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Head of China Research
Senior Managing Director
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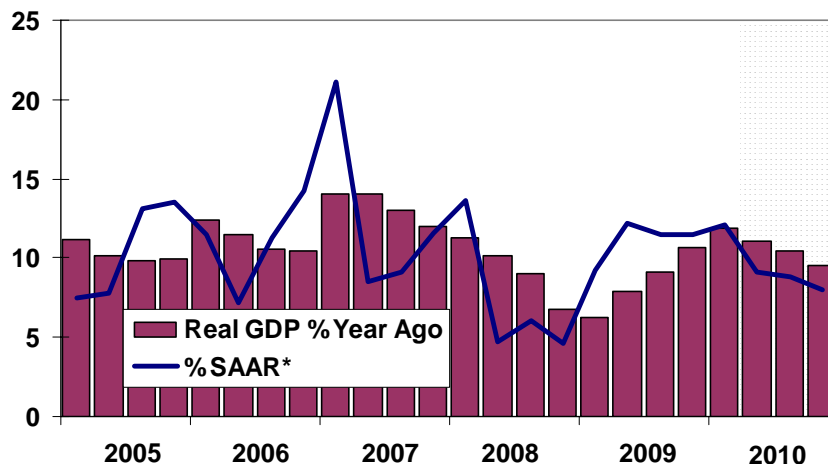
CFA Institute
San Antonio & Austin, TX

May 5, 2010

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China's Real GDP Growth

Quarterly %SAAR* and %Year Ago



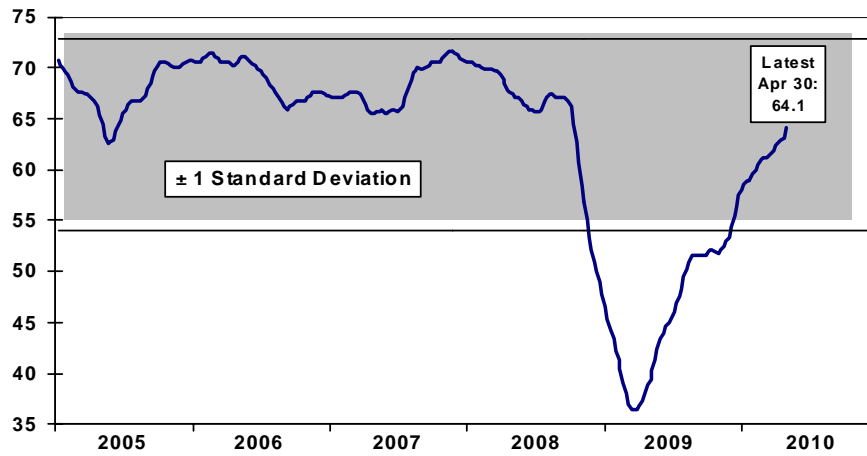
Source: IHS Global Insight, *ISI Estimates
dstraszheim@isigrp.com

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ISI Company Surveys

Export Sales to China, Sales in China

Index, 4 Week Average



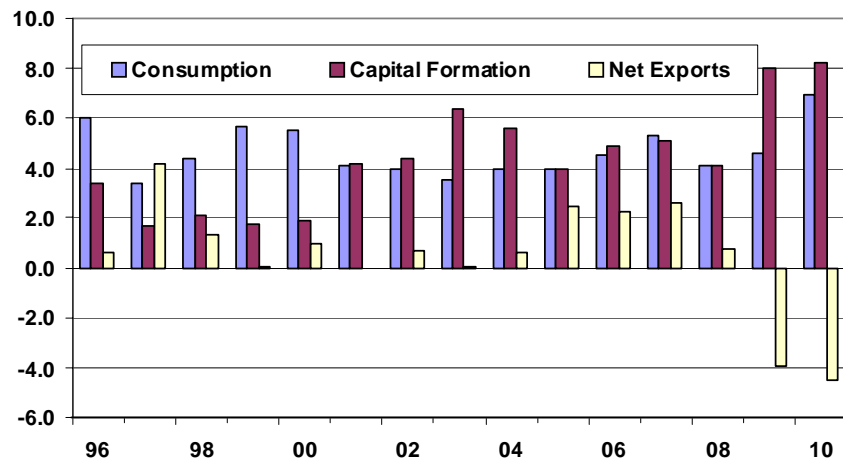
Source: ISI Company Survey, Oscar Sloterbeck (212-446-9423), osloterbeck@isigrp.com
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China Real GDP Growth Rate

Percentage Points of Real GDP Growth Rate by Category

Percentage Points

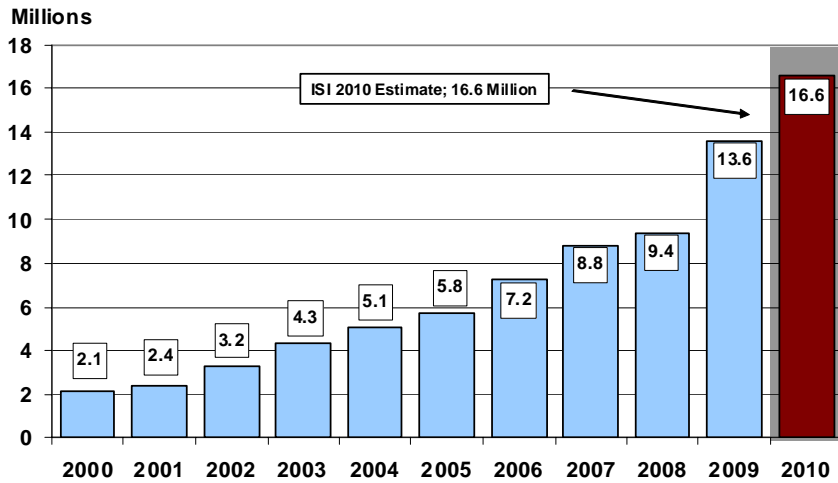


Source: NBS China, ISI Estimates
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China Auto Sales

