



A GLOBAL VIEW ON CHINA

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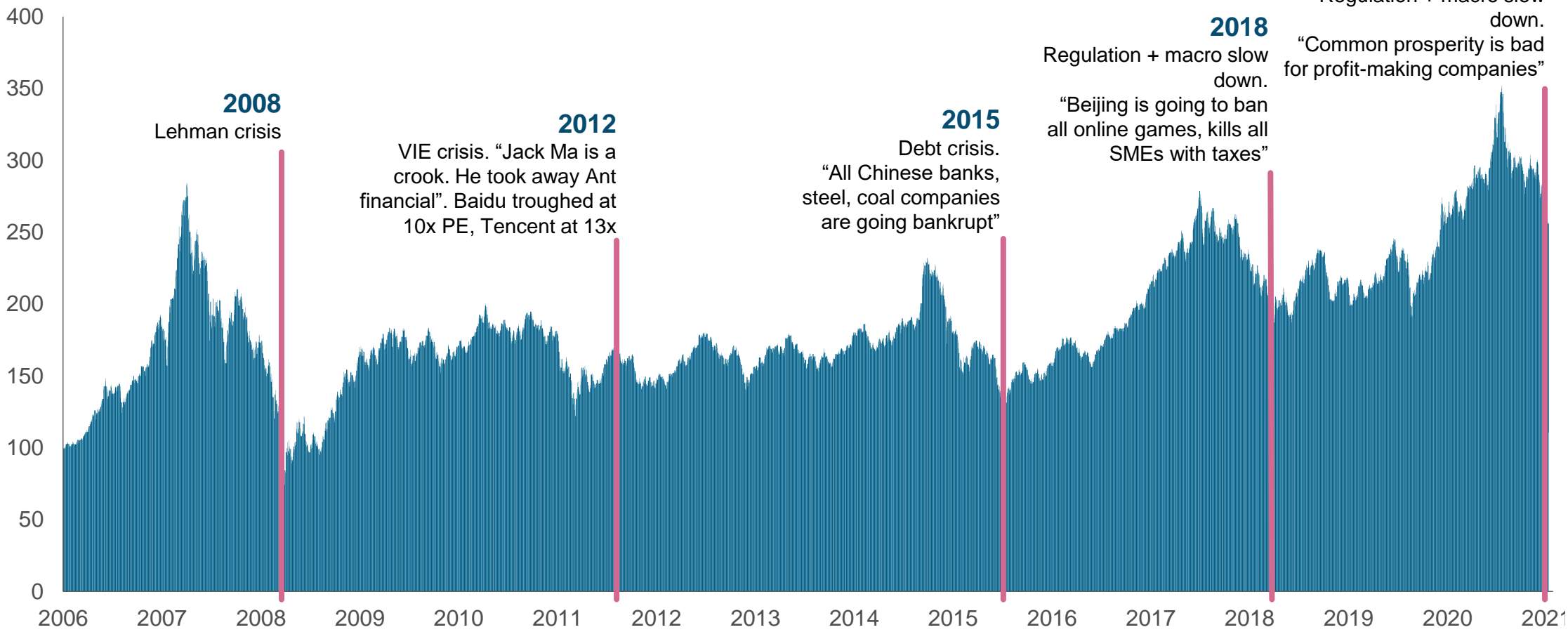


