

**ZEW/Fudan China Economic Panel: Results August 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)	34.4	(+ 7.9)	59.3	(+ 3.4)	6.3	(- 8.4)	0.0	(- 2.9)	14.1	(+11.1)				
Eurozone	0.0	(+/- 0.0)	3.3	(-11.9)	60.0	(- 3.6)	36.7	(+15.5)	0.0	(+/- 0.0)	-16.7	(-13.7)				
USA	0.0	(- 9.1)	56.7	(- 3.9)	36.6	(+ 9.3)	6.7	(+ 3.7)	0.0	(+/- 0.0)	25.0	(-12.9)				
<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)	12.5	(+ 3.7)	43.8	(- 6.2)	12.4	(+ 0.6)	31.3	(+ 1.9)	0.0	(+/- 0.0)	18.8	(- 0.3)				
<b>GDP (growth rate) in %</b>	<b>2014Q3</b>				<b>2014Q4</b>				<b>2014</b>				<b>2015</b>			
China	7.4				7.5				7.4				7.4			
Eurozone	0.7				0.7				0.7				0.8			
USA	2.4				2.4				2.4				2.6			
<b>Inflation (CPI) in %</b>	<b>3 months</b>								<b>1 year</b>							
China	2.4 (2.4)								2.7 (2.7)							
Eurozone	0.5 (0.5)								0.6 (0.6)							
USA	2.1 (2.2)								2.2 (2.3)							
<b>Interest rates</b>	<b>3 months</b>								<b>1 year</b>							
SHIBOR (3 months)	4.7 (4.7)								4.6 (4.6)							
One-year deposit rate	3.0 (3.0)								3.0 (3.0)							
One-year lending rate	6.0 (6.0)								5.9 (6.0)							
<b>Stock market indices</b>	<b>3 months</b>								<b>1 year</b>							
SSE Composite Index	2.340 (2.172)								2.616 (2.378)							
Hang Seng Index	25.453 (24.092)								26.913 (24.491)							
Growth Enterprise Market Index (SZ)	1.468 (1.325)								1.572 (1.423)							
WTI Crude Oil (US-Dollar)	95 (103)								98 (106)							
<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	12.5 (- 9.7)				87.5 (+17.1)				0.0 (- 7.4)				12.5 (- 2.3)			
Hang Seng Index	8.3 (+ 8.3)				91.7 (- 4.5)				0.0 (- 3.8)				8.3 (+12.1)			
Growth Enterprise Market Index (SZ)	18.2 (+ 9.9)				77.3 (-10.2)				4.5 (+ 0.3)				13.7 (+ 9.6)			
WTI Crude Oil (US-Dollar)	0.0 (+/- 0.0)				91.3 (+/- 0.0)				8.7 (+/- 0.0)				-8.7 (+/- 0.0)			
<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	6.7	(+ 6.7)	66.7	(- 3.3)	9.9	(- 6.8)	10.0	(- 3.3)	6.7	(+ 6.7)	28.4	(+/- 0.0)				
<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	6.3	(- 0.6)	68.8	(+ 6.7)	21.8	(+11.4)	3.1	(-14.1)	0.0	(- 3.4)	39.2	(+13.2)				
FDI outflow (out of China)	43.3	(+18.3)	33.3	(-27.4)	16.7	(+ 2.4)	6.7	(+ 6.7)	0.0	(+/- 0.0)	56.6	(+ 1.2)				
FDI inflow (into China)	10.0	(+10.0)	40.0	(- 2.9)	30.0	(- 9.2)	16.7	(+ 2.4)	3.3	(- 0.3)	18.4	(+ 7.7)				
Export activity	19.4	(+12.7)	61.3	(-12.0)	9.6	(- 7.1)	9.7	(+ 6.4)	0.0	(+/- 0.0)	45.2	(+ 3.5)				
Import activity	15.6	(+ 2.3)	56.3	(- 3.7)	15.6	(- 1.1)	12.5	(+ 2.5)	0.0	(+/- 0.0)	37.5	(- 0.8)				
Domestic consumption	12.5	(+ 2.5)	78.1	(- 1.9)	9.4	(- 0.6)	0.0	(+/- 0.0)	0.0	(+/- 0.0)	51.6	(+ 1.6)				
Employment rate	6.3	(+ 6.3)	34.4	(- 2.3)	37.4	(- 9.2)	18.8	(+ 2.1)	3.1	(+ 3.1)	11.0	(+ 1.0)				
Number of car registrations	19.4	(+ 9.1)	61.3	(- 7.7)	16.1	(+ 9.2)	3.2	(-10.6)	0.0	(+/- 0.0)	48.5	(+10.6)				
Total share of world trade	19.4	(+ 9.1)	54.8	(-14.2)	25.8	(+12.0)	0.0	(- 6.9)	0.0	(+/- 0.0)	46.8	(+ 5.4)				
