

McVEAN

Trading & Investments, LLC

OUTLOOK FOR CHINA

February 20, 2017

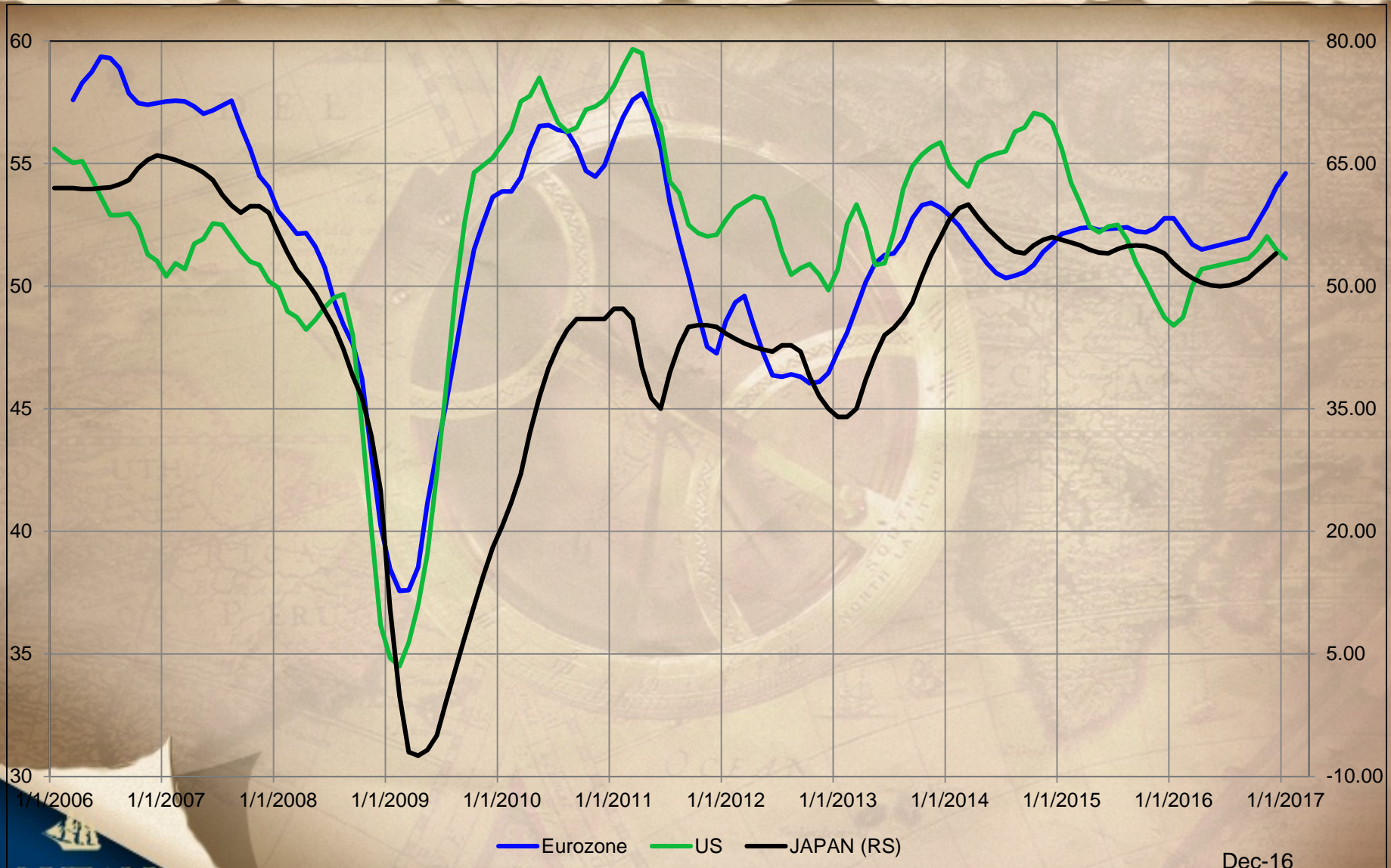
GIC IN SINGAPORE

Michael Drury

Chief Economist

McVean Trading and Investments, LLC

US, EUROPE, JAPAN PMI 3 MONTH AVERAGE

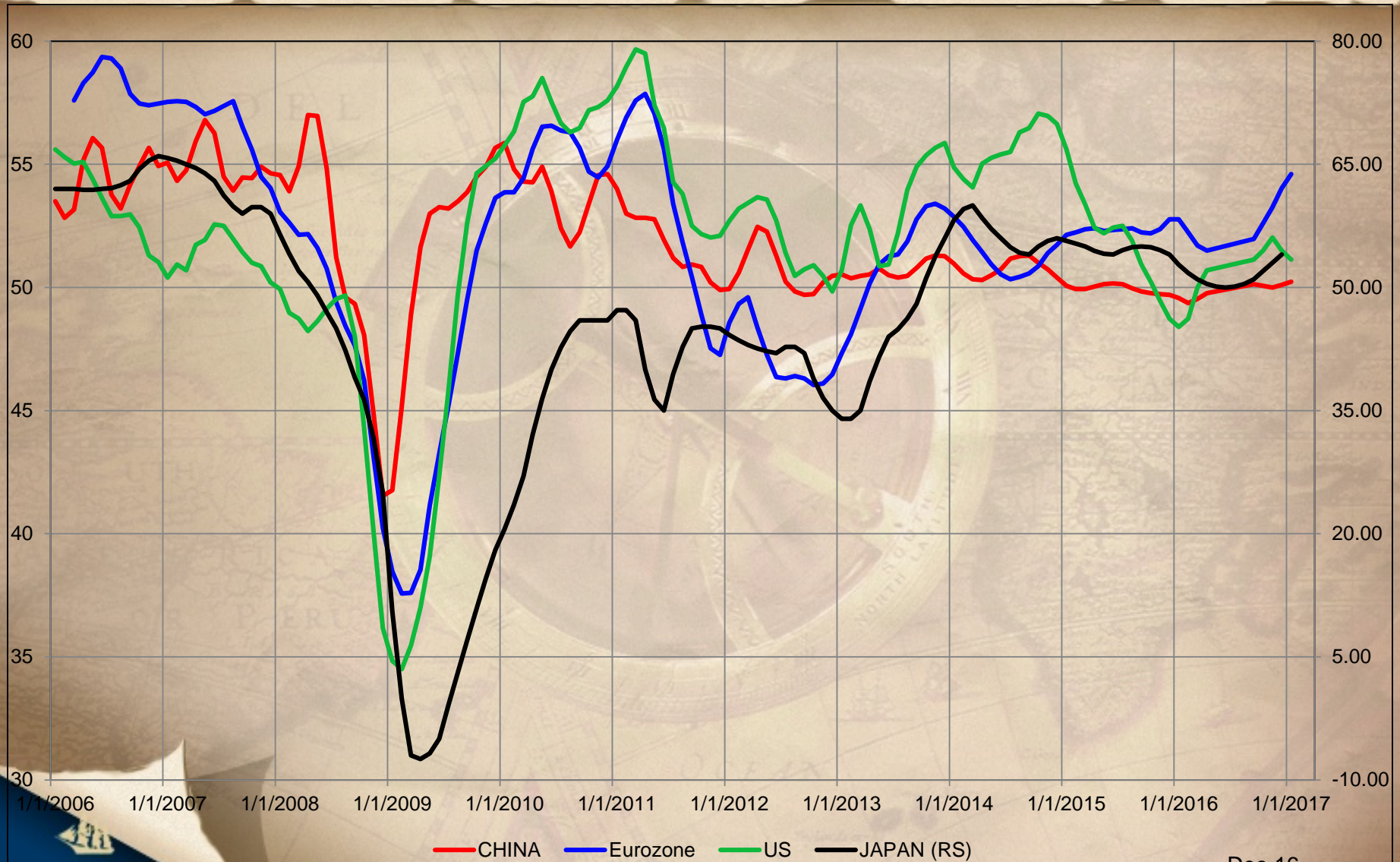


Dec-16

— Eurozone — US — JAPAN (RS)

Past Performance Is Not Necessarily Indicative Of Future Results.

