

**ZEW/Fudan China Economic Panel: Results October 2017**

<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	11.5	(+ 1.5)	30.8	(- 2.5)	57.7	(+ 4.3)	0.0	(- 3.3)	0.0	(+/- 0.0)	26.9	(+ 1.9)				
USA	4.0	(+ 0.2)	56.0	(+29.1)	40.0	(-29.3)	0.0	(+/- 0.0)	0.0	(+/- 0.0)	32.0	(+14.7)				
<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>					
China (CEP-Indicator)	3.8	(+ 0.5)	50.0	(+ 6.7)	23.1	(- 0.3)	23.1	(- 3.6)	0.0	(- 3.3)	17.3	(+ 9.0)				
<b>GDP (growth rate) in %</b>	<b>2017Q4</b>				<b>2018Q1</b>				<b>2017</b>				<b>2018</b>			
China	6.8				6.8				6.8				6.7			
USA	2.6				2.6				2.5				2.7			
<b>Inflation (CPI) in %</b>	<b>3 months</b>								<b>1 year</b>							
China	1.9 (1.8)								2.1 (2.0)							
USA	1.0 (0.8)								1.2 (1.0)							
<b>Interest rates</b>	<b>3 months</b>								<b>1 year</b>							
SHIBOR (3 months)	4.4 (4.5)								4.4 (4.6)							
One-year deposit rate	1.5 (1.5)								1.5 (1.6)							
One-year lending rate	4.3 (4.4)								4.4 (4.5)							
<b>Stock market indices</b>	<b>3 months</b>								<b>1 year</b>							
SSE Composite Index	3.444 (3.438)								3.617 (3.639)							
Hang Seng Index	28.488 (27.714)								28.449 (27.953)							
Growth Enterprise Market Index (SZ)	1.546 (1.449)								1.609 (1.603)							
WTI Crude Oil (US-Dollar)	51 (48)								52 (48)							
<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	9.1	(+ 5.1)	50.0	(-14.0)	13.6	(+ 1.6)	27.3	(+11.3)	0.0	(- 4.0)	20.5	(- 3.5)				
<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	4.5	(- 7.5)	50.0	(+ 6.0)	22.8	(- 9.2)	18.2	(+ 6.2)	4.5	(+ 4.5)	15.9	(-12.1)				
FDI outflow (out of China)	18.2	(+ 6.2)	50.0	(+10.0)	9.1	(- 6.9)	18.2	(-13.8)	4.5	(+ 4.5)	29.6	(+13.6)				
FDI inflow (into China)	0.0	(+/- 0.0)	59.1	(+ 3.1)	18.2	(- 5.8)	13.6	(- 2.4)	9.1	(+ 5.1)	13.7	(- 2.3)				
Export activity	22.7	(+ 7.3)	45.5	(-16.0)	9.1	(+ 9.1)	18.2	(- 4.9)	4.5	(+ 4.5)	31.9	(- 2.7)				
Import activity	18.2	(+ 6.7)	40.9	(- 1.4)	18.2	(- 5.0)	18.2	(- 1.0)	4.5	(+ 0.7)	25.1	(+ 5.8)				
Domestic consumption	18.2	(+10.5)	63.6	(-13.3)	13.7	(- 1.7)	0.0	(+/- 0.0)	4.5	(+ 4.5)	45.5	(- 0.7)				
Employment rate	4.5	(+ 4.5)	31.8	(-10.5)	50.1	(- 7.6)	13.6	(+13.6)	0.0	(+/- 0.0)	13.6	(- 7.6)				
Growth rate of new car registrations	4.5	(- 7.5)	68.2	(+ 4.2)	18.2	(- 1.8)	9.1	(+ 5.1)	0.0	(+/- 0.0)	34.1	(- 7.9)				
Total share of world trade	13.6	(+13.6)	54.5	(-10.7)	13.7	(-16.8)	18.2	(+13.9)	0.0	(+/- 0.0)	31.8	(+ 1.3)				
<b>Exchange rates</b>	<b>3 months</b>								<b>1 year</b>							
Yuan / US-Dollar	6.70 (6.58)								6.84 (6.70)							
US-Dollar / Euro	1.17 (1.19)								1.19 (1.21)							