Annual Units Sold

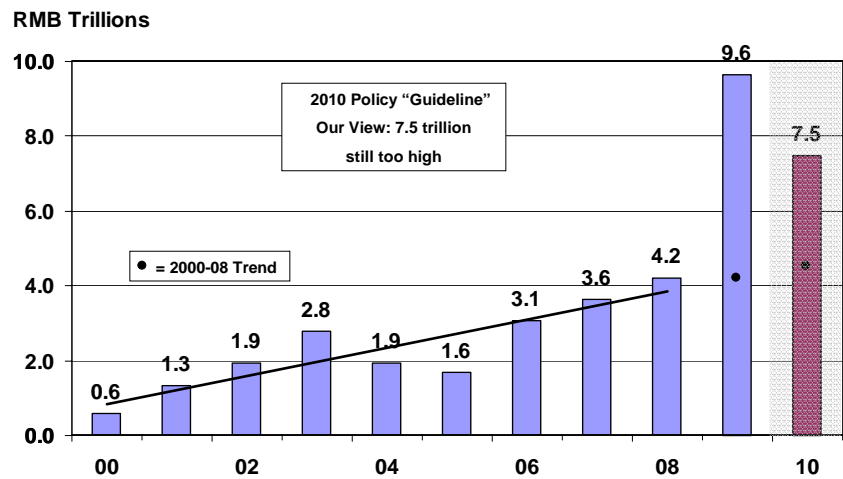


Source: NBS China, ISI Calculations
dstraszheim@isigrp.com

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China Net New Bank Loans

Annual Change, 2000-09 History; 2010 per CBRC "Guidelines"

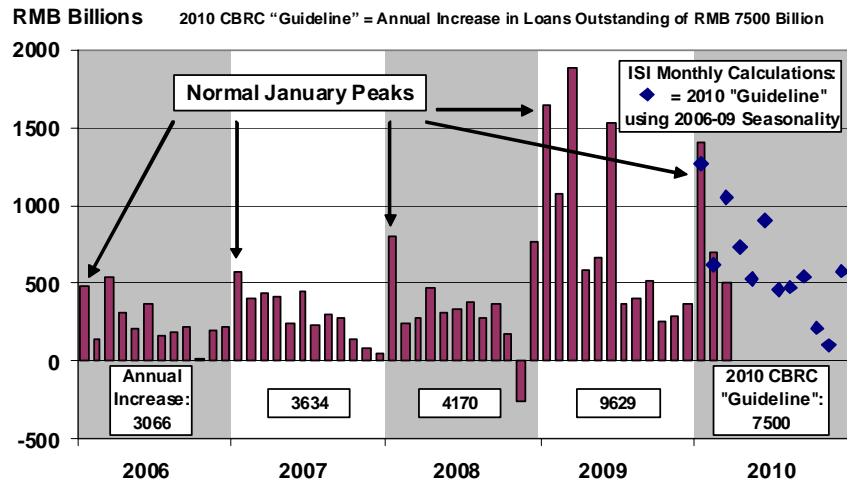


Source: People's Bank of China, ISI Calculations
dstraszheim@isigrp.com

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Bank Loans Outstanding

Monthly Change

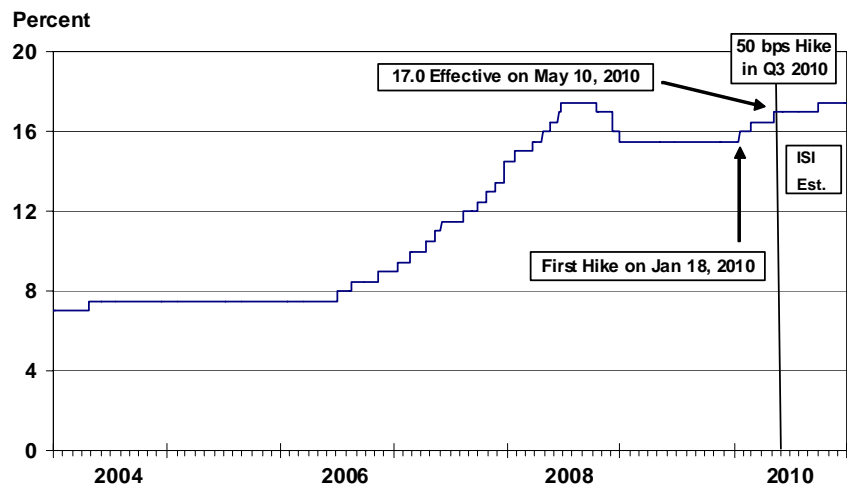


Source: People's Bank of China, CBRC, ISI Calculations
dstraszheim@isigrp.com

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China Required Reserve Ratio (RRR)

For Large Depository Institutions

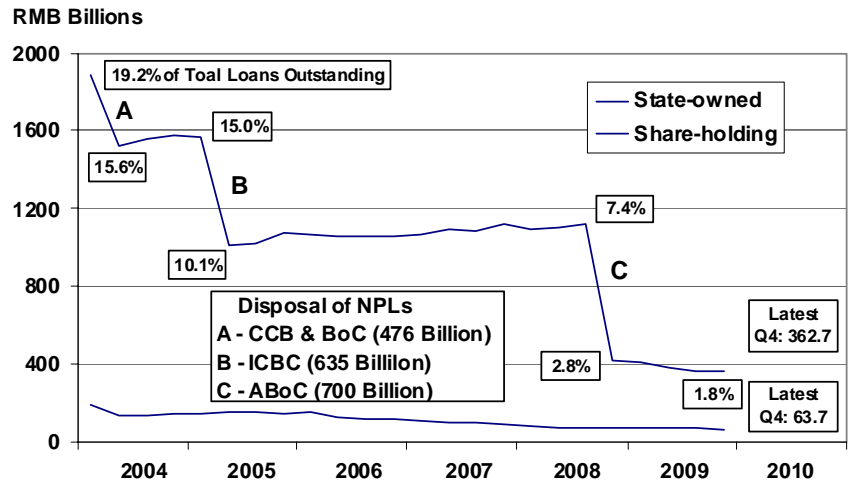


Source: People's Bank of China, IHS Global Insight
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China's NPLs & as % of Total Loans