US, EUROPE, JAPAN, CHINA PMI 3 MONTH AVERAGE

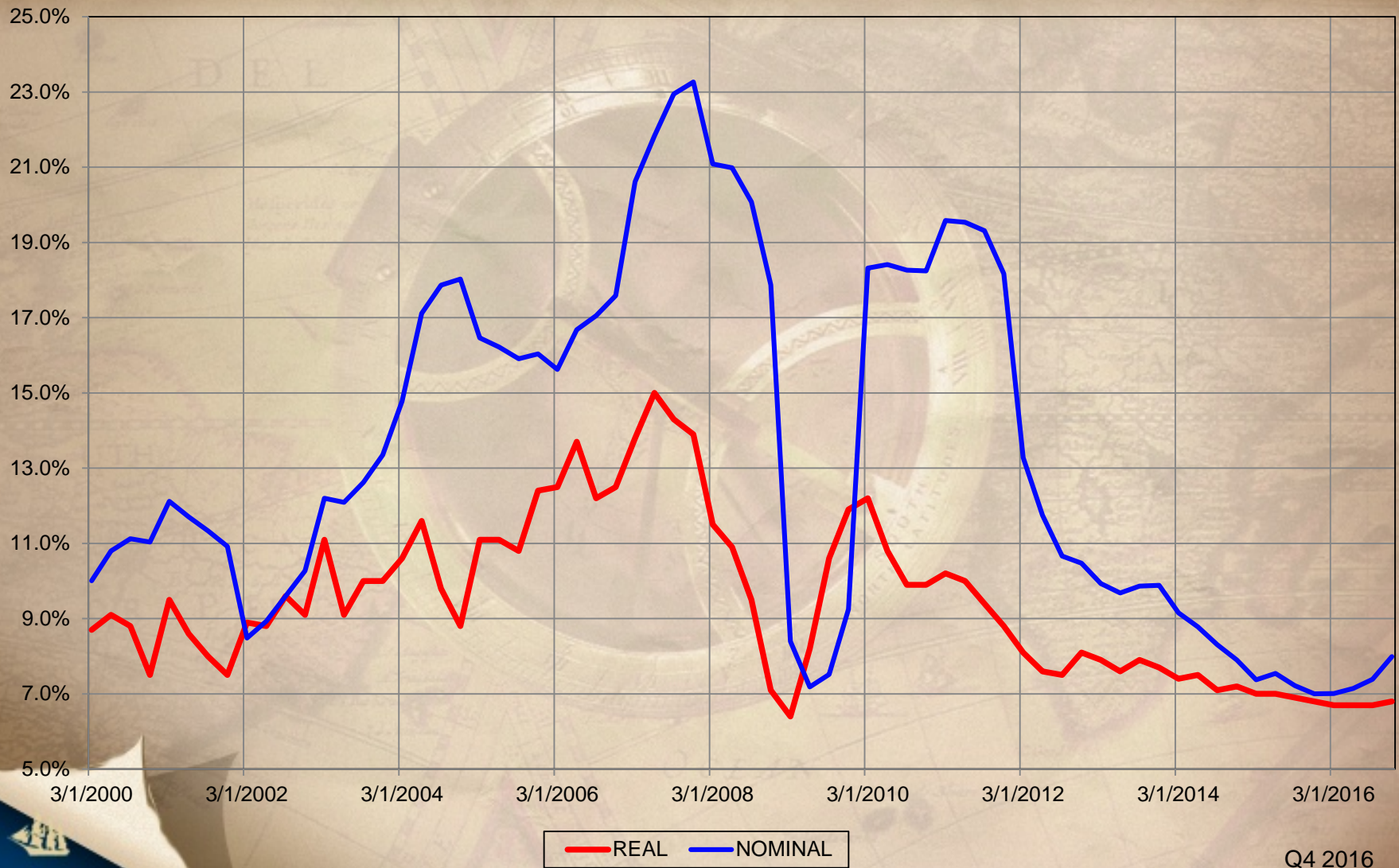


— CHINA — Eurozone — US — JAPAN (RS)