**Pouring billions of dollars into
China now is a tragic mistake”
George Soros (2021)**

We've seen this movie before

Historical performance of MSCI China Index

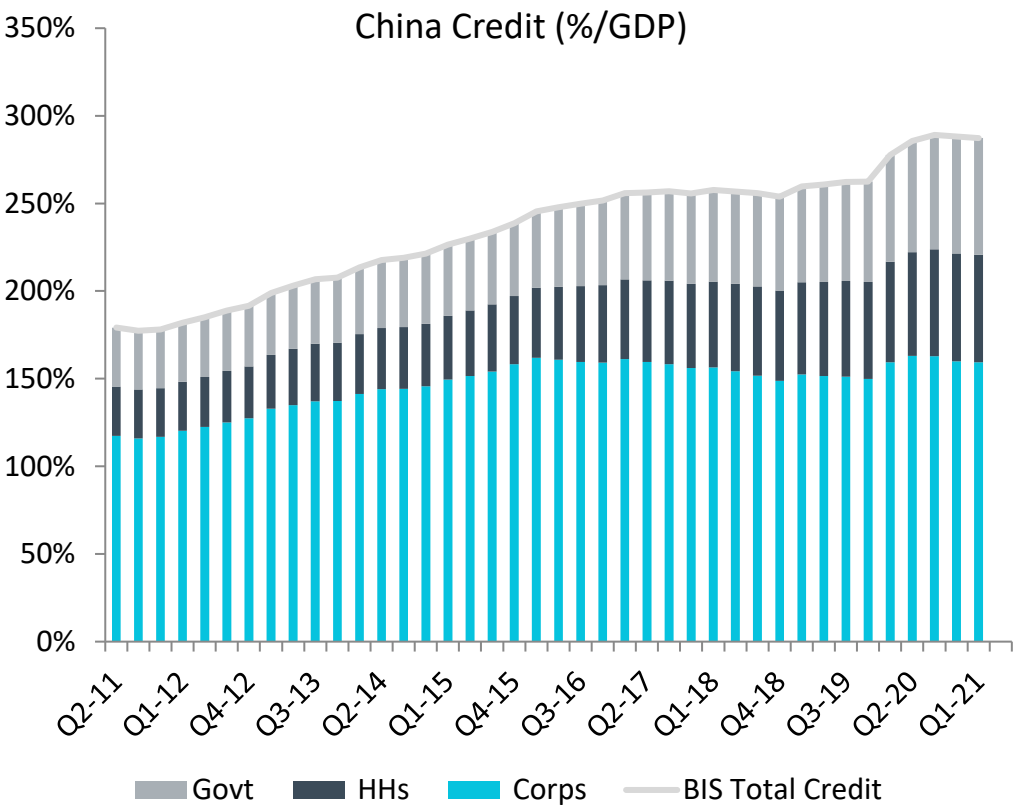
(Indexed to 100)



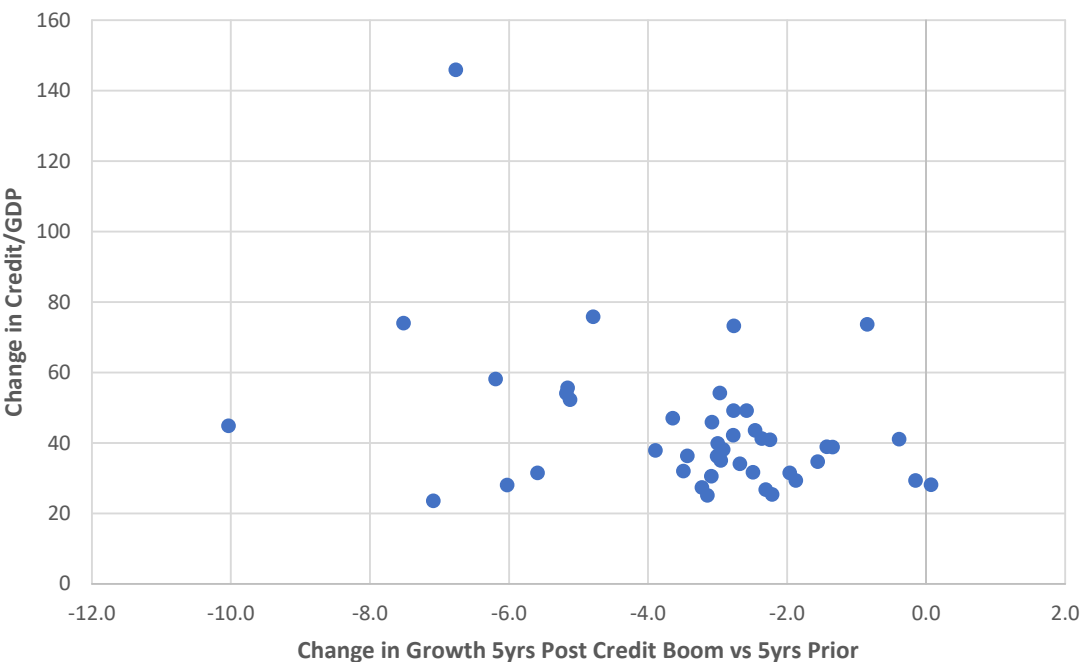
Sources: T. Rowe Price, Financial data and analytics provider FactSet. Copyright 2021 FactSet. All Rights Reserved. Data as of 24 Aug 2021.

