				2.7			
<b>Inflation (CPI) in %</b>	<b>3 months</b>								<b>1 year</b>							
China	1.9 (2.2)								2.2 (2.5)							
Eurozone	0.3 (0.4)								0.4 (0.6)							
USA	1.7 (1.8)								1.8 (1.9)							
<b>Interest rates</b>	<b>3 months</b>								<b>1 year</b>							
SHIBOR (3 months)	4.4 (4.5)								4.4 (4.4)							
One-year deposit rate	3.0 (3.0)								3.0 (2.9)							
One-year lending rate	6.0 (6.0)								5.9 (5.9)							
<b>Stock market indices</b>	<b>3 months</b>								<b>1 year</b>							
SSE Composite Index	2.405 (2.364)								2.595 (2.558)							
Hang Seng Index	23.132 (23.764)								24.014 (24.625)							
Growth Enterprise Market Index (SZ)	1.538 (1.527)								1.641 (1.642)							
WTI Crude Oil (US-Dollar)	82 (92)								86 (94)							
<b>Probability of a price change (±20%) (3M)</b>	<b>higher than normal</b>				<b>normal</b>				<b>lower than normal</b>				<b>balance</b>			
SSE Composite Index	25.0	(+17.0)			75.0	(-13.0)			0.0	(- 4.0)			25.0	(+21.0)		
Hang Seng Index	10.0	(+ 5.2)			80.0	(-10.4)			10.0	(+ 5.2)			0.0	(+/- 0.0)		
Growth Enterprise Market Index (SZ)	25.0	(+20.7)			70.0	(-21.4)			5.0	(+ 0.7)			20.0	(+20.0)		
WTI Crude Oil (US-Dollar)	5.0	(+ 0.5)			85.0	(- 1.4)			10.0	(+ 0.9)			-5.0	(- 0.4)		
<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	7.4	(+ 3.7)	70.4	(+/- 0.0)	14.8	(+ 3.7)	3.7	(-11.1)	3.7	(+ 3.7)	37.1	(+ 5.6)				
<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	(-10.7)	63.0	(- 1.3)	3.7	(-10.6)	33.3	(+22.6)	0.0	(+/- 0.0)	14.9	(-22.6)				
FDI outflow (out of China)	29.6	(+ 8.2)	51.9	(- 8.8)	18.5	(+ 0.6)	0.0	(+/- 0.0)	0.0	(+/- 0.0)	55.6	(+ 3.8)				
FDI inflow (into China)	7.4	(+ 0.3)	44.4	(+12.3)	18.6	(-13.6)	25.9	(+ 0.9)	3.7	(+ 0.1)	13.0	(+ 5.9)				
Export activity	7.1	(+/- 0.0)	67.9	(- 7.1)	10.7	(+ 3.5)	14.3	(+ 3.6)	0.0	(+/- 0.0)	33.9	(- 5.4)				
Import activity	17.9	(+/- 0.0)	53.6	(- 3.5)	17.8	(+10.7)	10.7	(- 7.2)	0.0	(+/- 0.0)	39.4	(+ 1.9)				
Domestic consumption	28.6	(+17.9)	53.6	(-14.3)	10.6	(+ 3.5)	3.6	(-10.7)	3.6	(+ 3.6)	50.0	(+12.5)				
Employment rate	3.6	(+ 3.6)	32.1	(- 3.6)	46.4	(+ 3.6)	17.9	(+/- 0.0)	0.0	(- 3.6)	10.7	(+ 5.4)				
Growth rate of new car registrations	14.8	(+ 4.1)	51.9	(- 1.7)	18.5	(-10.1)	14.8	(+ 7.7)	0.0	(+/- 0.0)	33.4	(- 0.6)				
Total share of world trade	0.0	(- 7.1)	70.4	(+ 6.1)	18.5	(- 3.0)	11.1	(+ 4.0)	0.0	(+/- 0.0)	29.7	(- 6.0)				
<b>Exchange rates</b>	<b>3 months</b>								<b>1 year</b>							
Yuan / US-Dollar	6.13 (6.14)								6.10 (6.11)							
US-Dollar / Euro	1.27 (1.27)								1.25 (1.25)							
<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	19.0	(+10.3)	47.6	(- 8.9)	19.1	(+ 6.0)	14.3	(- 3.1)	0.0	(- 4.3)	35.7	(+11.7)				