Dec-16

CHINESE GDP

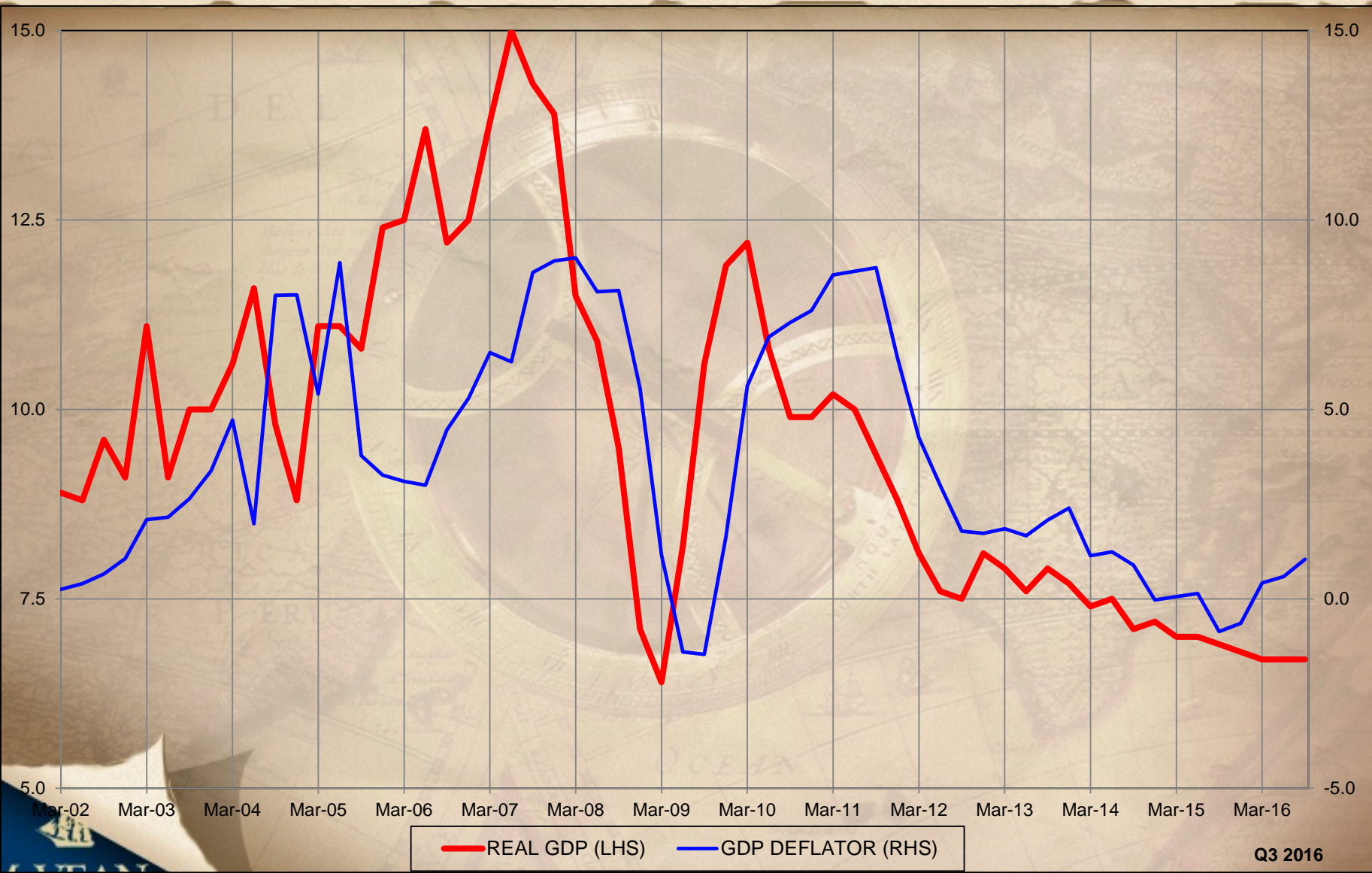
CURRENT QUARTER % CHANGE FROM YEAR AGO



Q4 2016

CHINA GDP GROWTH

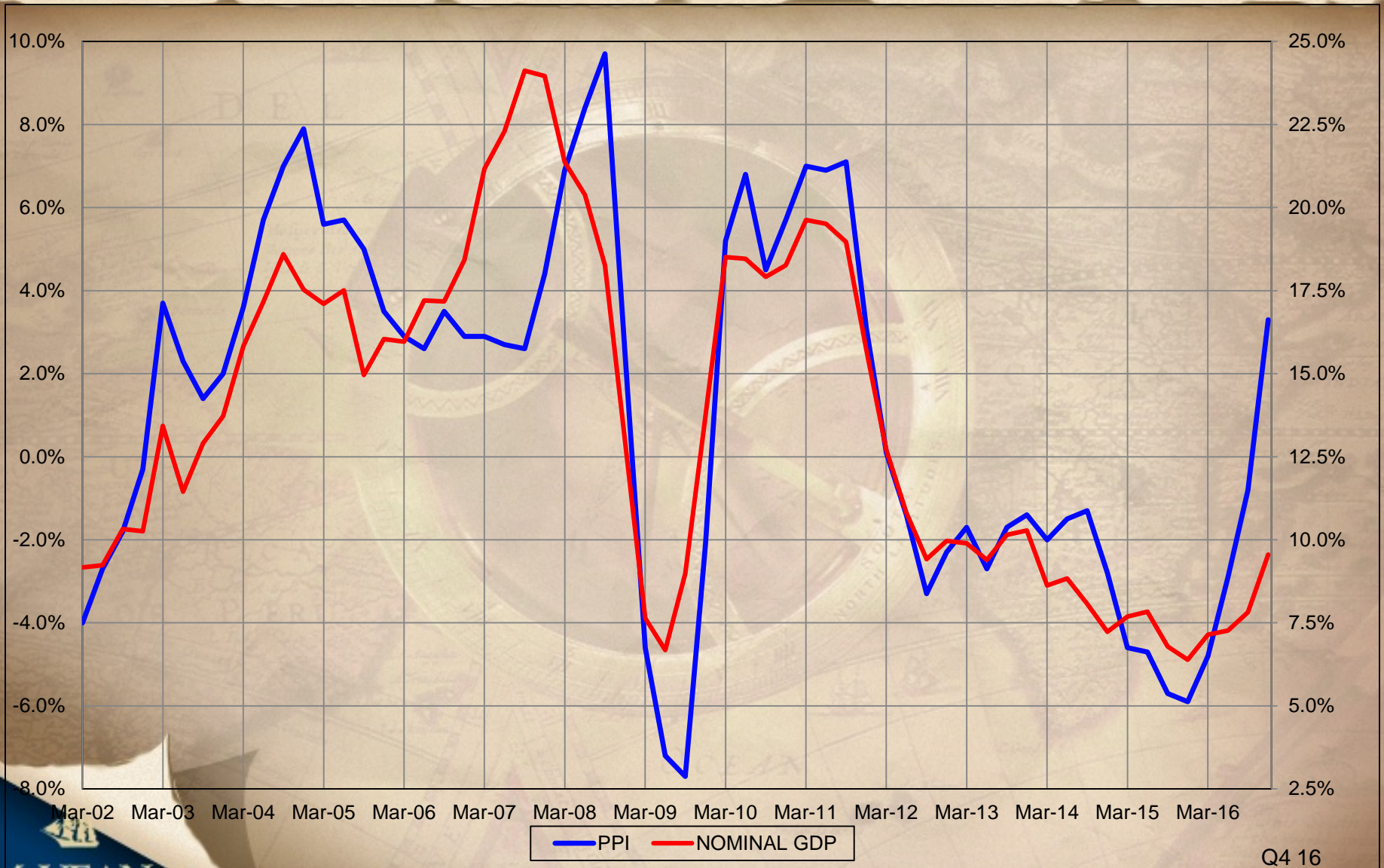
CURRENT QUARTER %CH FROM YEAR AGO



— REAL GDP (LHS) — GDP DEFLATOR (RHS)