Changing the Model (1): Deleveraging

Credit Boom Leveling Off



China: Credit Booms End in Growth Slowdowns



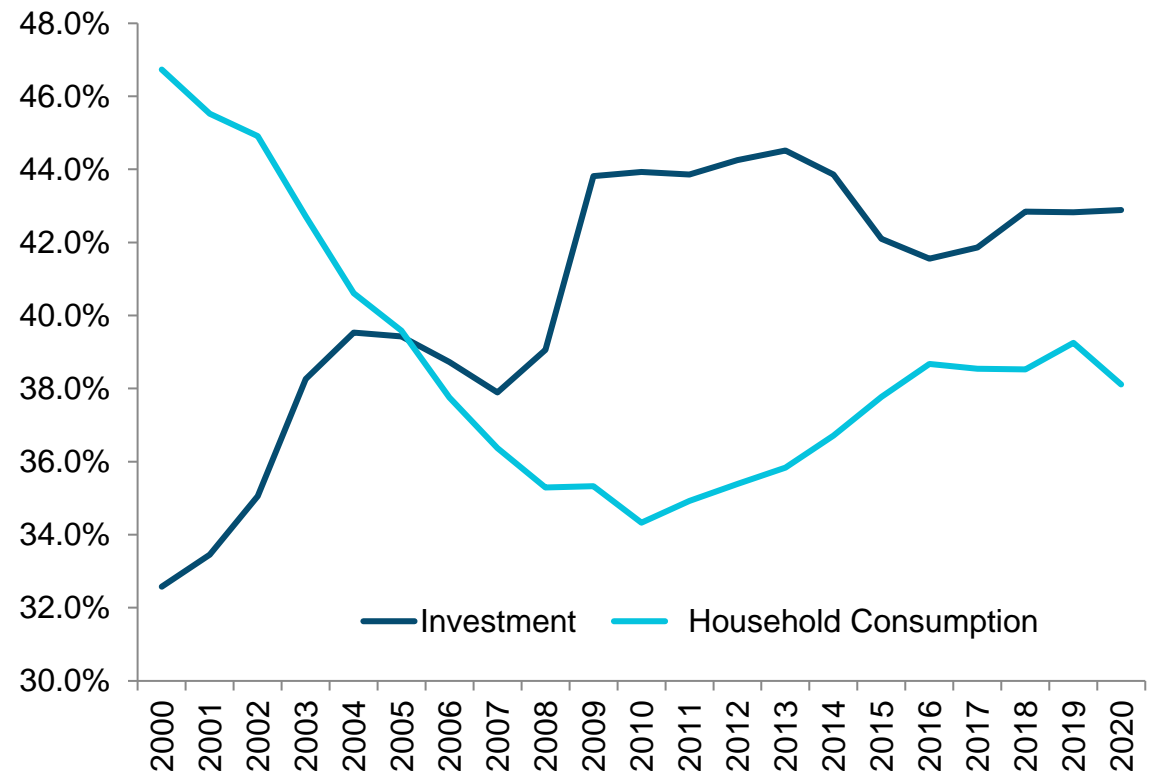
Sources: Haver, BIS, China NBS, IMF. As of end 2020.