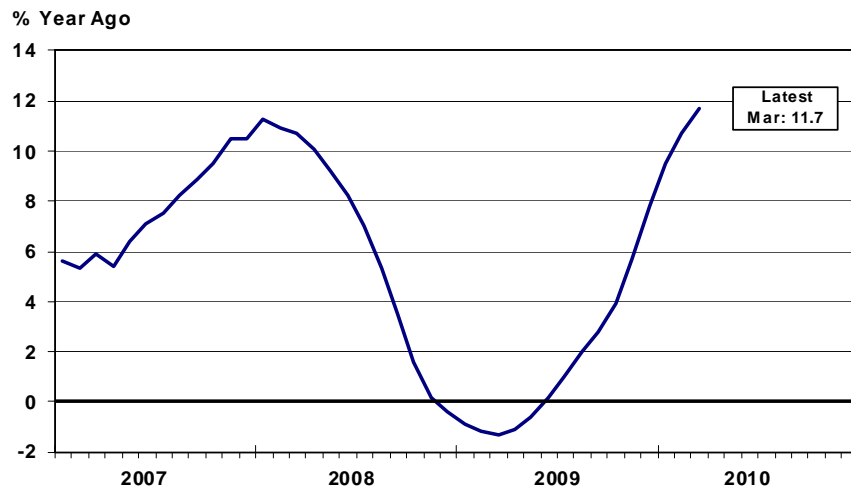
Major Commercial Banks, State-owned vs. Share-holding



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Property Prices - Housing

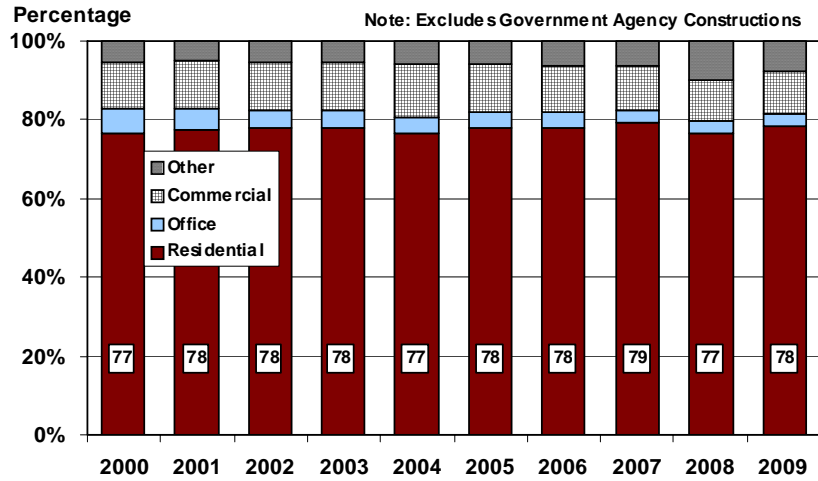
70-City Average, % Year Ago



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Floor Space Under Construction

Residential, Office, Commercial and Other; all "Commodity" Constructions

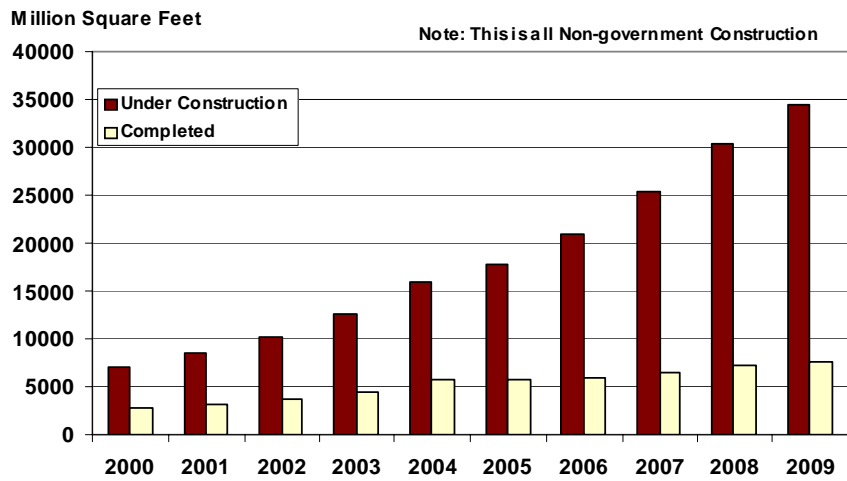


Source: CEIC, NBS China
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Floor Space Status

Started, Under Construction and Completed



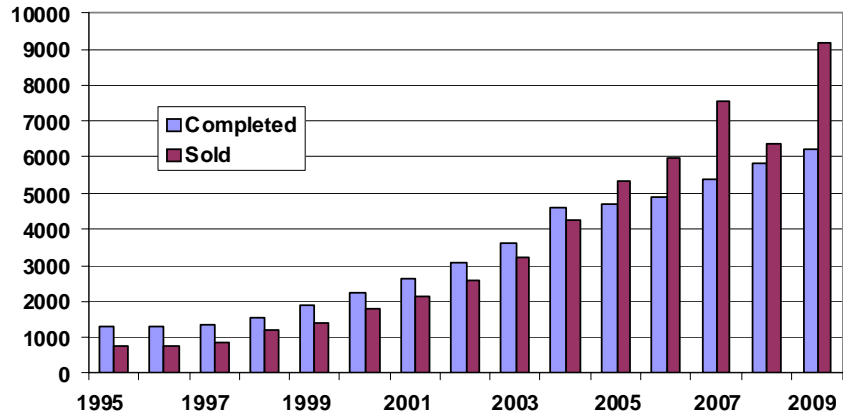
Source: CEIC, NBS China
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Floor Space - Residential