Q3 2016

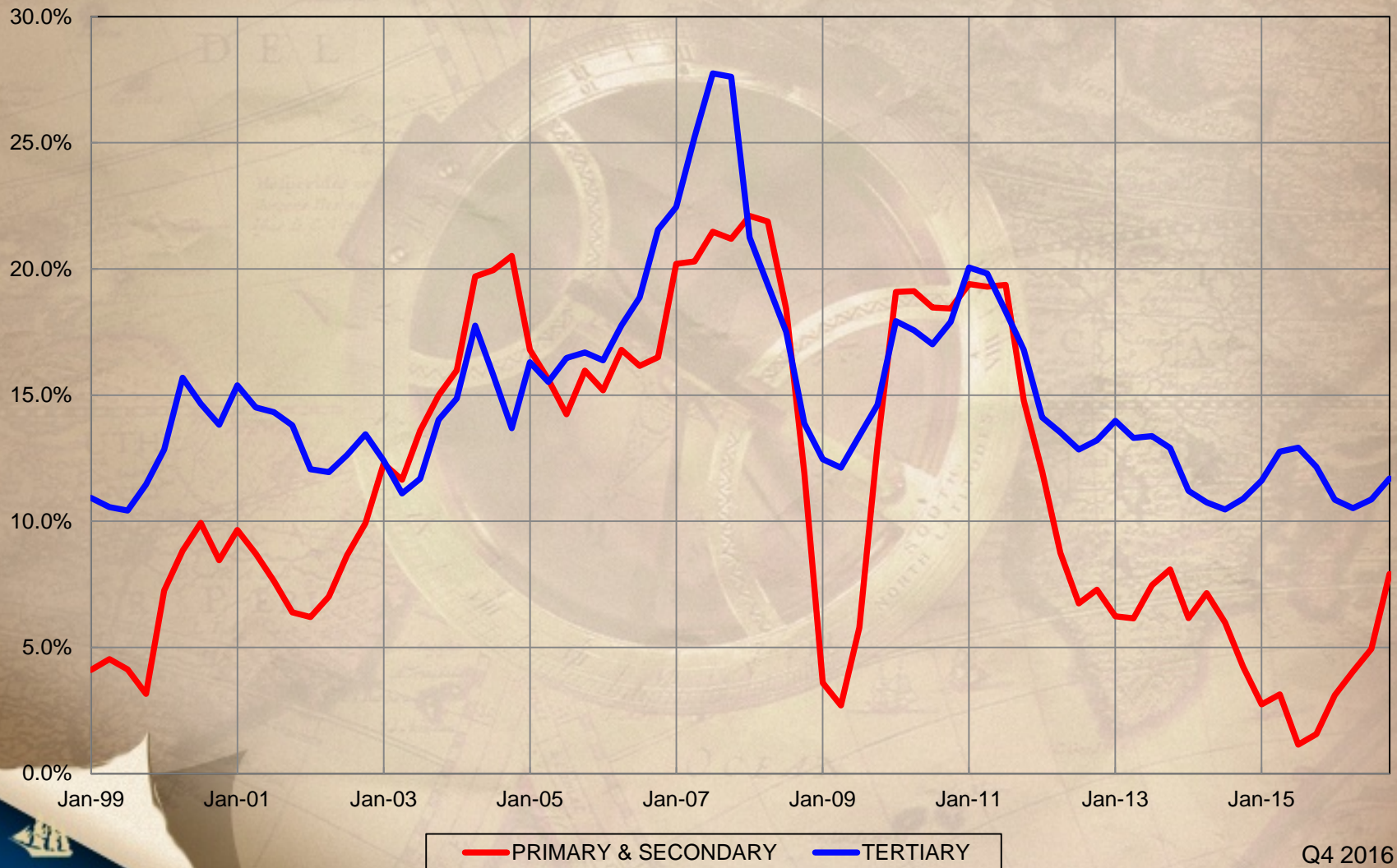
CHINESE NOMINAL GROWTH VS PPI PERCENT CHANGE FROM A YEAR AGO



Q4 16

CHINESE NOMINAL GDP BY SECTOR

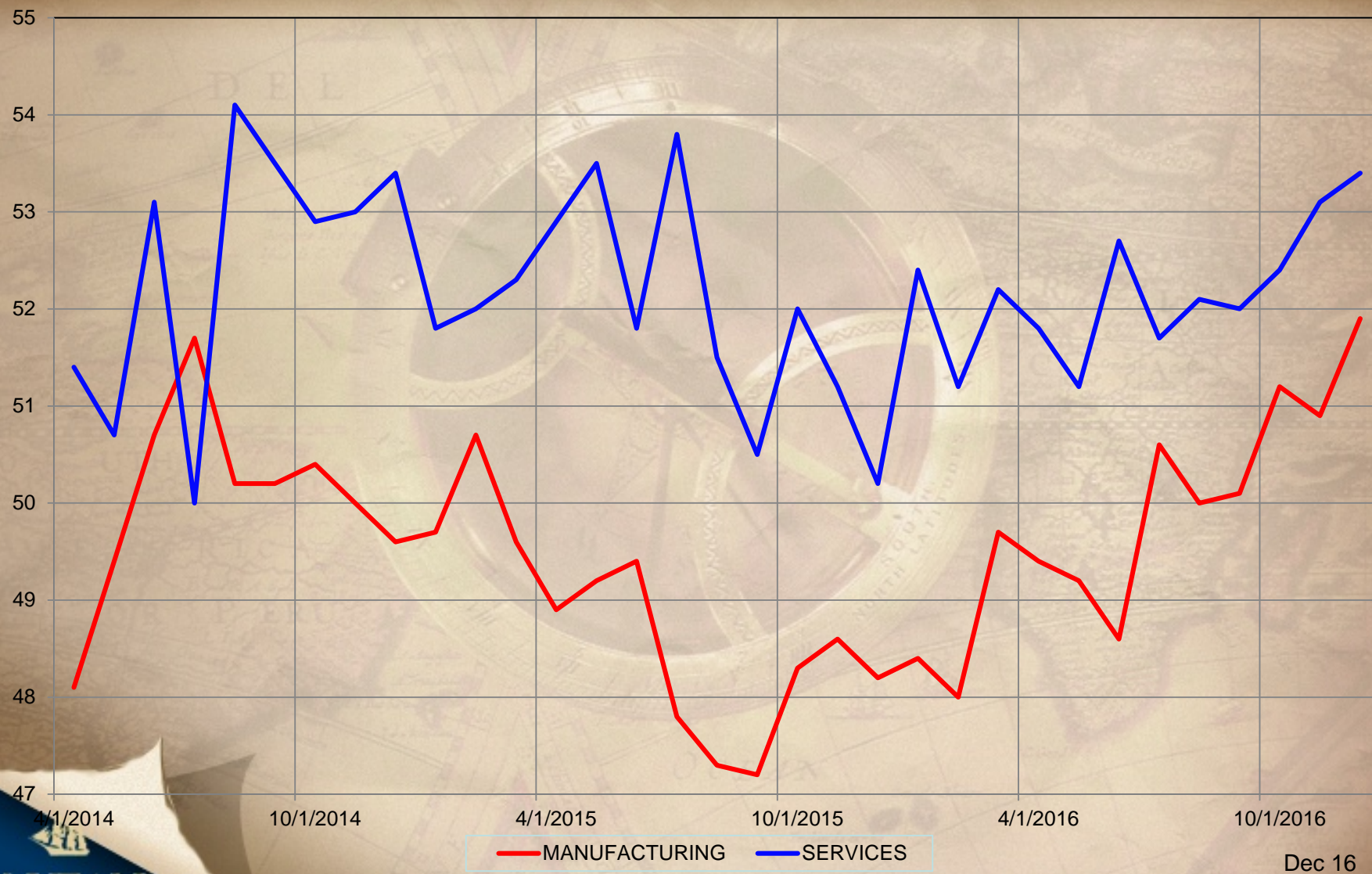
3 MONTH AVERAGE % CHANGE FROM YEAR AGO



Q4 2016

Past Performance Is Not Necessarily Indicative Of Future Results.