Changing the Model (2): Houses Are For Living In

House Prices % Change



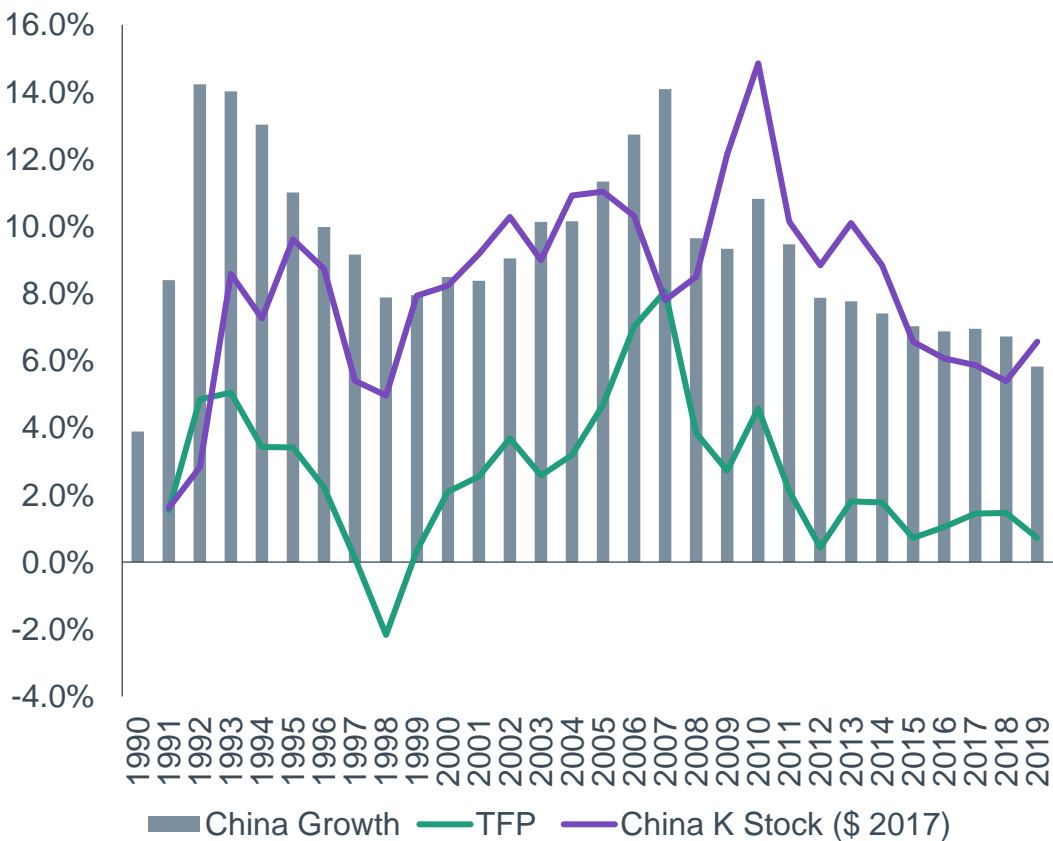
China: Rebalancing (%/GDP)



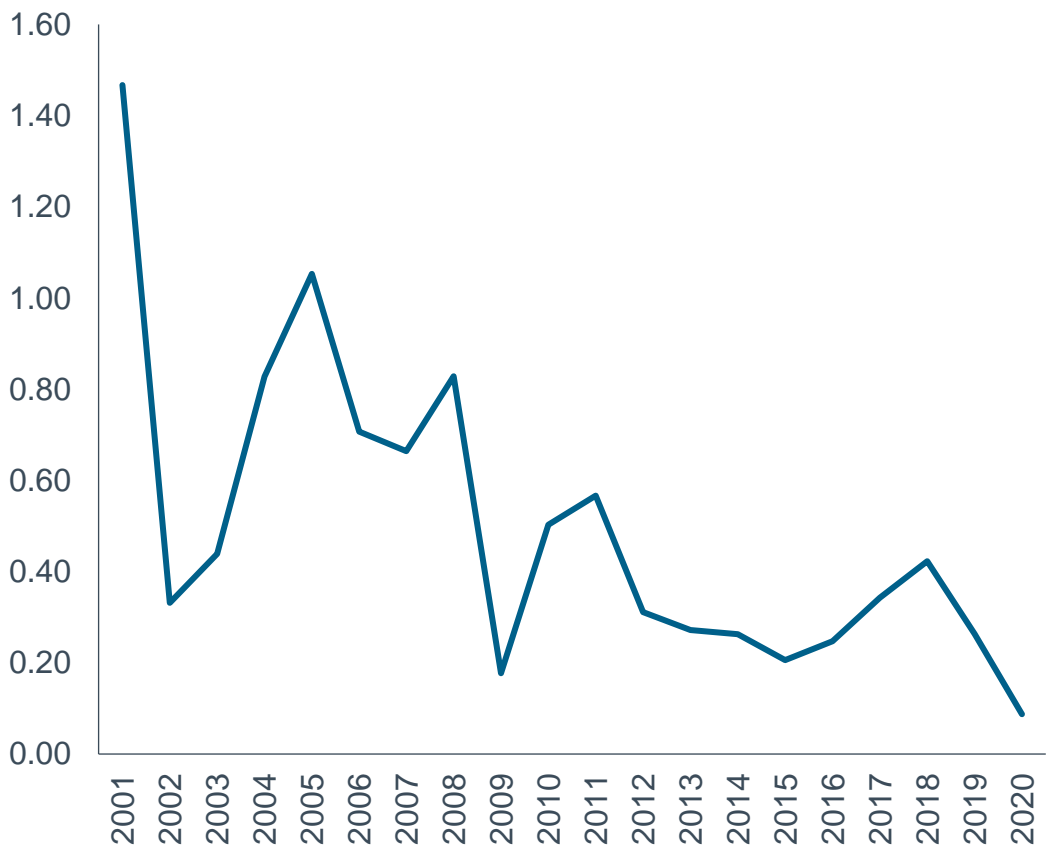
Source: PBoC, Citi Research, Bloomberg, CREIS. As of end 2020.

