

**ZEW/Fudan China Economic Panel: Results March 2016**

<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)	6.9	(+ 4.0)	65.5	(+19.9)	27.6	(-15.3)	0.0	(- 8.6)	-10.4	(+18.2)				
Eurozone	0.0	(+/- 0.0)	3.7	(+ 0.7)	55.6	(+ 1.0)	40.7	(+ 1.3)	0.0	(- 3.0)	-18.5	(+ 2.7)				
USA	3.7	(+ 3.7)	44.4	(+ 8.0)	51.9	(- 8.7)	0.0	(- 3.0)	0.0	(+/- 0.0)	25.9	(+ 9.2)				
<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	(+/- 0.0)	44.8	(+19.1)	20.8	(+12.2)	31.0	(-23.3)	3.4	(- 8.0)	3.5	(+29.2)				
<b>GDP (growth rate) in %</b>	<b>2016Q1</b>				<b>2016Q2</b>				<b>2016</b>				<b>2017</b>			
China	6.7				6.7				6.6				6.5			
Eurozone	1.5				1.5				1.5				1.5			
USA	2.0				2.0				2.0				2.1			
<b>Inflation (CPI) in %</b>	<b>3 months</b>								<b>1 year</b>							
China	2.4 (1.8)								2.6 (2.0)							
Eurozone	0.0 (0.3)								0.2 (0.6)							
USA	1.1 (1.2)								1.3 (1.3)							
<b>Interest rates</b>	<b>3 months</b>								<b>1 year</b>							
SHIBOR (3 months)	2.7 (2.9)								2.6 (2.7)							
One-year deposit rate	1.5 (1.4)								1.3 (1.3)							
One-year lending rate	4.3 (4.2)								4.1 (4.1)							
<b>Stock market indices</b>	<b>3 months</b>								<b>1 year</b>							
SSE Composite Index	3.111 (2.927)								3.299 (3.163)							
Hang Seng Index	20.511 (18.962)								20.970 (19.673)							
Growth Enterprise Market Index (SZ)	2.296 (2.136)								2.386 (2.320)							
WTI Crude Oil (US-Dollar)	40 (32)								42 (38)							
<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	28.0	(- 9.5)	56.0	(+12.2)	12.0	(+ 5.8)	4.0	(- 8.5)	0.0	(+/- 0.0)	54.0	(+ 0.8)				
<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)	11.5	(- 0.6)	23.1	(+23.1)	42.3	(- 3.2)	23.1	(-19.3)	-38.5	(+20.6)				
FDI outflow (out of China)	16.0	(- 5.9)	52.0	(+ 2.0)	16.0	(+ 0.4)	12.0	(- 0.5)	4.0	(+ 4.0)	32.0	(- 8.7)				
FDI inflow (into China)	0.0	(- 3.1)	44.0	(+25.2)	16.0	(- 9.0)	32.0	(- 8.6)	8.0	(- 4.5)	-2.0	(+18.3)				
Export activity	0.0	(+/- 0.0)	38.5	(- 0.9)	15.3	(+ 9.3)	38.5	(+ 2.1)	7.7	(-10.5)	-7.7	(+ 9.0)				
Import activity	7.7	(+ 4.7)	46.2	(+18.9)	15.4	(- 2.8)	26.9	(- 6.4)	3.8	(-14.4)	13.6	(+31.8)				
Domestic consumption	15.4	(- 9.6)	57.7	(+ 7.7)	23.1	(+10.6)	3.8	(- 8.7)	0.0	(+/- 0.0)	42.4	(- 1.4)				
Employment rate	0.0	(+/- 0.0)	15.4	(+ 2.9)	61.5	(+11.5)	23.1	(-11.3)	0.0	(- 3.1)	-3.9	(+10.2)				
Growth rate of new car registrations	4.0	(- 2.3)	64.0	(+ 4.6)	16.0	(+ 0.5)	16.0	(- 2.8)	0.0	(+/- 0.0)	28.0	(+ 1.4)				
Total share of world trade	4.0	(+ 0.9)	56.0	(+15.4)	24.0	(-16.7)	12.0	(- 0.5)	4.0	(+ 0.9)	22.0	(+ 7.9)				
<b>Exchange rates</b>	<b>3 months</b>								<b>1 year</b>							
Yuan / US-Dollar	6.54 (6.63)								6.67 (6.78)							
US-Dollar / Euro	1.12 (1.08)								1.14 (1.06)							