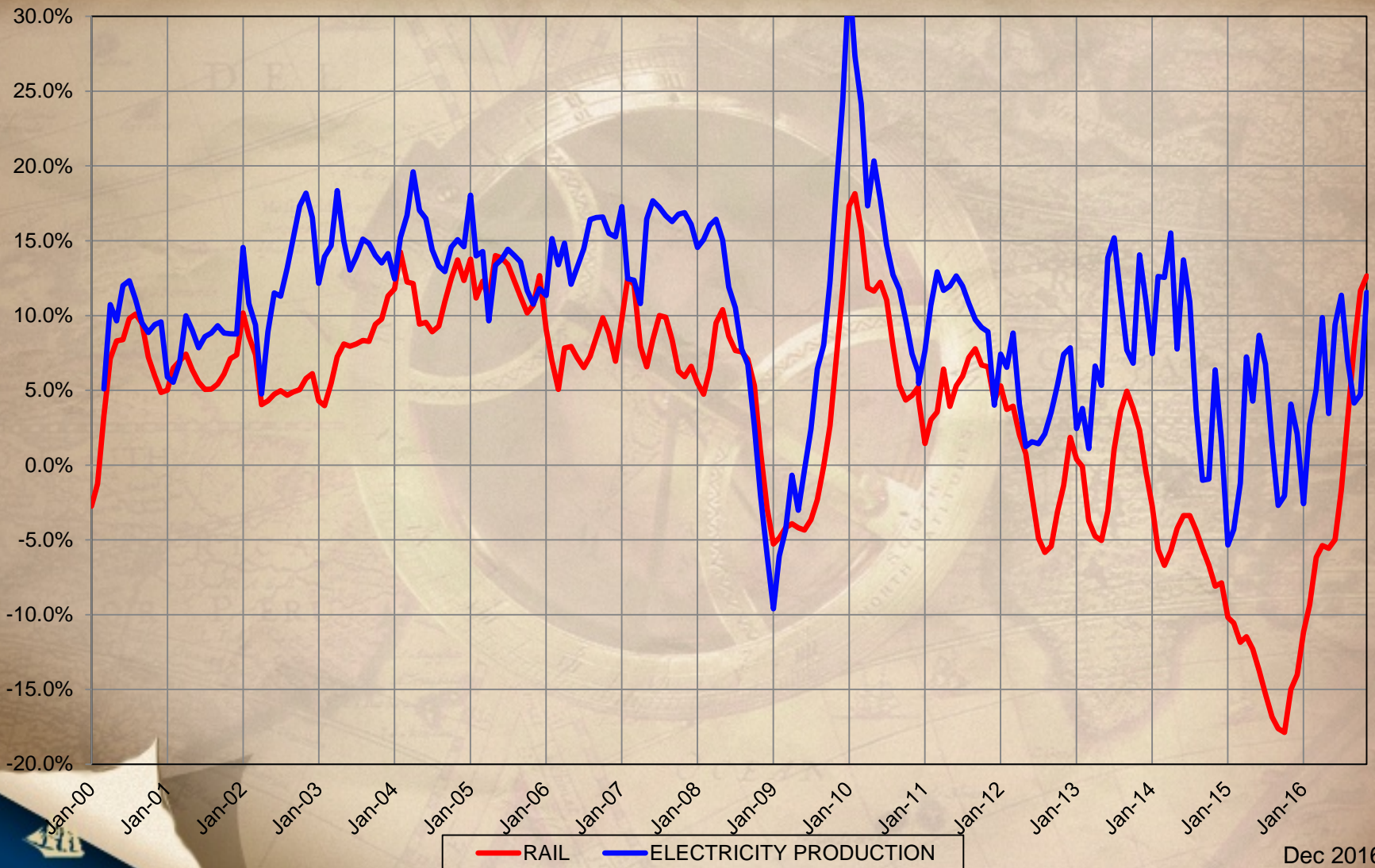
CHINA MARKET PMI: MANUFACTURING VS SERVICES



Past Performance Is Not Necessarily Indicative Of Future Results.

CHINESE RAILROAD FREIGHT VS ELECTRICITY PRODUCTION

3 MONTH AVERAGE % CHANGE FROM YEAR AGO 3 MONTH AVERAGE

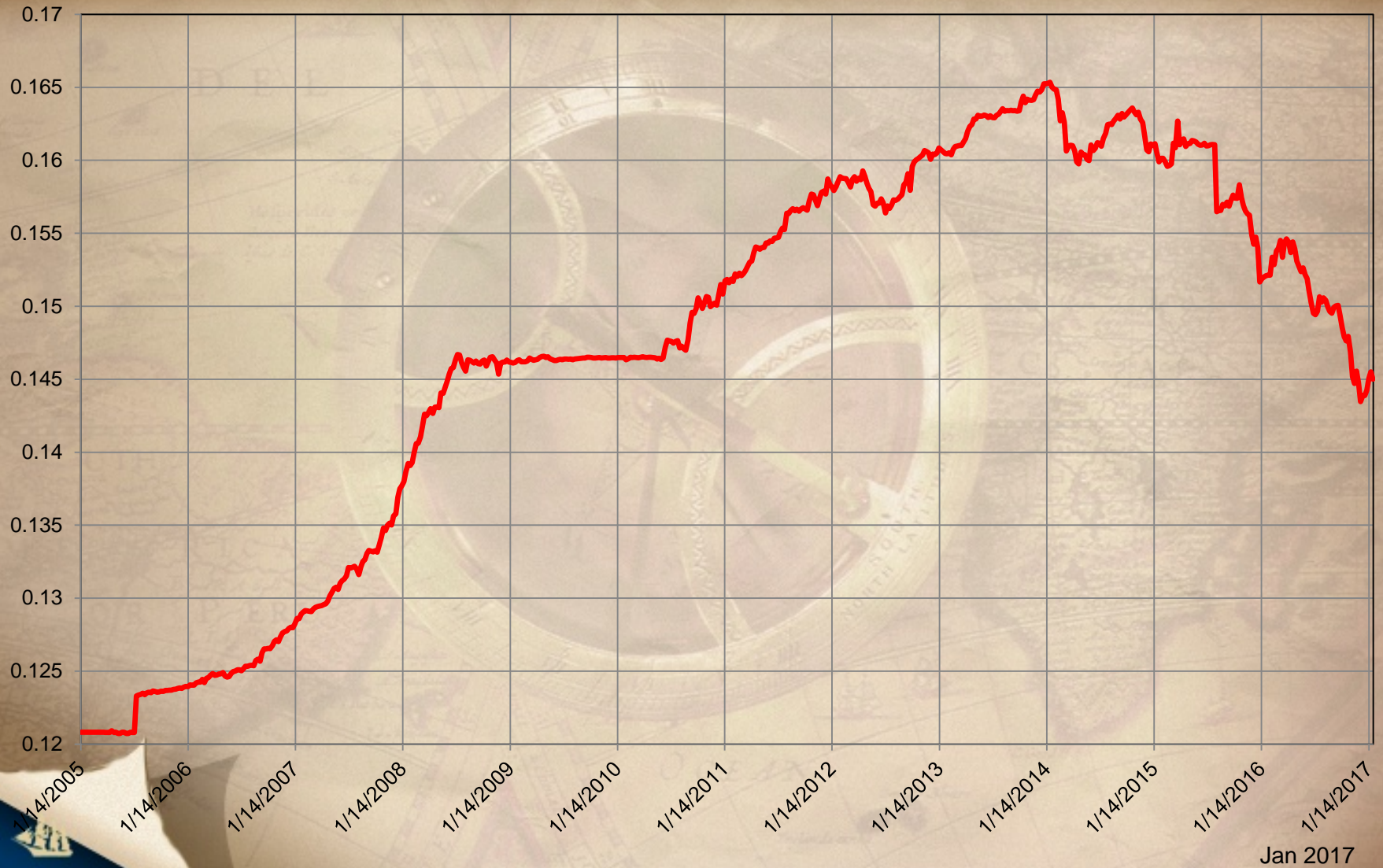


POLICY LEVERS

- **1) Monetary Policy - Lower Interest Rates & Reserve Requirements**
- **2) Fiscal Policy – Infrastructure Spending**
- **3) Regulation – Reform & Open Markets**
- **4) Exchange Rates – Managing Yuan**

Past Performance Is Not Necessarily Indicative Of Future Results.