Completed vs. Sold

Million Square Feet

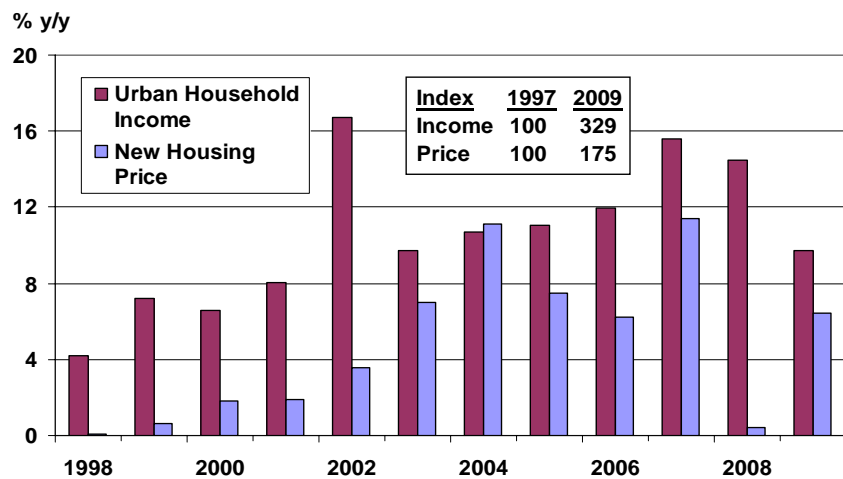


Source: CEIC, NBS China
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China Incomes & Housing Prices

Urban Household Income and New Housing Price

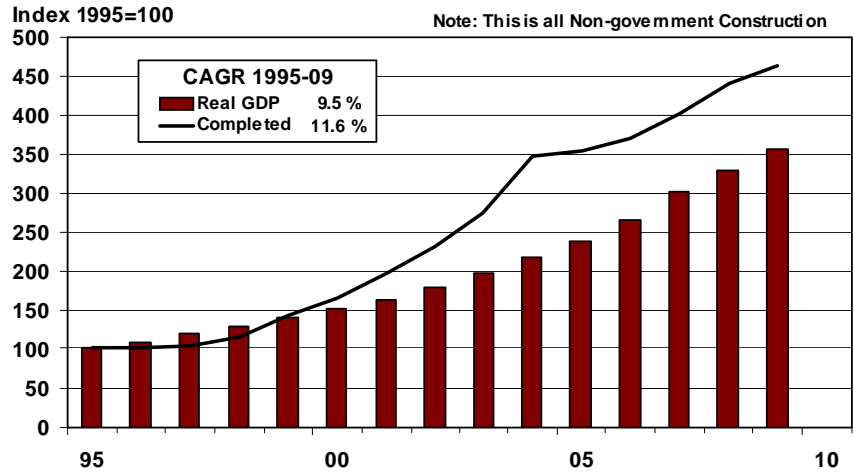


Source: NBS China, ISI Calculations
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Floor Space Completed in China

In comparison with Real GDP Level

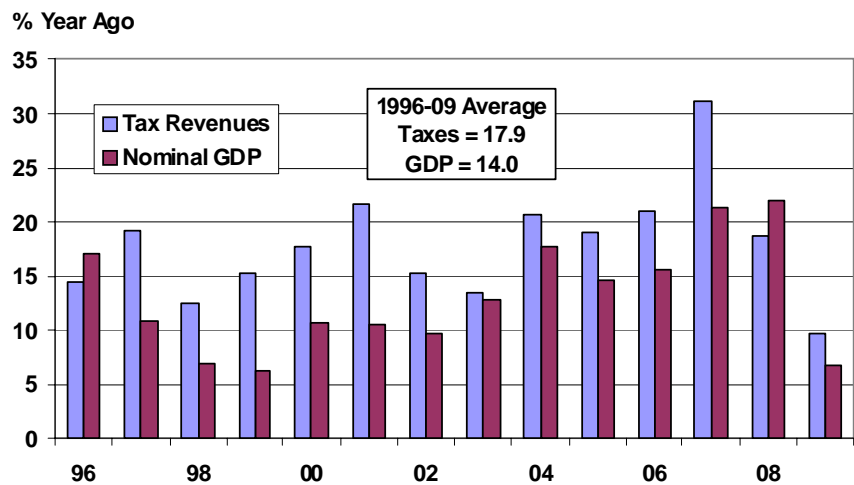


Source: CEIC, NBS China
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China Fiscal Position (All Gov't)

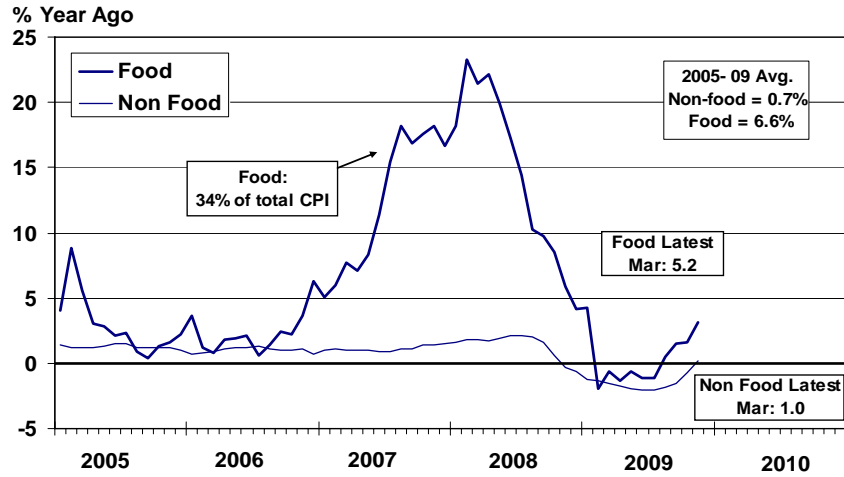
Annual Change, Tax Revenues and Nominal GDP