Changing the Model (3): Revive Productivity

China Growth



China: Credit Multiplier

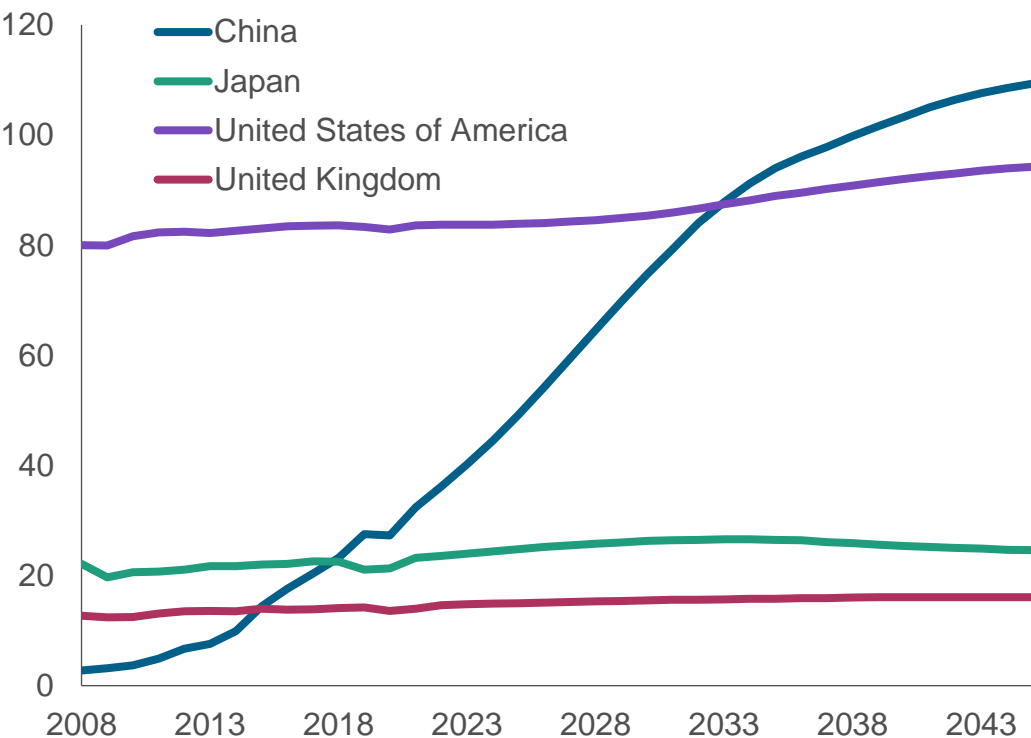


Source: Penn World Tables. As of end 2020.

