

**ZEW/Fudan China Economic Panel: Results September 2019**

<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)	19.4	(- 3.2)	45.1	(+16.1)	32.3	(-16.1)	3.2	(+ 3.2)	-9.7	(+ 3.2)
Eurozone	3.4	(+ 3.4)	24.1	(+ 9.3)	51.8	(- 3.8)	20.7	(- 5.2)	0.0	(- 3.7)	5.1	(+14.4)
USA	0.0	(+/- 0.0)	20.7	(+ 9.6)	79.3	(+ 5.2)	0.0	(- 7.4)	0.0	(- 7.4)	10.4	(+16.0)
<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>	
China (CEP-Indicator)	0.0	(- 6.5)	19.4	(- 9.6)	25.8	(+ 6.5)	54.8	(+16.1)	0.0	(- 6.5)	-17.7	(-12.8)
<b>GDP (growth rate) in %</b>	<b>2019Q3</b>			<b>2019Q4</b>			<b>2019</b>			<b>2020</b>		
China	6.1			6.0			6.1			5.8		
Eurozone	1.3			1.3			1.3			1.3		
USA	2.1			2.1			2.2			2.0		
<b>Inflation (CPI) in %</b>	<b>3 months</b>						<b>1 year</b>					
China	2.8 (2.7)						2.9 (2.9)					
Eurozone	1.4 (1.4)						1.4 (1.5)					
USA	1.9 (1.8)						1.9 (1.8)					
<b>Wage Inflation in %</b>	<b>3 months</b>						<b>1 year</b>					
China	7.1 (7.0)						6.9 (6.8)					
Eurozone	2.4 (2.5)						2.4 (2.5)					
USA	4.3 (4.6)						4.2 (4.5)					
<b>Interest rates</b>	<b>3 months</b>						<b>1 year</b>					
SHIBOR (3 months)	3.0 (2.6)						2.9 (2.5)					
One-year deposit rate	1.5 (1.4)						1.4 (1.3)					
One-year lending rate	4.3 (4.2)						4.2 (4.0)					
<b>Stock market indices</b>	<b>3 months</b>						<b>1 year</b>					
SSE Composite Index	2.991 (2.758)						3.160 (2.747)					
Hang Seng Index	26.204 (25.915)						26.462 (25.819)					
Growth Enterprise Market Index (SZ)	1.714 (1.521)						1.793 (1.496)					
WTI Crude Oil (US-Dollar)	57 (55)						57 (57)					
<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	0.0	(- 3.8)	35.7	(+ 4.9)	17.9	(- 5.2)	39.3	(+ 8.5)	7.1	(- 4.4)	-8.9	(- 1.2)
<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	(-11.5)	20.7	(+ 1.5)	24.2	(+12.5)	51.7	(- 2.1)	3.4	(- 0.4)	-18.9	(- 9.3)
FDI outflow (out of China)	3.6	(- 4.1)	17.9	(-12.9)	39.2	(+31.5)	25.0	(-17.3)	14.3	(+ 2.8)	-14.3	(- 4.7)
FDI inflow (into China)	0.0	(- 7.7)	25.0	(+ 1.9)	21.4	(- 1.6)	39.3	(+ 8.5)	14.3	(- 1.1)	-21.5	(- 9.9)
Export activity	6.7	(- 0.4)	30.0	(+ 1.4)	16.7	(+ 2.4)	33.3	(+ 1.2)	13.3	(- 4.6)	-8.3	(+ 4.3)
Import activity	6.7	(- 0.4)	33.3	(- 6.0)	16.7	(+ 6.0)	33.3	(+ 4.7)	10.0	(- 4.3)	-3.3	(- 1.4)
Private Consumption	0.0	(+/- 0.0)	37.9	(- 8.5)	20.7	(- 7.9)	27.6	(+ 6.2)	13.8	(+10.2)	-8.7	(-17.6)
Private Investment	0.0	(- 7.4)	23.3	(- 2.6)	40.0	(+10.3)	26.7	(- 6.6)	10.0	(+ 6.3)	-11.7	(-11.7)
Govt. Consumption	20.0	(+ 9.3)	30.0	(-16.4)	6.7	(- 4.1)	30.0	(+ 8.6)	13.3	(+ 2.6)	6.7	(- 5.8)
Debt Domestic	6.7	(- 4.4)	50.0	(+16.7)	6.6	(-15.7)	20.0	(+ 1.5)	16.7	(+ 1.9)	5.0	(+ 1.3)
Debt Foreign	0.0	(+/- 0.0)	34.5	(+ 3.7)	31.0	(-15.1)	27.6	(+ 4.5)	6.9	(+ 6.9)	-3.5	(- 7.4)
Employment rate	3.4	(- 4.0)	24.1	(- 5.5)	48.4	(+ 7.6)	17.2	(+ 6.1)	6.9	(- 4.2)	0.0	(- 5.6)
Growth rate of new car registrations	7.1	(+ 3.4)	17.9	(- 8.0)	21.4	(- 4.6)	39.3	(- 5.1)	14.3	(+14.3)	-17.9	(-12.3)
