Deutsche Bank AG

China Economic and Market Outlook

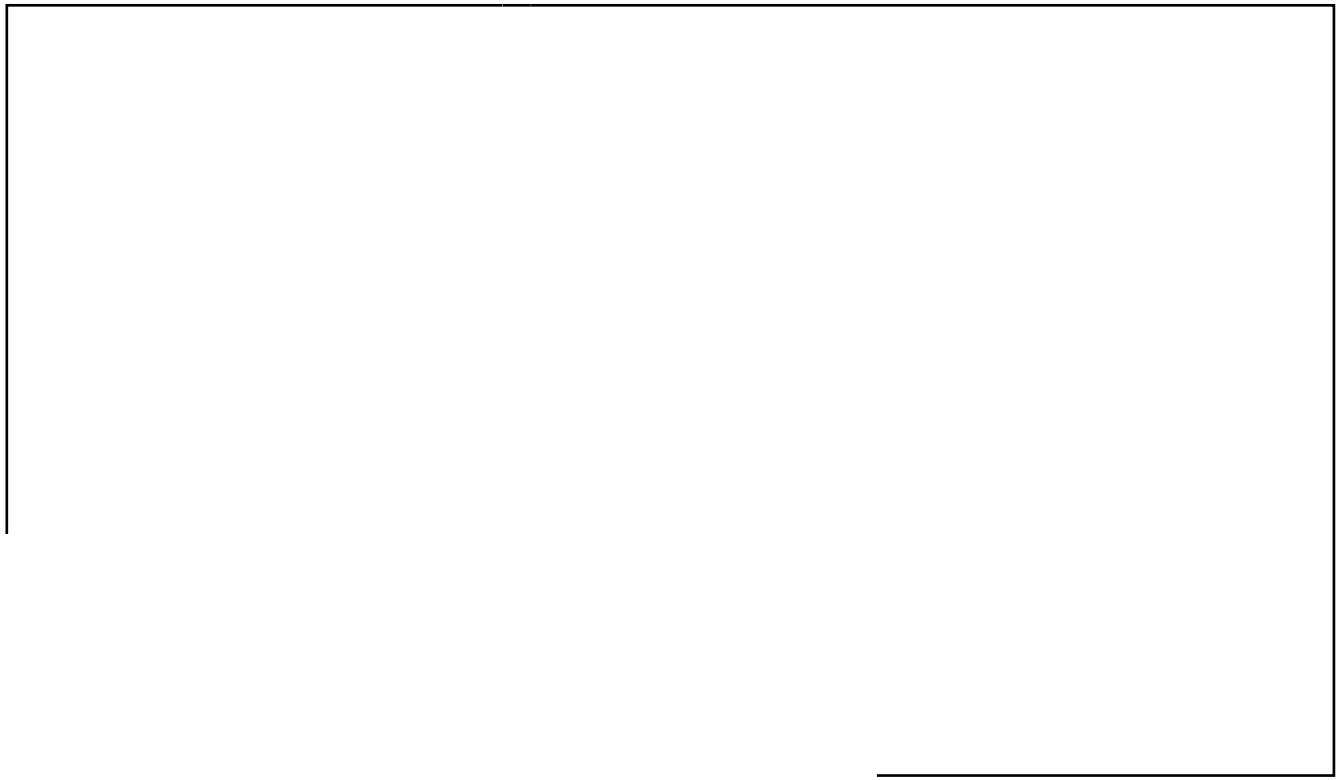
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All prices are those current at the end of the previous trading session unless otherwise indicated. Prices are sourced from loc

Lending growth will be a “inverted V shape” , i.e., not sustainable

We expect export volume to fall 12% next year

China export volume growth forecast, yoy %



China’s final GDP recovery may come later than rest of Asia

A sharp decline in monthly lending will occur

2: Deflation in 2009

Â We expect CPI inflation to fall below -1% in Feb, and PPI inflation to fall to

4: Counter-cyclical services (cont.)

- Â People switch to low-cost entertainments when income growth falls.

6: “Rural electronics subsidy scheme” is overplayed

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In HSCEI history, the average duration of recession valuation was 24 months