Source: NBS China, State Administration of Taxation
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China CPI – Food and Non-Food



Source: CEIC, ISI Calculations
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China's Trade Balance

Total, Exports minus Imports

\$ Billions		(Shaded: Major Surplus Countries)				
Country (Region)	1995	2000	2005	2007	2008	2009
U.S.	9	30	114	163	171	144
Japan	-0.5	0.1	-16	-32	-35	-33
EU	-2	7	70	134	160	108
ASEAN	N/A	-5	-20	-14	-3	-1
Hong Kong	27	35	112	171	178	157
Taiwan	-12	-20	-58	-78	-77	-65
Korea	-4	-12	-42	-48	-38	-49
Saudi Arabia	0.2	-0.8	-8	-10	-20	-15
India	0.4	0.2	-0.8	9	11	16
Australia	-1	-2	-5	-8	-14	-18
Total	17	24	102	262	297	198

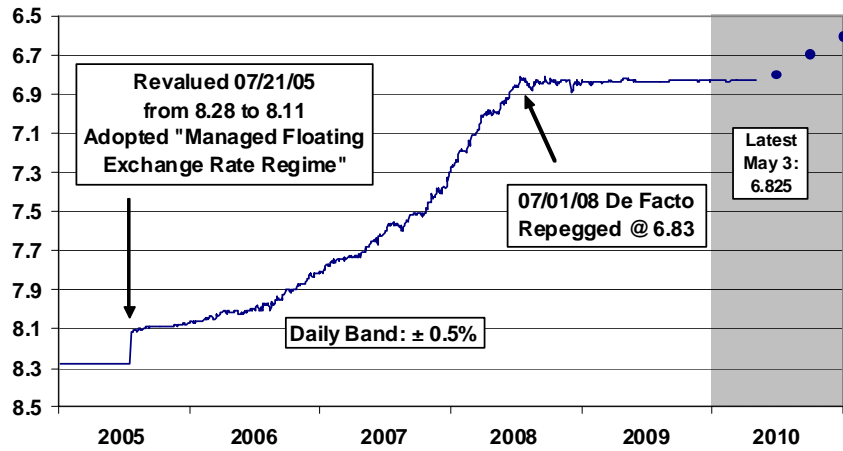
Source: IHS Global Insight, ISI Calculations
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Chinese Yuan vs. U.S. Dollar

Values in Reverse

CNY per USD

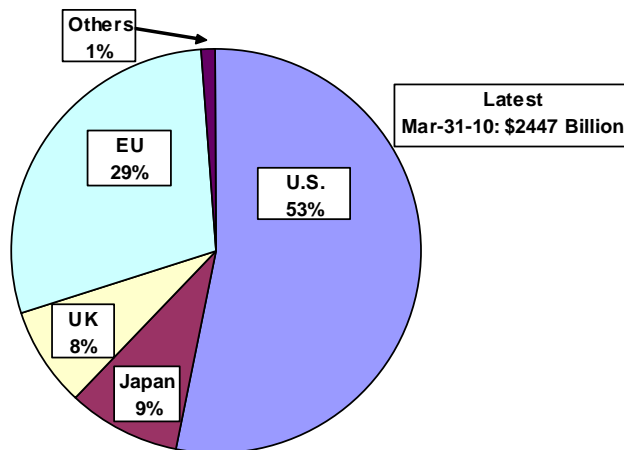


Source: Bloomberg, ISI Estimates (Discrete Data Points)
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China's FOREX Reserves

Composition by Currency

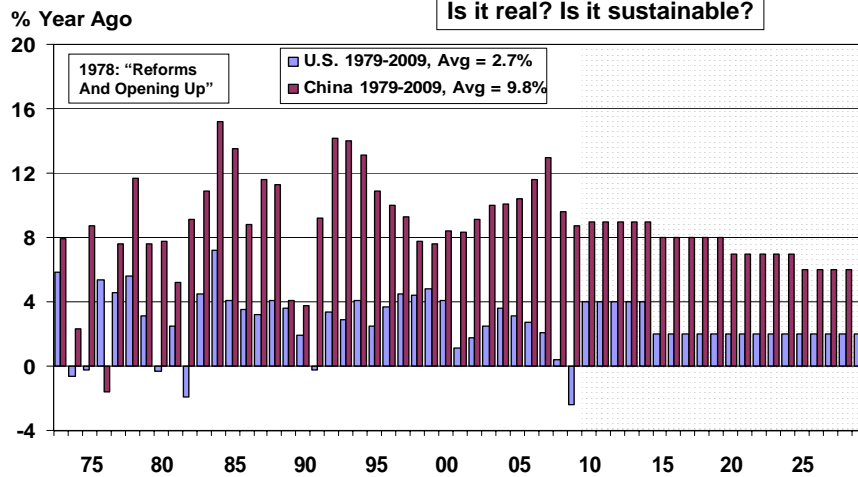


Source: IHS Global Insight, ISI Estimates
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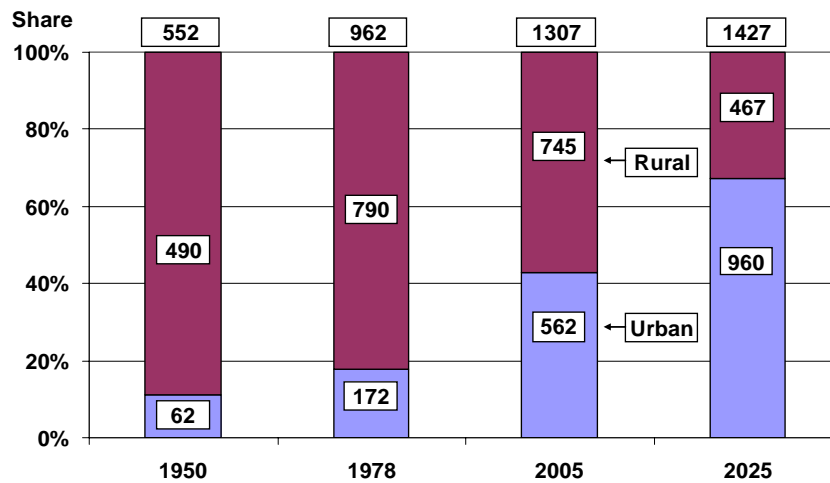
China – U.S. in the Long Run