<b>Exchange rates</b>	<b>3 months</b>								<b>1 year</b>							
Yuan / US-Dollar	6.13 (6.14)								6.10 (6.12)							
US-Dollar / Euro	1.33 (1.35)								1.30 (1.33)							
<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	11.5	(+ 0.4)	57.7	(- 5.3)	19.3	(+ 4.5)	11.5	(+ 4.1)	0.0	(- 3.7)	34.6	(- 0.6)				
Investment banking	38.5	(+16.3)	42.3	(-17.0)	15.4	(+ 4.3)	3.8	(- 3.6)	0.0	(+/- 0.0)	57.8	(+ 9.6)				
Insurance	26.9	(+ 4.7)	53.8	(- 5.5)	19.3	(+ 8.2)	0.0	(- 7.4)	0.0	(+/- 0.0)	53.8	(+ 5.6)				
Automotive	30.8	(+ 6.8)	53.8	(- 6.2)	3.9	(- 8.1)	11.5	(+ 7.5)	0.0	(+/- 0.0)	52.0	(+/- 0.0)				
Chemical / Pharmaceutical	30.8	(+18.8)	46.2	(-17.8)	23.0	(+ 3.0)	0.0	(- 4.0)	0.0	(+/- 0.0)	53.9	(+11.9)				
Machinery / Engineering	19.2	(+11.2)	34.6	(-25.4)	30.8	(+ 6.8)	15.4	(+11.4)	0.0	(- 4.0)	28.8	(- 3.2)				
Electronics	34.6	(+ 6.6)	53.8	(+ 1.8)	7.8	(-12.2)	3.8	(+ 3.8)	0.0	(+/- 0.0)	59.6	(+ 5.6)				
Retail and commerce	26.9	(+ 1.9)	53.8	(- 4.5)	19.3	(+10.9)	0.0	(- 8.3)	0.0	(+/- 0.0)	53.8	(+ 3.8)				
Construction	11.5	(- 0.5)	19.2	(- 4.8)	23.2	(- 0.8)	42.3	(+ 6.3)	3.8	(- 0.2)	-3.9	(- 5.9)				
Energy	24.0	(+ 8.0)	32.0	(-20.0)	36.0	(+16.0)	4.0	(- 8.0)	4.0	(+ 4.0)	34.0	(- 2.0)				
Information Technology	46.2	(+10.2)	46.2	(- 5.8)	7.6	(- 4.4)	0.0	(+/- 0.0)	0.0	(+/- 0.0)	69.3	(+ 7.3)				
Services	50.0	(+19.2)	34.6	(-15.4)	11.6	(- 3.8)	3.8	(+/- 0.0)	0.0	(+/- 0.0)	65.4	(+11.5)				
<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	6.9	(+ 3.5)	58.6	(+ 6.9)	20.7	(- 7.0)	13.8	(- 3.4)	0.0	(+/- 0.0)	29.3	(+ 8.6)				
Shanghai	13.8	(+/- 0.0)	58.6	(+ 3.4)	17.3	(+ 0.1)	10.3	(- 3.5)	0.0	(+/- 0.0)	38.0	(+ 3.5)				
Hong Kong	0.0	(+/- 0.0)	48.3	(+20.7)	24.2	(-17.2)	24.1	(- 3.5)	3.4	(+/- 0.0)	8.7	(+12.1)				
Guangzhou	3.6	(+/- 0.0)	60.7	(+17.8)	25.0	(-10.6)	10.7	(- 7.2)	0.0	(+/- 0.0)	28.6	(+12.5)				
Shenzhen	14.3	(+ 7.2)	42.9	(- 3.5)	32.1	(+ 7.0)	10.7	(-10.7)	0.0	(+/- 0.0)	30.4	(+10.8)				
Tianjin	7.1	(+/- 0.0)	46.4	(+17.8)	28.6	(-10.7)	17.9	(- 3.5)	0.0	(- 3.6)	21.4	(+14.3)				
Chongqing	25.0	(+ 3.6)	39.3	(+10.7)	21.4	(- 3.6)	14.3	(- 3.6)	0.0	(- 7.1)	37.5	(+17.8)				
<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)	34.5	(- 6.9)	31.0	(+ 6.9)	27.6	(+/- 0.0)	6.9	(+/- 0.0)	-3.5	(- 3.5)				
Shanghai	0.0	(+/- 0.0)	41.4	(- 6.9)	27.6	(+ 3.5)	24.1	(+ 3.4)	6.9	(+/- 0.0)	1.8	(- 5.1)				
Hong Kong	3.6	(+ 3.6)	35.7	(+21.9)	35.7	(-12.6)	21.4	(- 6.2)	3.6	(- 6.7)	7.2	(+24.4)				
Guangzhou	0.0	(- 3.4)	31.0	(+ 6.9)	34.6	(+ 3.5)	31.0	(- 3.5)	3.4	(- 3.5)	-3.4	(+ 5.3)				
Shenzhen	0.0	(- 3.4)	27.6	(+ 3.5)	41.4	(+13.7)	27.6	(- 6.9)	3.4	(- 6.9)	-3.4	(+ 8.7)				
Tianjin	3.4	(- 3.5)	20.7	(+ 3.5)	13.9	(- 3.4)	51.7	(+10.3)	10.3	(- 6.9)	-22.4	(+/- 0.0)				
Chongqing	6.9	(+/- 0.0)	31.0	(+10.3)	6.9	(-13.8)	41.4	(+ 6.9)	13.8	(- 3.4)	-12.1	(+ 5.1)				

Note: 32 analysts participated in the August survey, which was conducted during the period 8/26-9/1/2014. 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.