Investment banking	33.3	(- 5.8)	42.9	(+ 3.8)	9.5	(+ 0.7)	9.5	(- 3.5)	4.8	(+ 4.8)	45.2	(- 7.0)				
Insurance	28.6	(+ 6.9)	47.6	(- 8.9)	23.8	(+ 6.3)	0.0	(- 4.3)	0.0	(+/- 0.0)	52.4	(+ 4.6)				
Automotive	14.3	(- 3.1)	47.6	(- 4.6)	9.5	(-12.2)	28.6	(+19.9)	0.0	(+/- 0.0)	23.8	(-15.4)				
Chemical / Pharmaceutical	14.3	(- 3.1)	42.9	(- 4.9)	38.0	(+ 7.5)	4.8	(+ 0.5)	0.0	(+/- 0.0)	33.4	(- 5.8)				
Machinery / Engineering	19.0	(+ 6.0)	23.8	(- 6.6)	33.4	(-10.2)	23.8	(+10.8)	0.0	(+/- 0.0)	19.0	(- 2.7)				
Electronics	23.8	(- 6.6)	61.9	(+ 1.0)	4.8	(+ 0.4)	9.5	(+ 5.2)	0.0	(+/- 0.0)	50.0	(- 8.7)				
Retail and commerce	28.6	(+ 6.9)	42.9	(+ 3.8)	19.0	(-11.5)	9.5	(+ 0.8)	0.0	(+/- 0.0)	45.3	(+ 8.4)				
Construction	9.5	(+ 5.2)	28.6	(- 1.8)	19.0	(- 2.9)	38.1	(- 1.0)	4.8	(+ 0.5)	0.0	(+ 4.4)				
Energy	14.3	(+ 1.3)	47.6	(+12.8)	23.8	(+ 2.0)	14.3	(-16.1)	0.0	(+/- 0.0)	31.0	(+15.8)				
Information Technology	47.6	(+ 8.5)	42.9	(- 9.3)	4.7	(- 4.0)	0.0	(+/- 0.0)	4.8	(+ 4.8)	64.3	(- 0.9)				
Services	52.4	(+ 0.2)	33.3	(-10.2)	4.8	(+ 0.5)	9.5	(+ 9.5)	0.0	(+/- 0.0)	64.3	(- 9.7)				
<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	0.0	(- 4.0)	48.0	(+ 4.0)	16.0	(- 4.0)	36.0	(+ 4.0)	0.0	(+/- 0.0)	6.0	(- 4.0)				
Shanghai	0.0	(- 8.0)	56.0	(+ 4.0)	24.0	(+12.0)	20.0	(- 8.0)	0.0	(+/- 0.0)	18.0	(- 2.0)				
Hong Kong	0.0	(+/- 0.0)	8.3	(- 4.2)	25.1	(- 4.0)	45.8	(- 8.4)	20.8	(+16.6)	-39.6	(-14.5)				
Guangzhou	4.2	(- 4.1)	29.2	(- 4.1)	37.4	(+ 8.2)	29.2	(+/- 0.0)	0.0	(+/- 0.0)	4.2	(- 6.2)				
Shenzhen	8.0	(- 0.3)	32.0	(- 1.3)	28.0	(- 5.4)	32.0	(+ 7.0)	0.0	(+/- 0.0)	8.0	(- 4.5)				
Tianjin	8.0	(+ 3.8)	28.0	(+ 3.0)	36.0	(- 5.6)	28.0	(- 1.2)	0.0	(+/- 0.0)	8.0	(+ 5.9)				
Chongqing	20.0	(- 0.8)	28.0	(+ 7.2)	28.0	(- 9.6)	24.0	(+ 3.2)	0.0	(+/- 0.0)	22.0	(+ 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	0.0	(+/- 0.0)	38.5	(- 1.5)	38.4	(+ 6.4)	23.1	(- 0.9)	0.0	(- 4.0)	7.7	(+ 3.7)				
Shanghai	0.0	(+/- 0.0)	42.3	(+ 6.3)	38.5	(+ 2.5)	19.2	(- 4.8)	0.0	(- 4.0)	11.6	(+ 9.6)				
Hong Kong	4.0	(- 0.3)	8.0	(- 9.4)	44.0	(+ 9.1)	44.0	(+13.6)	0.0	(-13.0)	-14.0	(+ 1.2)				
Guangzhou	3.8	(- 0.4)	19.2	(-14.1)	46.2	(+17.1)	30.8	(+ 1.6)	0.0	(- 4.2)	-2.0	(- 4.1)				
Shenzhen	3.8	(- 0.4)	23.1	(-10.2)	42.3	(+13.2)	30.8	(+ 1.6)	0.0	(- 4.2)	0.0	(- 2.1)				
Tianjin	4.0	(- 4.3)	28.0	(+ 7.2)	24.0	(+ 7.3)	44.0	(+ 2.3)	0.0	(-12.5)	-4.0	(+10.7)				
Chongqing	8.0	(+ 3.8)	32.0	(- 1.3)	12.0	(- 4.7)	48.0	(+14.7)	0.0	(-12.5)	0.0	(+ 8.3)				

Note: 31 analysts participated in the October survey, which was conducted during the period 10/14-10/28/2014. 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.