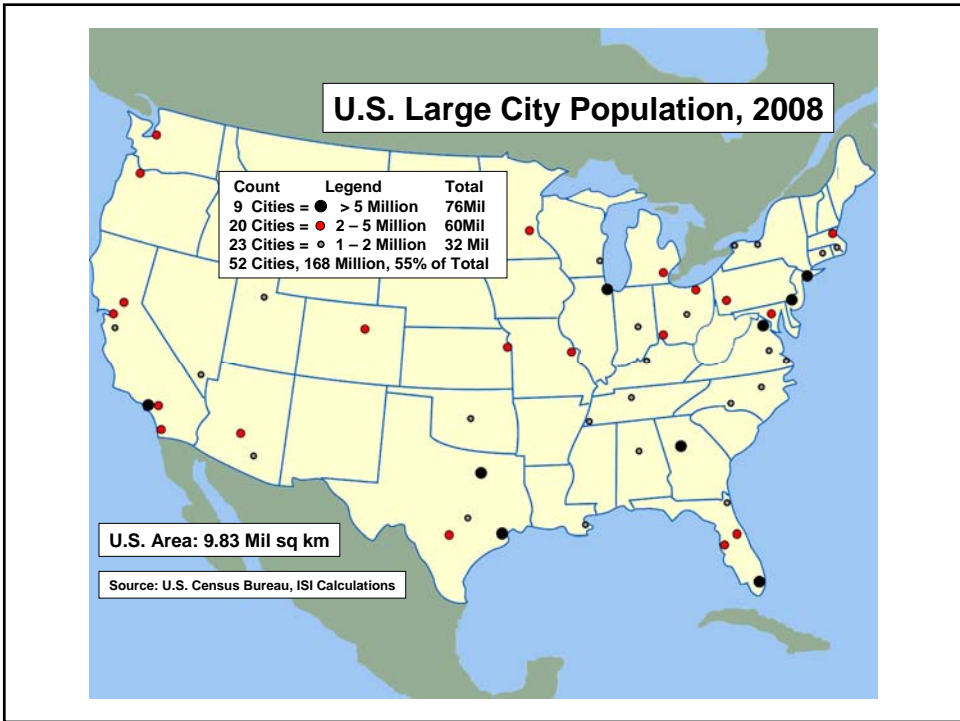
Real GDP Growth, China vs. U.S.



China Rural-Urban Migration

Population (Millions) and % Share





Building a Different Economy

“Strategically Vital” Industries (12 – 06)

“ABSOLUTE CONTROL”:

- Armaments
- Electric Power
- Oil/P’Chem
- Telecom
- Coal
- Aviation
- Shipping

“HEAVYWEIGHTS”:

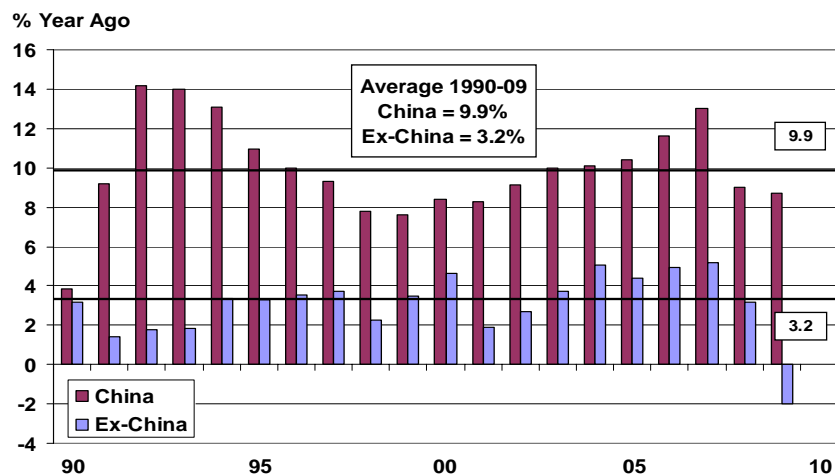
- Machinery
- Autos
- Info Tech
- Construction
- Iron and Steel
- Non-Ferrous

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GDP – China and World Ex-China

China is for SOEs; Ex-China is for Global Firms

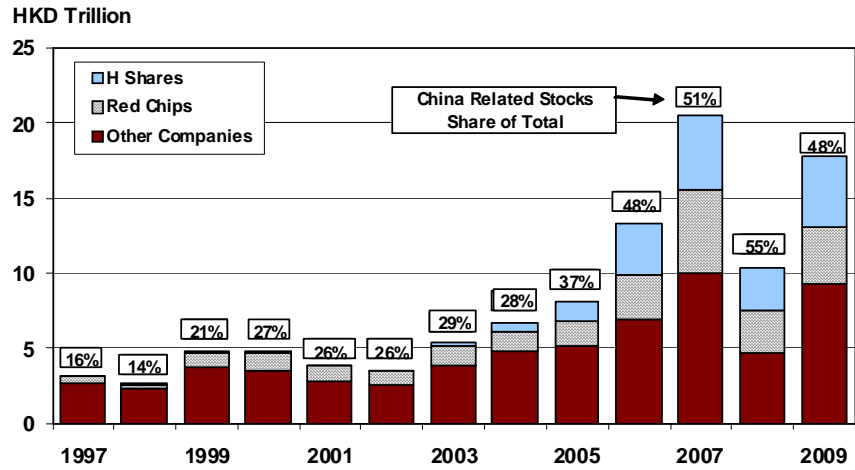


Source: DMF, ISI Calculations
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Hong Kong Stock Exchange