CHINESE YUAN IN US DOLLARS

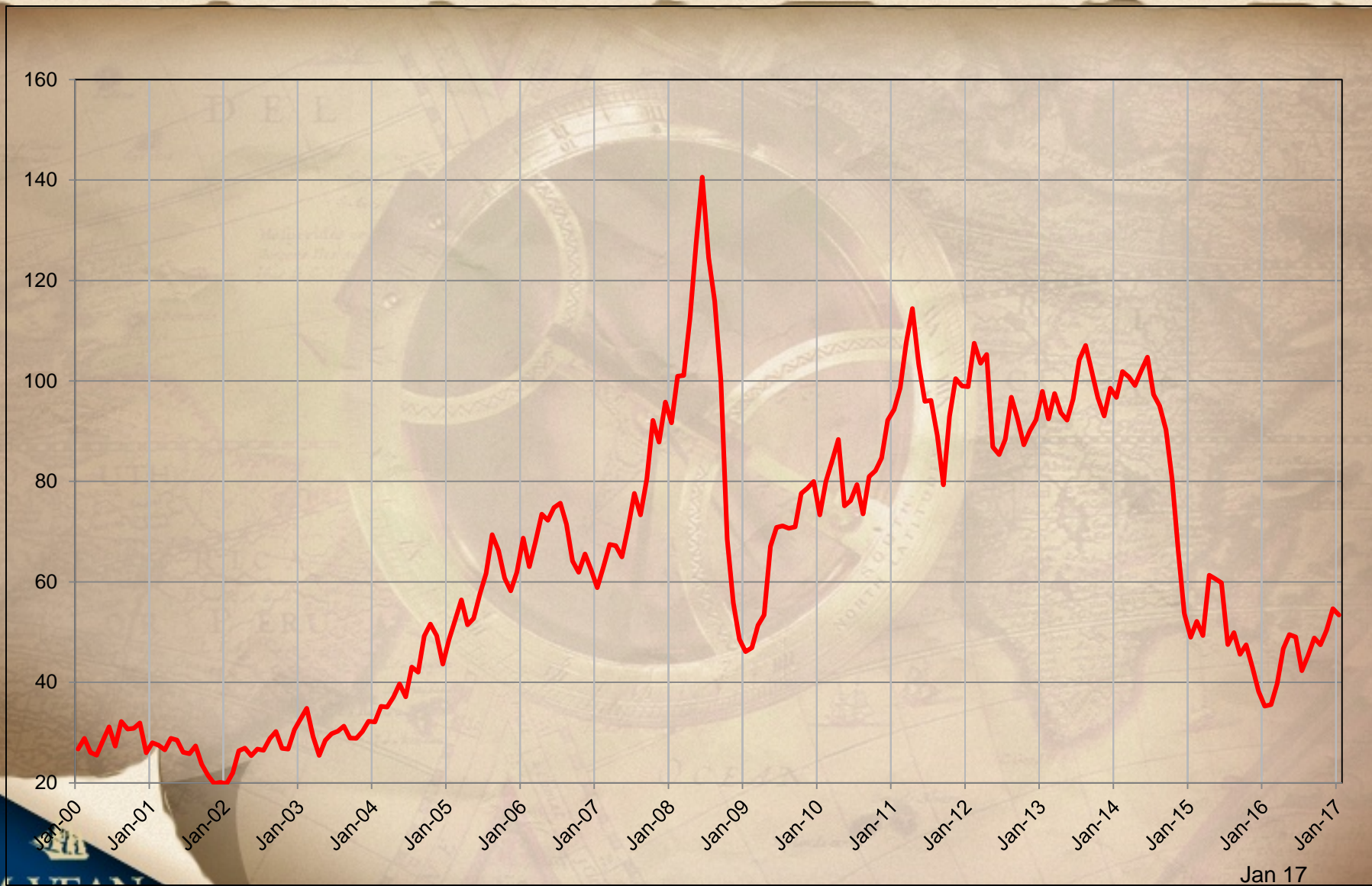


CHINA NOMINAL GDP GROWTH IN US\$

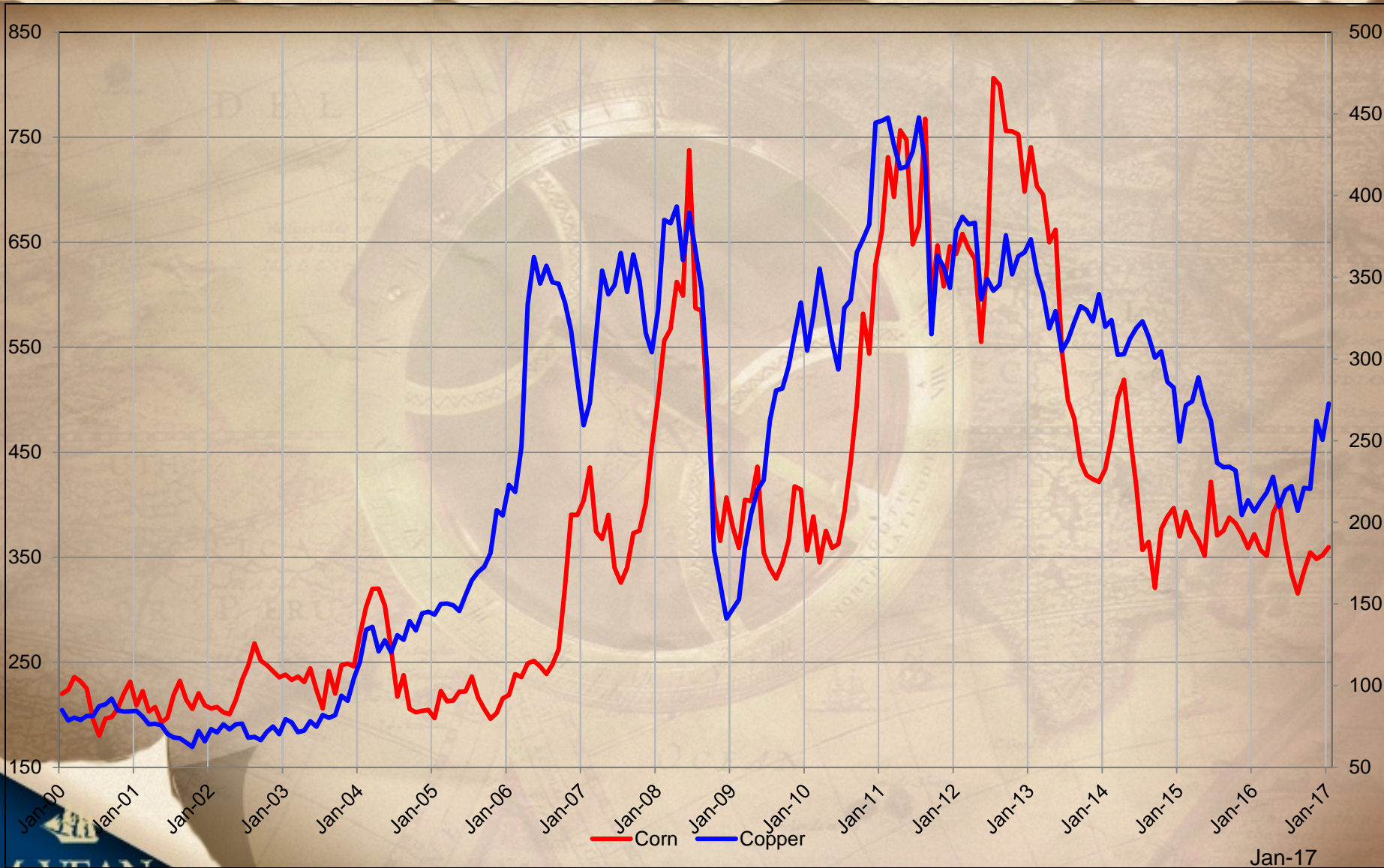
CURRENT QUARTER % CHANGE FROM YEAR AGO



CRUDE OIL MONTHLY



CORN VS COPPER

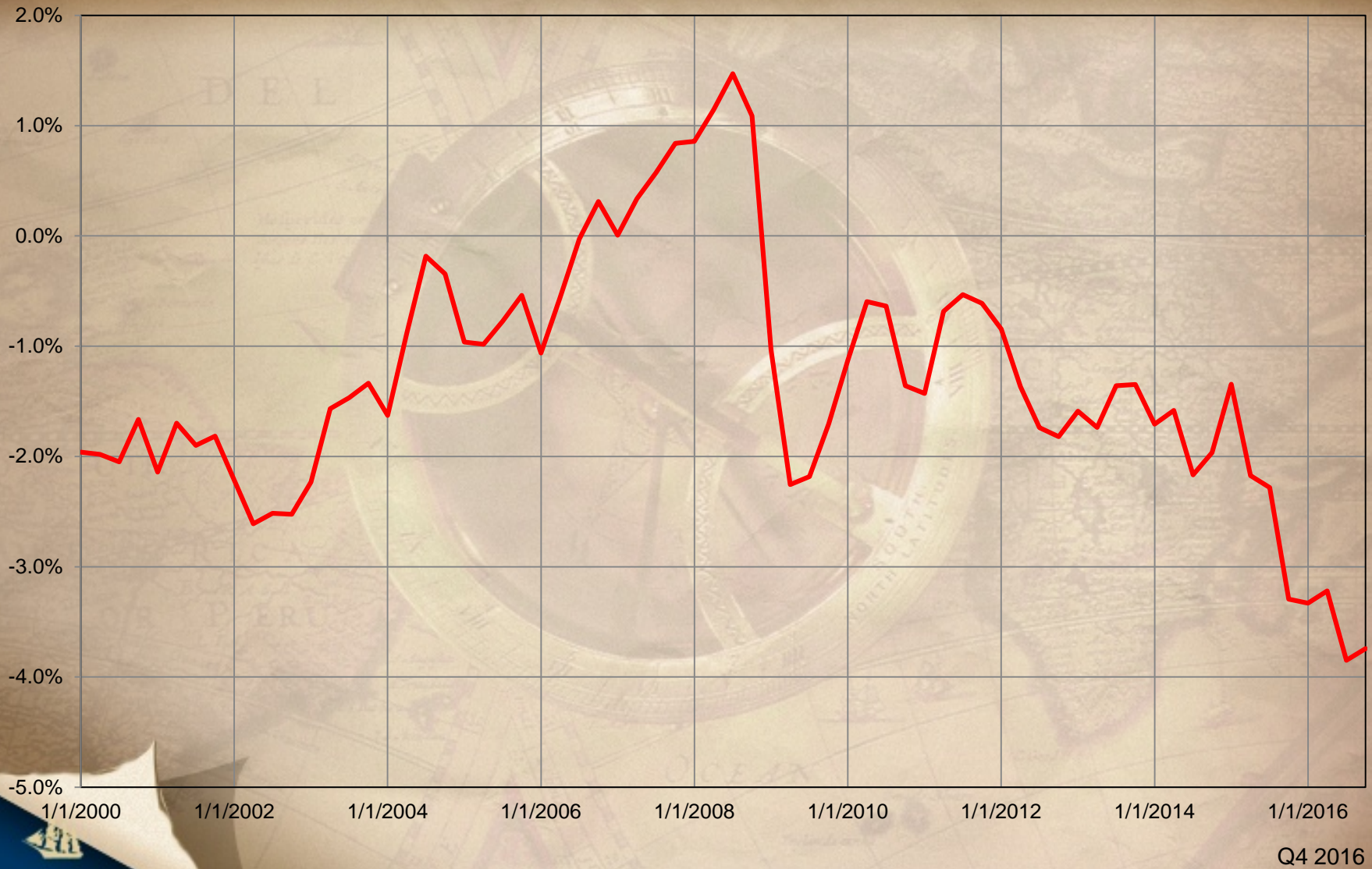


— Corn — Copper

Jan-17

CHINA FISCAL BALANCE AS A % OF GDP

4 QTR AVERAGE



CHINA TOTAL AMOUNT OF SOCIAL FINANCING 12 MONTH AVERAGE



Dec 16

REAL ESTATE IN CHINA

Sales of Commercial Buildings in 2016 For Eastern, Central and Western Regions

Regions	Floor Space of Commercial Buildings Sold		Sales of Commercial Buildings		Price Appreciation