Changing the Model (4): Common Prosperity

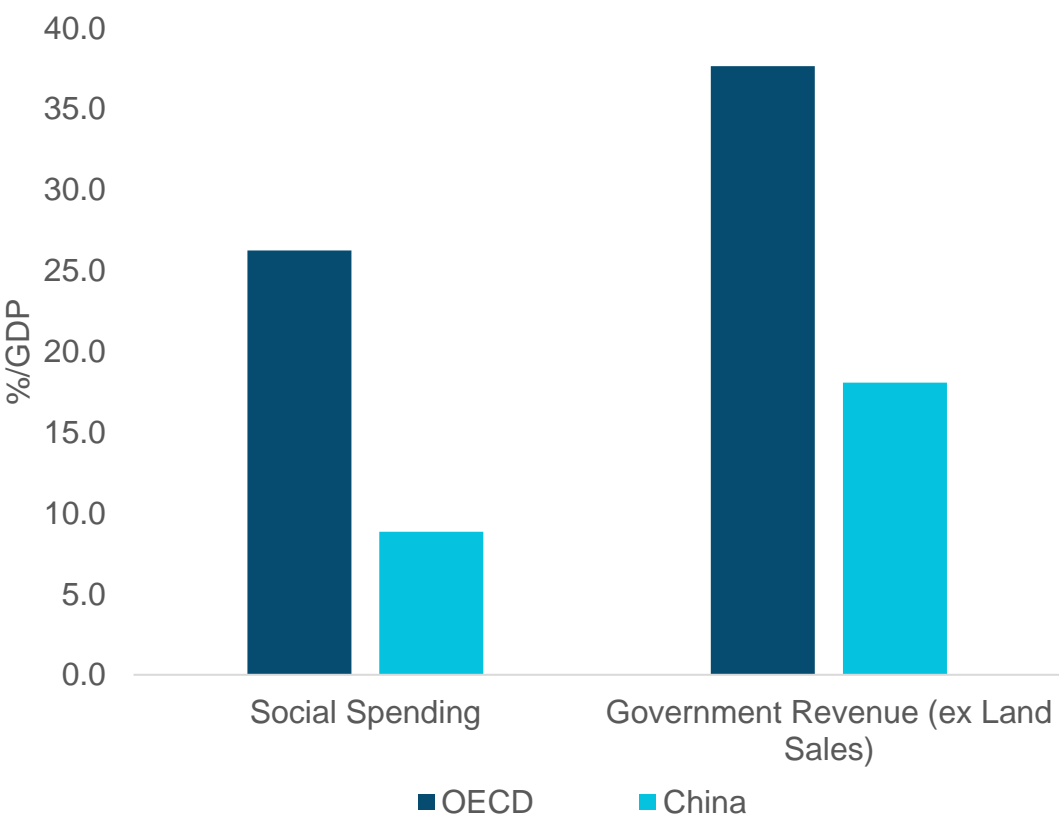
Population: 40-64 years old with income >US 50,000+ (mn)

