

**ZEW/Fudan China Economic Panel: Results December 2018**

<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)	18.2	(+14.4)	63.6	(+ 2.0)	18.2	(- 8.7)	0.0	(- 7.7)	0.0	(+19.3)				
Eurozone	0.0	(+/- 0.0)	20.0	(+15.8)	65.0	(-22.5)	15.0	(+ 6.7)	0.0	(+/- 0.0)	2.5	(+ 4.6)				
USA	5.0	(+ 0.8)	35.0	(-15.0)	40.0	(+27.6)	20.0	(- 9.2)	0.0	(- 4.2)	12.5	(+ 2.1)				
<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	(- 4.0)	27.3	(+23.3)	13.6	(-18.4)	50.0	(+ 2.0)	9.1	(- 2.9)	-20.5	(+ 9.5)				
<b>GDP (growth rate) in %</b>	<b>2018Q4</b>				<b>2019Q1</b>				<b>2018</b>				<b>2019</b>			
China	6.3				6.3				6.4				6.2			
Eurozone	2.0				2.0				2.1				2.0			
USA	3.2				3.1				3.2				3.0			
<b>Inflation (CPI) in %</b>	<b>3 months</b>								<b>1 year</b>							
China	2.6 (2.5)								2.6 (2.6)							
Eurozone	1.7 (1.7)								1.7 (1.8)							
USA	2.4 (2.3)								2.4 (2.3)							
<b>Wage Inflation in %</b>	<b>3 months</b>								<b>1 year</b>							
China	7.3 (7.4)								6.9 (6.9)							
Eurozone	2.3 (2.2)								2.3 (2.2)							
USA	4.2 (4.1)								4.1 (4.2)							
<b>Interest rates</b>	<b>3 months</b>								<b>1 year</b>							
SHIBOR (3 months)	3.1 (3.0)								3.1 (3.0)							
One-year deposit rate	1.5 (1.5)								1.5 (1.5)							
One-year lending rate	4.3 (4.4)								4.3 (4.4)							
<b>Stock market indices</b>	<b>3 months</b>								<b>1 year</b>							
SSE Composite Index	2.537 (2.677)								2.748 (2.801)							
Hang Seng Index	26.221 (25.682)								27.128 (25.958)							
Growth Enterprise Market Index (SZ)	1.313 (1.331)								1.429 (1.438)							
WTI Crude Oil (US-Dollar)	56 (68)								60 (72)							
<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	5.6	(+ 0.6)	27.8	(-12.2)	16.6	(+ 1.6)	44.4	(+14.4)	5.6	(- 4.4)	-8.3	(- 8.3)				
<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)	33.3	(- 9.6)	16.7	(+12.0)	38.9	(- 8.7)	11.1	(+ 6.3)	-13.9	(- 6.7)				
FDI outflow (out of China)	6.3	(- 3.2)	37.5	(- 0.6)	31.2	(+21.6)	25.0	(- 8.3)	0.0	(- 9.5)	12.6	(+10.2)				
FDI inflow (into China)	6.3	(- 3.2)	37.5	(+23.2)	6.2	(-12.8)	50.0	(+ 7.1)	0.0	(-14.3)	0.1	(+19.2)				
Export activity	11.1	(+ 2.0)	44.4	(+30.8)	11.1	(- 2.6)	27.8	(-22.2)	5.6	(- 8.0)	13.8	(+36.5)				
Import activity	0.0	(+/- 0.0)	50.0	(+22.7)	16.7	(+ 7.6)	22.2	(-32.3)	11.1	(+ 2.0)	2.8	(+25.5)				
Private Consumption	0.0	(- 4.5)	55.6	(+28.3)	22.2	(- 9.6)	22.2	(- 5.1)	0.0	(- 9.1)	16.7	(+21.3)				
Private Investment	0.0	(- 4.5)	55.6	(+19.2)	22.2	(+ 4.0)	22.2	(- 9.6)	0.0	(- 9.1)	16.7	(+19.0)				
Govt. Consumption	27.8	(+ 9.6)	16.7	(-19.7)	11.1	(+ 6.6)	22.2	(- 9.6)	22.2	(+13.1)	2.9	(- 8.5)				
Debt Domestic	11.1	(+ 2.0)	44.4	(- 1.1)	5.6	(- 8.0)	27.8	(+ 5.1)	11.1	(+ 2.0)	8.3	(- 3.1)				
Debt Foreign	5.6	(- 3.5)	44.4	(+17.1)	11.1	(-34.4)	27.8	(+14.2)	11.1	(+ 6.6)	2.8	(- 8.7)				
Employment rate	11.8	(+11.8)	41.2	(+16.2)	35.2	(- 9.8)	11.8	(-18.2)	0.0	(+/- 0.0)	26.5	(+29.0)				
Growth rate of new car registrations	5.9	(+ 5.9)	35.3	(+ 6.7)	17.6	(-10.9)	35.3	(- 7.6)	5.9	(+ 5.9)	0.0	(+ 7.2)				