	Share of Production	Growth Rate Y/Y (%)	Share of Value Sold	Growth Rate Y/Y (%)	
National Total	100.0%	22.5	100.0%	34.8	10.4%
Eastern	46.3%	22.7	64.1%	38.7	13.0%
Central	29.3%	28.4	19.9%	38.7	8.0%
Western	24.3%	15.6	16.1%	18.3	2.3%

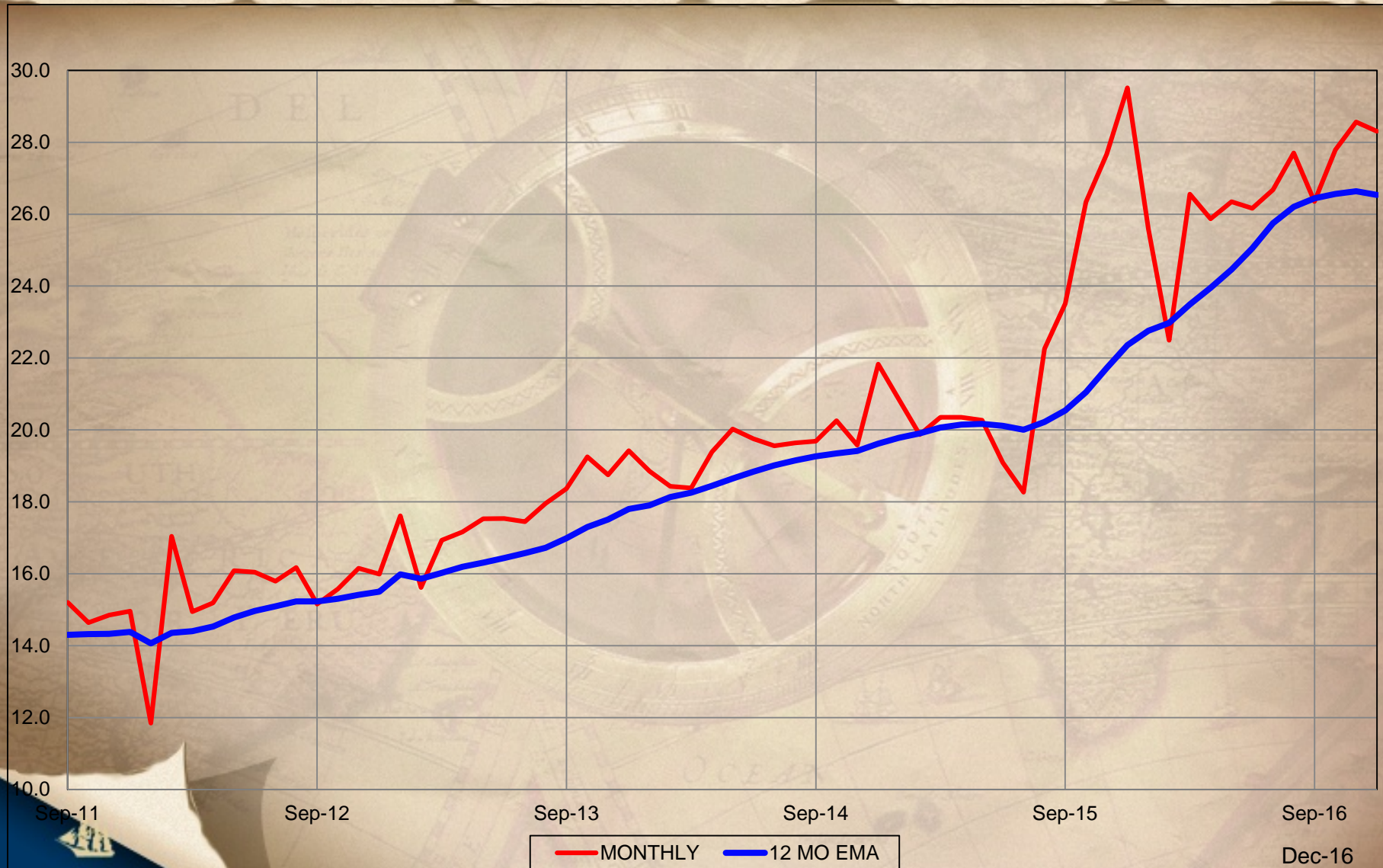
Real Estate Investment in 2016 For Eastern, Central and Western Regions

Regions	Investment Share	% of Investment in		Growth Rate Y/Y (%)	Residential Buildings
		Residential Buildings	Commercial Buildings		
National Total	100.0%	67.0%	33.0%	6.9	6.4
Eastern	54.8%	67.4%	32.6%	5.6	6.3
Central	22.7%	69.6%	30.4%	10.7	9.9
Western	22.4%	63.3%	36.7%	6.2	2.9

Past Performance Is Not Necessarily Indicative Of Future Results.