As of 31 December 2017



Government Sector/GDP

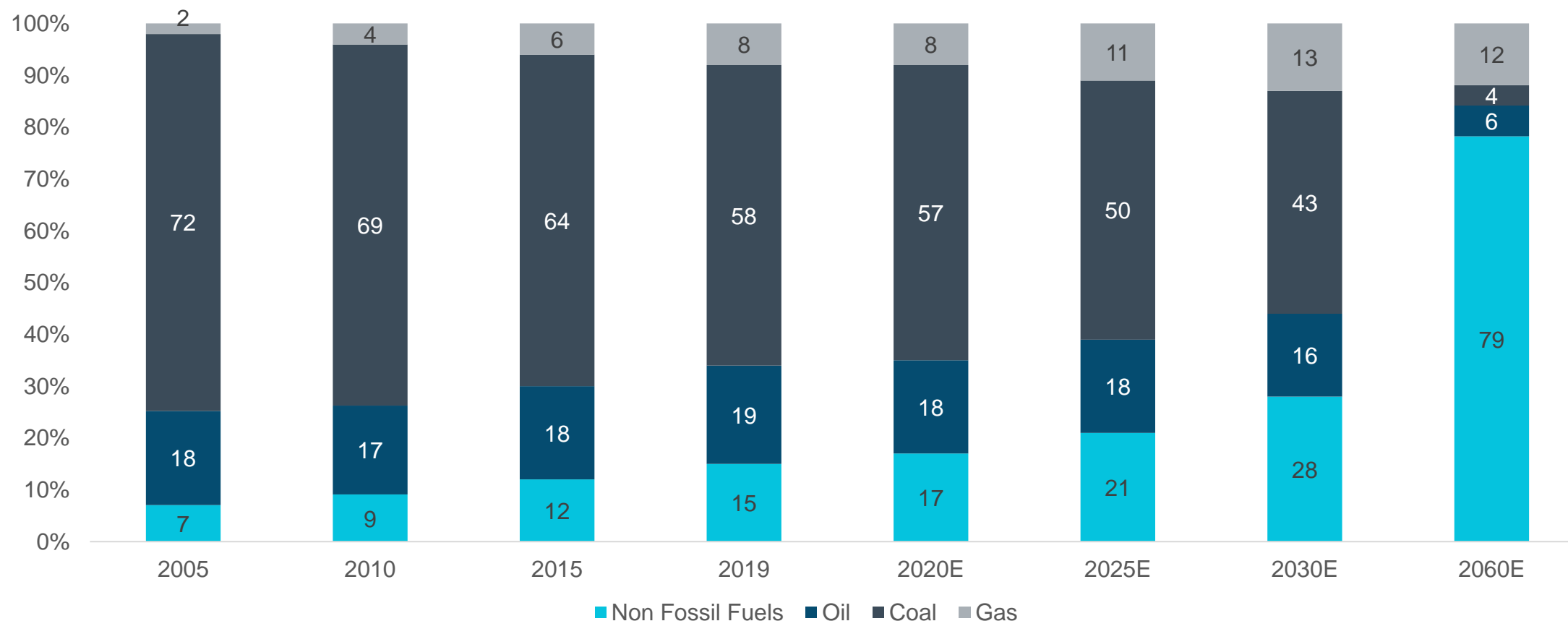
As of 31 December 2020



Sources: Global Demographics, HSBC, Haver Analytics, Morgan Stanley, Haver/OECD (Most recent data available).

Changing the Model (5): Decarbonization

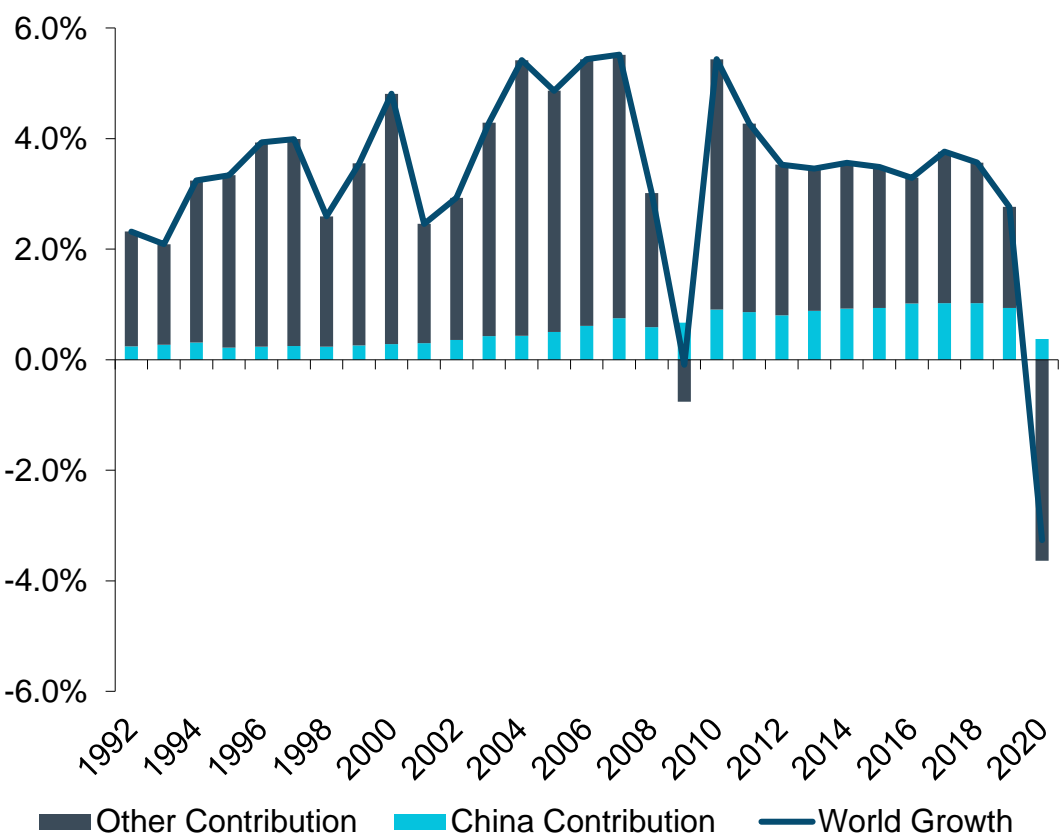
China: Energy Consumption (%)