Main Board, Market Capitalization and Company Capitalization

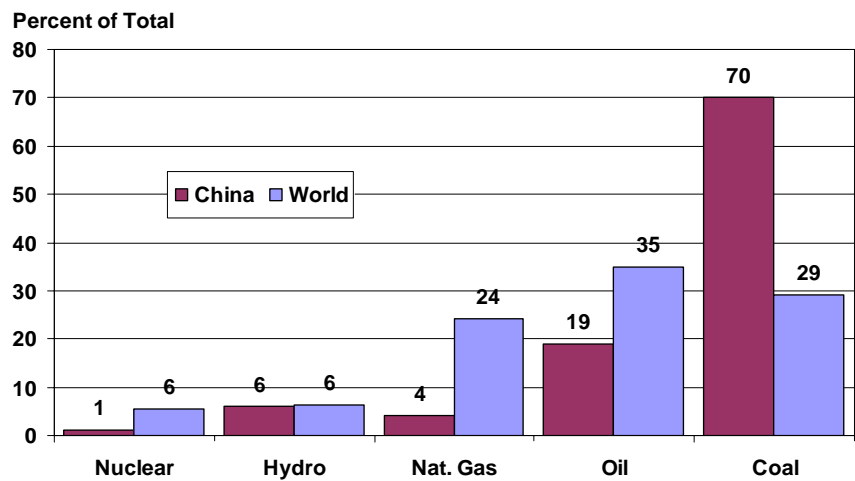


Source: Bloomberg, ISI Calculations
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Energy: China and World

Share of Total Primary Energy Supply, 2008

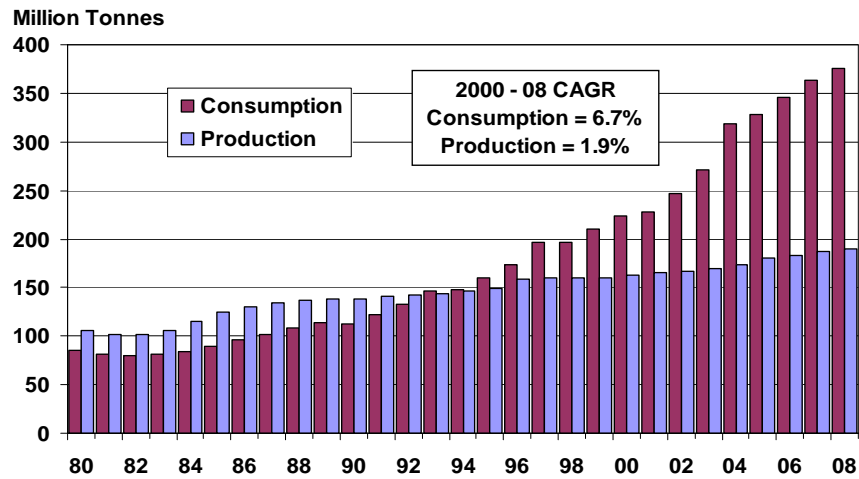


Source: BP
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China's Growing Oil Supply Gap

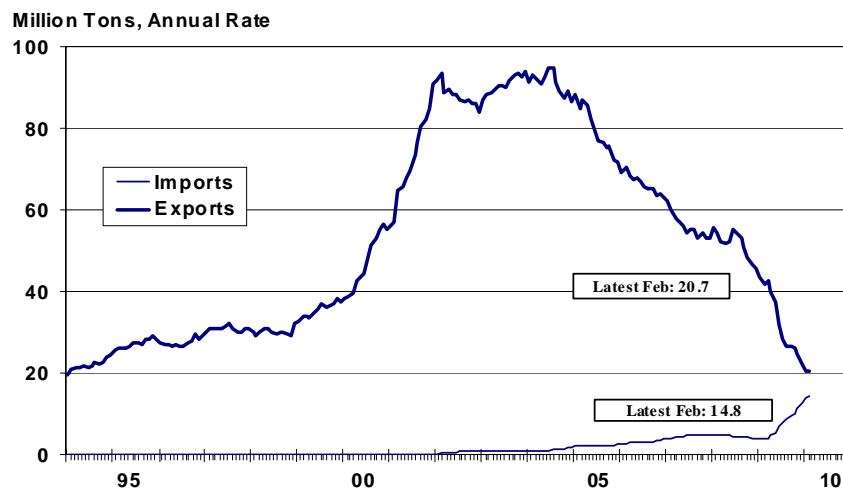
Domestic Production and Consumption



Source: BP
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China Coal Exports and Imports

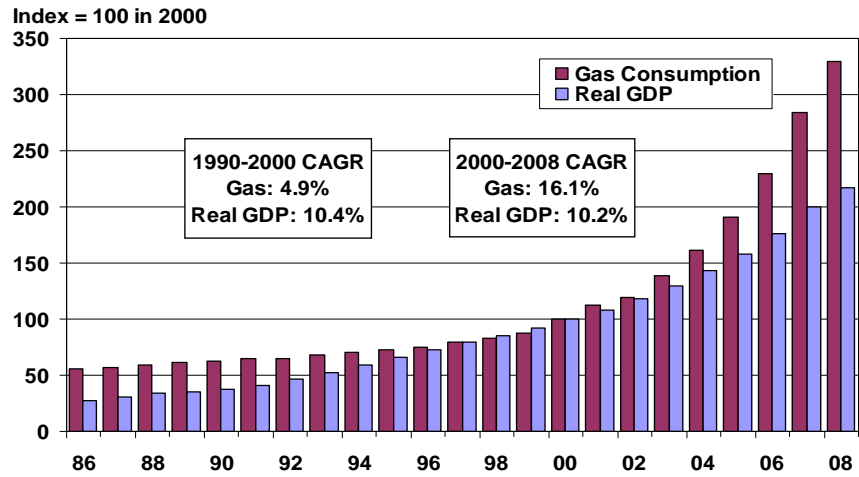


Source: BP, IHS Global Insight
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China's Gas Consumption and GDP