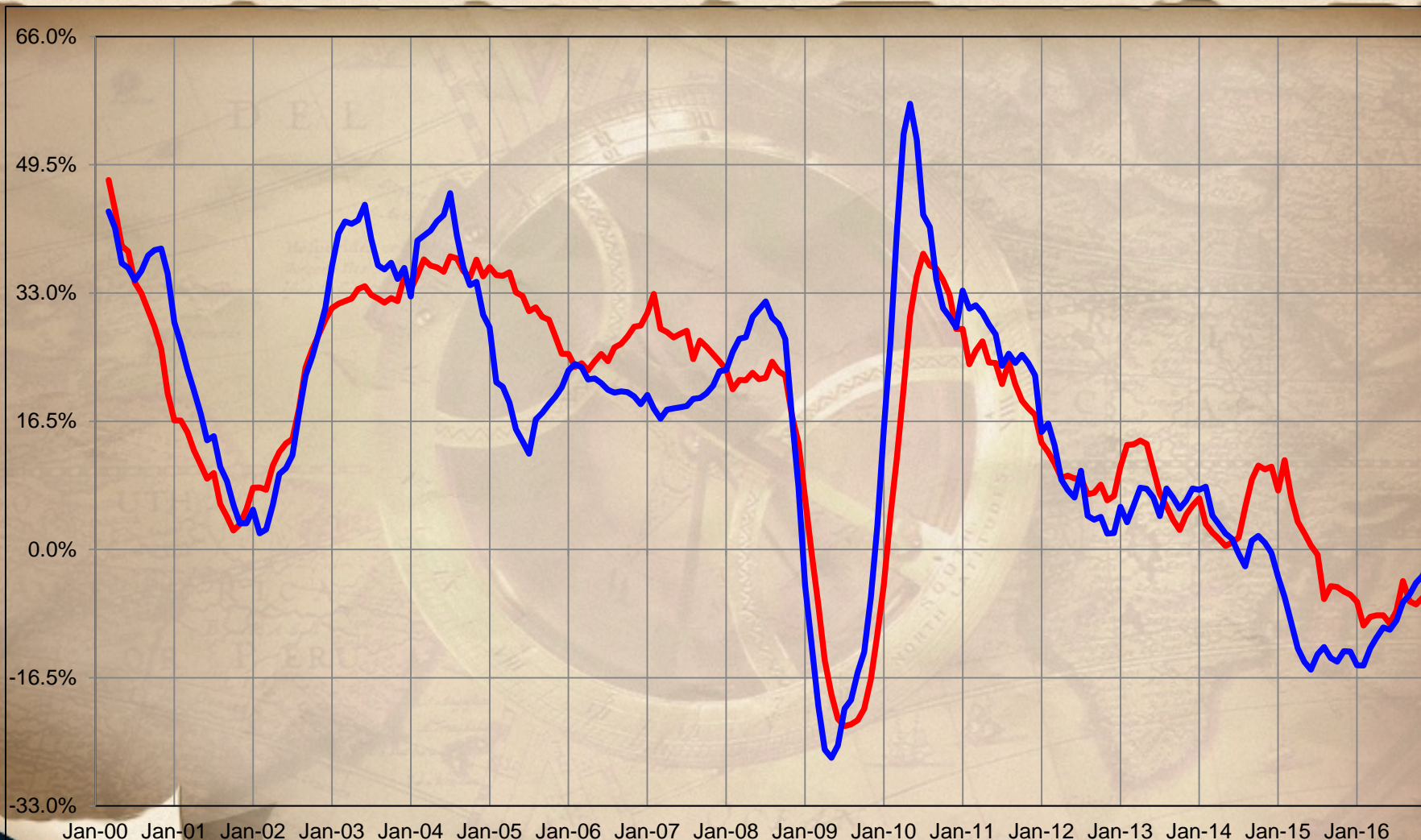
PASSENGER CAR SALES IN CHINA

MILLIONS OF UNITS SEASONALLY ADJUSTED ANNUAL RATE



CHINA EXPORTS VS IMPORTS

3 MONTH AVERAGE %CH FROM 3 MONTH AVERAGE YEAR AGO



— EXPORTS — IMPORTS

Dec-16

CHINESE TRADE SURPLUS

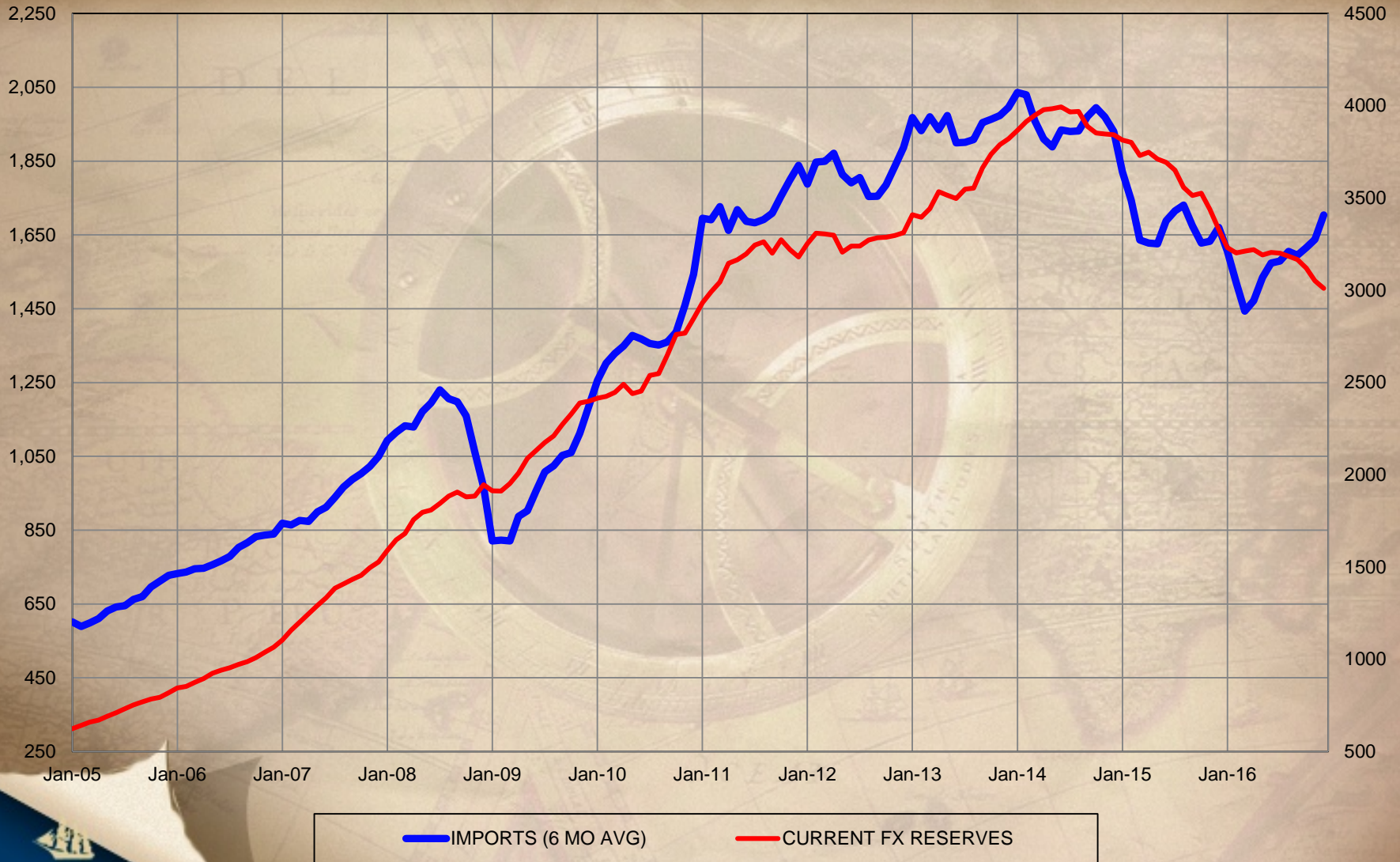
BILLIONS OF DOLLARS SAAR – 3 MONTH AVERAGE



Past Performance Is Not Necessarily Indicative Of Future Results.

CHINESE \$ IMPORTS VS FX RESERVES

BILLIONS OF DOLLARS



IMPORTS (6 MO AVG)

CURRENT FX RESERVES