Total share of world trade	18.8	(+18.8)	31.3	(+ 2.7)	18.6	(-14.7)	31.3	(- 2.0)	0.0	(- 4.8)	18.8	(+26.0)				
<b>Exchange rates</b>	<b>3 months</b>								<b>1 year</b>							
Yuan / US-Dollar	6.98 (6.99)								7.11 (7.18)							
Yuan / Euro	7.89 (7.94)								8.00 (8.05)							
<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	(+/- 0.0)	23.5	(- 6.5)	23.5	(+ 3.5)	47.1	(- 2.9)	5.9	(+ 5.9)	-17.7	(- 7.7)				
Investment banking	0.0	(+/- 0.0)	17.6	(- 2.4)	29.5	(- 0.5)	52.9	(+17.9)	0.0	(-15.0)	-17.7	(+ 4.8)				
Insurance	12.5	(+ 7.5)	12.5	(-12.5)	12.4	(- 2.6)	56.3	(+ 6.3)	6.3	(+ 1.3)	-15.7	(- 3.2)				
Automotive	5.9	(- 3.6)	29.4	(+10.4)	17.6	(- 1.5)	35.3	(-12.3)	11.8	(+ 7.0)	-8.9	(+ 0.7)				
Chemical / Pharmaceutical	6.3	(- 3.2)	25.0	(+20.2)	18.7	(- 9.8)	37.5	(-14.9)	12.5	(+ 7.7)	-12.5	(+ 6.6)				
Machinery / Engineering	5.9	(+ 1.1)	35.3	(+25.8)	17.6	(-20.5)	35.3	(+ 2.0)	5.9	(- 8.4)	0.0	(+21.4)				
Electronics	11.8	(+ 7.3)	35.3	(+ 3.5)	11.7	(-15.7)	41.2	(+18.5)	0.0	(-13.6)	8.9	(+13.5)				
Retail and commerce	11.1	(+ 1.6)	27.8	(+ 4.0)	27.8	(+ 3.9)	22.2	(-11.1)	11.1	(+ 1.6)	2.8	(+ 7.6)				
Construction	11.1	(+11.1)	38.9	(+15.1)	11.1	(-22.2)	38.9	(+ 0.8)	0.0	(- 4.8)	11.1	(+23.1)				
Energy	12.5	(+ 2.5)	37.5	(+17.5)	12.5	(-17.5)	25.0	(+/- 0.0)	12.5	(- 2.5)	6.3	(+13.8)				
Information Technology	18.8	(+ 8.8)	25.0	(+/- 0.0)	12.4	(- 2.6)	31.3	(- 3.7)	12.5	(- 2.5)	3.2	(+13.2)				
Services	18.8	(+13.8)	25.0	(+ 5.0)	12.4	(-17.6)	25.0	(-10.0)	18.8	(+ 8.8)	0.0	(+12.5)				
<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	0.0	(- 9.5)	29.4	(+10.4)	35.3	(- 7.6)	35.3	(+ 6.7)	0.0	(+/- 0.0)	-3.0	(- 7.7)				
Shanghai	0.0	(- 9.5)	35.3	(+16.3)	35.3	(+ 1.9)	29.4	(- 3.9)	0.0	(- 4.8)	3.0	(+ 5.5)				
Hong Kong	0.0	(+/- 0.0)	47.1	(+28.1)	17.6	(-20.5)	29.4	(-13.5)	5.9	(+ 5.9)	3.0	(+15.0)				
Guangzhou	0.0	(+/- 0.0)	37.5	(+13.7)	25.0	(- 8.4)	37.5	(+ 4.2)	0.0	(- 9.5)	0.0	(+14.3)				
Shenzhen	6.3	(+ 1.5)	25.0	(+ 6.0)	12.4	(-16.2)	43.8	(+10.5)	12.5	(- 1.8)	-15.6	(+ 1.1)				
Tianjin	0.0	(- 4.8)	37.5	(+13.7)	24.9	(-13.2)	31.3	(+12.3)	6.3	(- 8.0)	-3.2	(+ 3.9)				
Chongqing	0.0	(- 5.0)	31.3	(+11.3)	31.1	(- 3.9)	31.3	(+ 6.3)	6.3	(- 8.7)	-6.3	(+ 6.2)				
<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	(- 9.5)	47.1	(- 5.3)	17.6	(-11.0)	35.3	(+25.8)	0.0	(+/- 0.0)	5.9	(-25.1)				
Shanghai	5.9	(- 3.6)	41.2	(-11.2)	17.6	(- 6.2)	35.3	(+21.0)	0.0	(+/- 0.0)	8.9	(-19.7)				
Hong Kong	11.8	(- 2.5)	35.3	(-17.1)	5.8	(-13.2)	41.2	(+26.9)	5.9	(+ 5.9)	3.0	(-30.4)				
Guangzhou	0.0	(- 9.5)	43.8	(-18.1)	18.7	(+ 9.1)	37.5	(+18.5)	0.0	(+/- 0.0)	3.2	(-27.8)				
Shenzhen	6.3	(- 3.2)	43.8	(-13.3)	12.4	(- 2.0)	37.5	(+18.5)	0.0	(+/- 0.0)	9.5	(-19.1)				
Tianjin	0.0	(- 9.5)	37.5	(-14.9)	37.4	(+18.3)	18.8	(- 0.2)	6.3	(+ 6.3)	3.1	(-23.1)				
Chongqing	0.0	(- 9.5)	37.5	(-10.1)	43.7	(+29.4)	12.5	(-16.1)	6.3	(+ 6.3)	6.2	(-12.8)				

Note: 22 analysts participated in the December survey, which was conducted during the period 11/28-12/13/2018. 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.