Total share of world trade	3.6	(- 0.1)	32.1	(- 8.6)	21.5	(+10.3)	35.7	(- 8.7)	7.1	(+ 7.1)	-5.3	(- 7.2)
<b>Exchange rates</b>	<b>3 months</b>						<b>1 year</b>					
Yuan / US-Dollar	7.16 (7.07)						7.26 (7.14)					
Yuan / Euro	7.85 (7.85)						7.93 (7.90)					
<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	(- 0.4)	15.4	(-13.8)	38.5	(+26.1)	38.5	(-11.5)	3.8	(- 0.4)	-11.6	(- 1.2)
Investment banking	0.0	(- 8.3)	15.4	(-13.8)	42.3	(+34.0)	38.5	(-11.5)	3.8	(- 0.4)	-15.4	(- 9.1)
Insurance	11.5	(+ 3.2)	11.5	(- 1.0)	23.2	(-14.3)	42.3	(+ 4.8)	11.5	(+ 7.3)	-15.4	(- 7.0)
Automotive	7.1	(- 0.9)	25.0	(- 7.0)	17.9	(- 6.1)	39.3	(+11.3)	10.7	(+ 2.7)	-10.8	(-12.8)
Chemical / Pharmaceutical	3.7	(- 0.5)	18.5	(- 6.5)	26.0	(+ 9.4)	44.4	(- 5.6)	7.4	(+ 3.2)	-16.7	(- 4.2)
Machinery / Engineering	7.4	(+ 3.4)	14.8	(- 9.2)	7.4	(-16.6)	59.3	(+23.3)	11.1	(- 0.9)	-26.0	(-12.0)
Electronics	7.1	(- 0.6)	21.4	(-13.2)	28.6	(+ 9.4)	28.6	(- 2.2)	14.3	(+ 6.6)	-10.8	(-12.7)
Retail and commerce	7.1	(- 0.6)	28.6	(- 2.2)	25.0	(+ 1.9)	17.9	(-16.7)	21.4	(+17.6)	-9.0	(-11.0)
Construction	10.7	(+ 6.7)	25.0	(-11.0)	10.8	(-21.2)	46.4	(+26.4)	7.1	(- 0.9)	-7.1	(-11.1)
Energy	3.7	(- 0.3)	18.5	(-17.5)	37.1	(+ 9.1)	29.6	(+ 9.6)	11.1	(- 0.9)	-13.0	(-13.0)
Information Technology	17.9	(+ 9.9)	21.4	(-22.6)	10.7	(+ 2.7)	32.1	(+ 4.1)	17.9	(+ 5.9)	-5.4	(- 9.4)
Services	11.1	(+ 3.1)	29.6	(+ 1.6)	11.2	(- 8.8)	29.6	(- 2.4)	18.5	(+ 6.5)	-7.4	(- 1.4)
<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)	18.5	(- 1.5)	48.2	(+12.2)	33.3	(- 2.7)	0.0	(- 4.0)	-7.4	(+ 0.6)
Shanghai	7.4	(+ 3.4)	11.1	(- 4.9)	44.5	(+12.5)	33.3	(-10.7)	3.7	(- 0.3)	-7.4	(+ 6.6)
Hong Kong	15.4	(-12.6)	23.1	(+ 7.1)	7.6	(- 0.4)	46.2	(+22.2)	7.7	(-16.3)	-3.9	(- 3.9)
Guangzhou	0.0	(+/- 0.0)	11.5	(-17.7)	38.5	(+21.9)	34.6	(-15.4)	15.4	(+11.2)	-27.0	(-12.4)
Shenzhen	3.8	(- 0.4)	26.9	(+ 1.9)	11.6	(- 9.2)	38.5	(+ 1.0)	19.2	(+ 6.7)	-21.2	(- 6.6)
Tianjin	3.8	(- 8.7)	15.4	(- 5.4)	34.6	(+ 1.2)	38.5	(+ 5.2)	7.7	(+ 7.7)	-15.5	(-21.8)
Chongqing	3.8	(+ 3.8)	19.2	(-14.1)	30.9	(+10.1)	34.6	(+ 5.4)	11.5	(- 5.2)	-15.4	(- 0.7)
<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	3.7	(+ 3.7)	37.0	(- 3.0)	40.8	(+16.8)	14.8	(-13.2)	3.7	(- 4.3)	11.1	(+13.1)
Shanghai	7.4	(+ 7.4)	33.3	(-10.7)	40.8	(+24.8)	14.8	(-17.2)	3.7	(- 4.3)	13.0	(+15.0)
Hong Kong	3.8	(-16.2)	30.8	(+10.8)	23.1	(- 0.9)	38.5	(+14.5)	3.8	(- 8.2)	-3.9	(- 9.9)
Guangzhou	0.0	(+/- 0.0)	15.4	(-13.8)	57.7	(+24.4)	23.1	(-10.2)	3.8	(- 0.4)	-7.7	(- 1.4)
Shenzhen	7.7	(+ 3.5)	11.5	(-13.5)	50.1	(+25.1)	26.9	(-10.6)	3.8	(- 4.5)	-3.8	(+ 6.6)
Tianjin	7.7	(- 0.6)	19.2	(-10.0)	46.2	(+ 4.5)	23.1	(+ 2.3)	3.8	(+ 3.8)	2.0	(-10.5)
Chongqing	3.8	(+ 3.8)	19.2	(-10.0)	42.4	(+ 4.9)	30.8	(+ 5.8)	3.8	(- 4.5)	-5.8	(+ 0.4)

Note: 31 analysts participated in the September survey, which was conducted during the period 9/4-9/18/2019. 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.