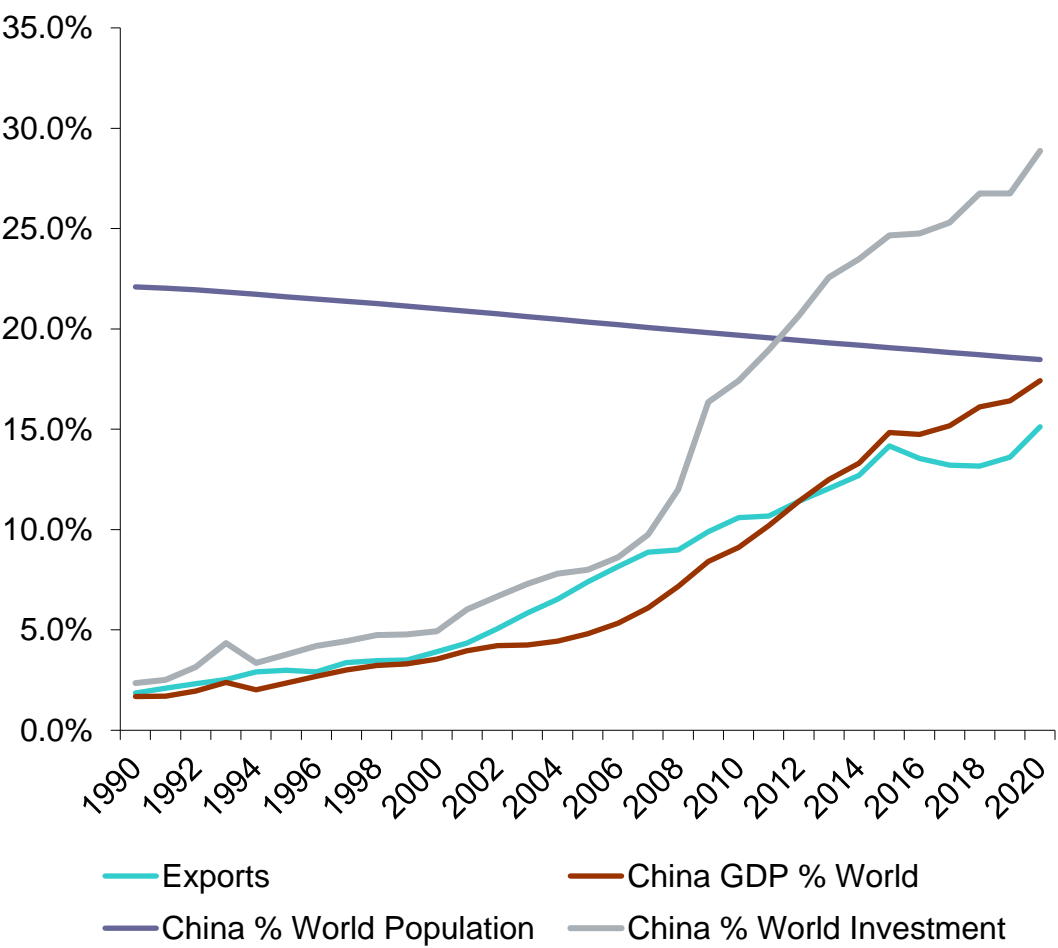
Sources: NDRC, industry data, Credit Suisse estimates. Data as of 31 December 2020

China & The World

China vs World Growth



China Share of World



Source: Haver/IMF WEO; Data as of 31 December 2020

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