<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	0.0	(-10.7)	45.5	(+ 2.6)	22.7	(+12.0)	18.2	(- 3.2)	13.6	(- 0.7)	0.1	(- 7.1)				
Investment banking	13.6	(- 0.7)	45.5	(- 8.1)	27.3	(+20.2)	9.1	(- 1.6)	4.5	(- 9.8)	27.3	(+ 5.8)				
Insurance	26.1	(+ 8.2)	56.5	(- 4.2)	8.7	(+ 1.6)	8.7	(- 2.0)	0.0	(- 3.6)	50.0	(+10.7)				
Automotive	13.0	(+ 2.7)	34.8	(+ 3.8)	17.4	(- 6.9)	34.8	(+10.7)	0.0	(-10.3)	13.0	(+ 9.5)				
Chemical / Pharmaceutical	4.3	(- 2.6)	43.5	(+ 9.0)	30.5	(+ 6.4)	21.7	(-12.8)	0.0	(+/- 0.0)	15.2	(+ 8.3)				
Machinery / Engineering	0.0	(- 6.9)	27.3	(+ 6.6)	31.8	(+ 4.2)	36.4	(- 1.5)	4.5	(- 2.4)	-9.1	(- 0.5)				
Electronics	13.6	(- 7.1)	36.4	(- 1.5)	31.8	(+ 4.1)	18.2	(+ 7.9)	0.0	(- 3.4)	22.7	(- 8.4)				
Retail and commerce	18.2	(- 2.5)	36.4	(- 8.4)	31.8	(+11.1)	13.6	(- 0.2)	0.0	(+/- 0.0)	29.6	(- 6.6)				
Construction	0.0	(- 7.1)	47.8	(+22.8)	21.8	(+ 3.9)	17.4	(-21.9)	13.0	(+ 2.3)	2.2	(+13.0)				
Energy	0.0	(- 3.6)	14.3	(- 7.1)	47.6	(+26.2)	33.3	(- 9.6)	4.8	(- 5.9)	-14.3	(+ 3.6)				
Information Technology	31.8	(- 0.3)	45.5	(+ 2.6)	18.2	(+ 3.9)	4.5	(- 6.2)	0.0	(+/- 0.0)	52.3	(+ 4.1)				
Services	36.4	(+ 4.3)	31.8	(-11.1)	22.7	(+ 4.8)	9.1	(+ 2.0)	0.0	(+/- 0.0)	47.8	(- 2.2)				
<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>					
Beijing	0.0	(+/- 0.0)	52.2	(+ 7.0)	34.8	(+ 5.8)	13.0	(-12.8)	0.0	(+/- 0.0)	19.6	(+ 9.9)				
Shanghai	0.0	(+/- 0.0)	60.9	(+ 2.8)	21.7	(+ 2.4)	17.4	(- 5.2)	0.0	(+/- 0.0)	21.8	(+ 4.0)				
Hong Kong	0.0	(+/- 0.0)	8.7	(+ 2.2)	39.1	(+16.6)	34.8	(-23.3)	17.4	(+ 4.5)	-30.5	(+ 8.2)				
Guangzhou	0.0	(-10.0)	30.4	(+ 0.4)	56.6	(+26.6)	13.0	(-13.7)	0.0	(- 3.3)	8.7	(+ 0.3)				
Shenzhen	13.0	(+ 0.1)	43.5	(- 1.7)	26.1	(+ 3.6)	17.4	(- 2.0)	0.0	(+/- 0.0)	26.1	(+ 0.3)				
Tianjin	8.7	(- 4.6)	21.7	(+ 1.7)	47.9	(+21.2)	21.7	(-11.6)	0.0	(- 6.7)	8.7	(+ 8.7)				
Chongqing	26.1	(+ 2.8)	26.1	(- 3.9)	34.8	(+ 1.4)	13.0	(+ 3.0)	0.0	(- 3.3)	32.7	(+ 2.7)				
<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	13.0	(-16.0)	69.6	(+ 8.3)	8.7	(+ 2.2)	8.7	(+ 5.5)	0.0	(+/- 0.0)	43.5	(-14.6)				
Shanghai	21.7	(- 4.1)	52.2	(- 2.6)	8.8	(- 4.1)	13.0	(+ 6.5)	4.3	(+ 4.3)	37.0	(-13.0)				
Hong Kong	4.3	(+ 1.1)	17.4	(- 2.0)	26.1	(+10.0)	34.8	(- 7.1)	17.4	(- 2.0)	-21.8	(+ 5.7)				
Guangzhou	8.7	(- 7.4)	43.5	(- 4.9)	26.1	(+ 6.7)	21.7	(+ 5.6)	0.0	(+/- 0.0)	19.6	(-12.7)				
Shenzhen	13.0	(-12.8)	43.5	(- 4.9)	26.1	(+13.2)	8.7	(- 1.0)	8.7	(+ 5.5)	21.7	(-20.3)				
Tianjin	8.7	(- 1.0)	17.4	(-24.5)	52.2	(+23.2)	21.7	(+ 2.3)	0.0	(+/- 0.0)	6.6	(-14.4)				
Chongqing	17.4	(+ 1.3)	21.7	(- 7.3)	39.2	(- 6.0)	17.4	(+ 7.7)	4.3	(+ 4.3)	15.3	(-10.5)				

Note: 29 analysts participated in the March survey, which was conducted during the period 3/21-4/6/2016. 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.