Relative to Real GDP

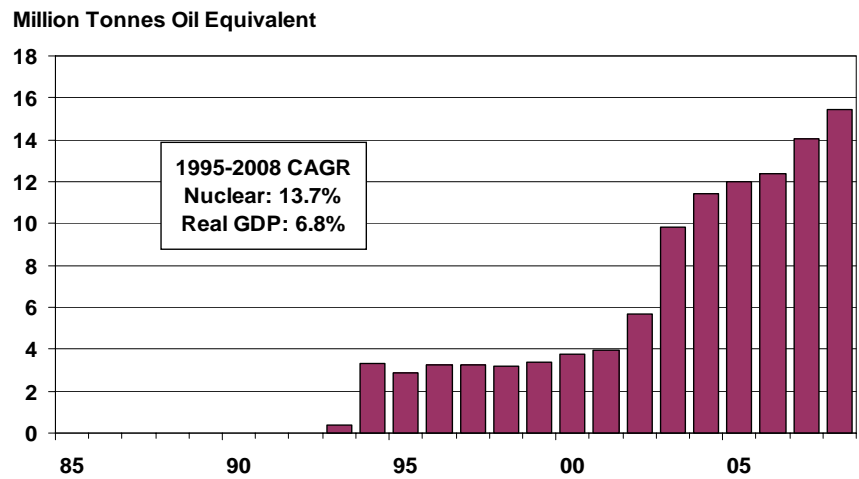


Source: BP, IHS Global Insight, ISI Calculations
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China Goes Nuclear

Nuclear Energy Consumption



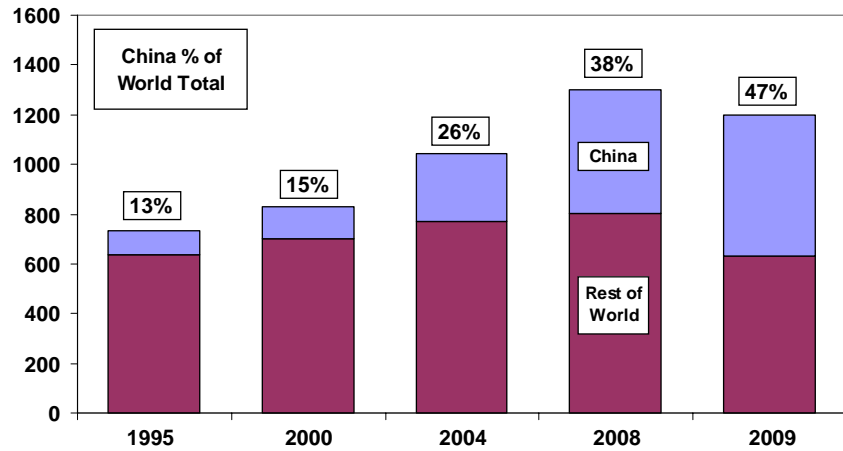
Source: BP, IHS Global Insight, ISI Calculations
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Crude Steel Production

China and World Total

Million Metric Tonnes



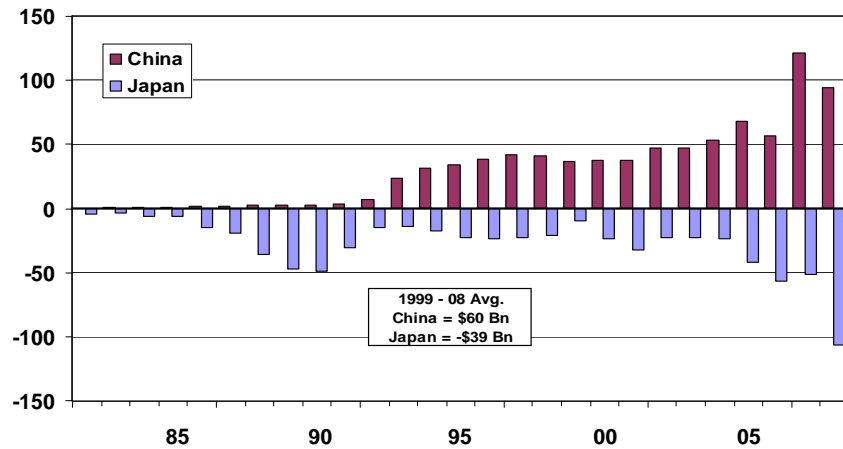
Source: International Iron and Steel Institute, IHS Global Insight
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China and Japan: Investment Flows

Net Foreign Direct Investment

\$ Billions

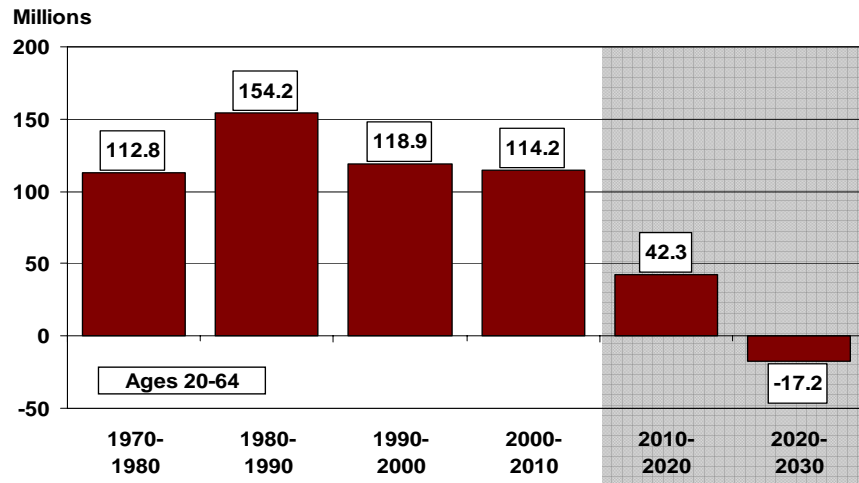


Source: IHS Global Insight
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China Working Age Population

Change By Decade



Source: UN
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