<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	15.0	(+10.5)	75.0	(+15.9)	5.0	(-22.4)	0.0	(- 4.5)	5.0	(+ 0.5)	47.5	(+20.2)				
Investment banking	25.0	(+11.4)	60.0	(+ 5.5)	5.0	(-17.8)	10.0	(+ 0.9)	0.0	(+/- 0.0)	50.0	(+13.7)				
Insurance	30.0	(+12.6)	65.0	(+ 8.5)	0.0	(-13.1)	0.0	(-13.0)	5.0	(+ 5.0)	57.5	(+18.3)				
Automotive	9.5	(+ 9.5)	61.9	(- 3.3)	14.3	(- 7.5)	14.3	(+ 1.3)	0.0	(+/- 0.0)	33.3	(+ 7.2)				
Chemical / Pharmaceutical	33.3	(+15.9)	38.1	(- 9.7)	19.1	(- 7.0)	9.5	(+ 0.8)	0.0	(+/- 0.0)	47.6	(+10.6)				
Machinery / Engineering	23.8	(+10.8)	42.9	(- 9.3)	28.5	(- 2.0)	0.0	(- 4.3)	4.8	(+ 4.8)	40.5	(+ 3.5)				
Electronics	38.1	(+16.4)	38.1	(-14.1)	19.0	(- 7.1)	4.8	(+ 4.8)	0.0	(+/- 0.0)	54.8	(+ 7.0)				
Retail and commerce	19.0	(+ 1.6)	66.7	(+ 1.5)	9.5	(+ 0.7)	4.8	(+ 0.5)	0.0	(- 4.3)	50.0	(+ 6.4)				
Construction	19.0	(+10.3)	38.1	(- 5.4)	14.3	(+ 1.2)	28.6	(- 1.8)	0.0	(- 4.3)	23.8	(+12.8)				
Energy	10.0	(-17.3)	55.0	(+ 5.0)	25.0	(+ 6.8)	10.0	(+ 5.5)	0.0	(+/- 0.0)	32.5	(-17.6)				
Information Technology	40.0	(- 0.9)	55.0	(+ 5.0)	0.0	(- 4.6)	5.0	(+ 5.0)	0.0	(- 4.5)	65.0	(+ 3.6)				
Services	35.0	(+12.3)	45.0	(-14.1)	15.0	(+10.4)	5.0	(- 8.6)	0.0	(+/- 0.0)	55.0	(+ 9.5)				
<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	15.0	(+10.5)	45.0	(+ 8.6)	30.0	(-24.6)	10.0	(+ 5.5)	0.0	(+/- 0.0)	32.5	(+12.0)				
Shanghai	20.0	(+15.5)	50.0	(- 4.5)	25.0	(-11.5)	5.0	(+ 0.5)	0.0	(+/- 0.0)	42.5	(+13.0)				
Hong Kong	0.0	(+/- 0.0)	40.0	(+17.3)	35.0	(-15.1)	20.0	(- 2.7)	5.0	(+ 0.5)	5.0	(+ 9.5)				
Guangzhou	21.1	(+11.6)	47.4	(- 9.7)	26.2	(+ 2.3)	5.3	(- 4.2)	0.0	(+/- 0.0)	42.2	(+ 8.9)				
Shenzhen	36.8	(-10.8)	52.6	(+14.5)	10.6	(- 3.7)	0.0	(+/- 0.0)	0.0	(+/- 0.0)	63.1	(- 3.6)				
Tianjin	26.3	(+12.0)	31.6	(+ 3.0)	26.3	(-11.8)	15.8	(- 3.2)	0.0	(+/- 0.0)	34.2	(+15.1)				
Chongqing	31.6	(+ 7.8)	36.8	(+ 8.2)	21.1	(-12.2)	10.5	(- 3.8)	0.0	(+/- 0.0)	44.8	(+13.8)				
<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	5.0	(- 4.1)	20.0	(-11.8)	40.0	(+17.3)	35.0	(- 1.4)	0.0	(+/- 0.0)	-2.5	(- 9.3)				
Shanghai	5.0	(- 8.6)	35.0	(+ 3.2)	30.0	(+ 2.7)	25.0	(- 2.3)	5.0	(+ 5.0)	5.0	(-10.9)				
Hong Kong	10.0	(+ 5.5)	50.0	(+22.7)	25.0	(-20.5)	10.0	(-12.7)	5.0	(+ 5.0)	25.0	(+18.2)				
Guangzhou	5.3	(- 4.2)	36.8	(- 6.1)	42.1	(+13.5)	10.5	(- 8.5)	5.3	(+ 5.3)	13.2	(- 8.3)				
Shenzhen	5.3	(- 4.2)	42.1	(+ 8.8)	31.5	(+ 7.7)	15.8	(-12.8)	5.3	(+ 0.5)	13.2	(+ 6.1)				
Tianjin	5.3	(- 4.2)	26.3	(+ 7.3)	47.4	(- 0.3)	10.5	(-13.3)	10.5	(+10.5)	2.7	(- 4.4)				
Chongqing	10.5	(+ 5.7)	36.8	(- 6.1)	31.7	(- 1.5)	10.5	(- 3.8)	10.5	(+ 5.7)	13.2	(- 1.1)				

Note: 26 analysts participated in the October survey, which was conducted during the period 9/29-10/17/2017. 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.