

# China's economy in 2020: Slower, tougher, a bit more self-sufficient

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ONLY

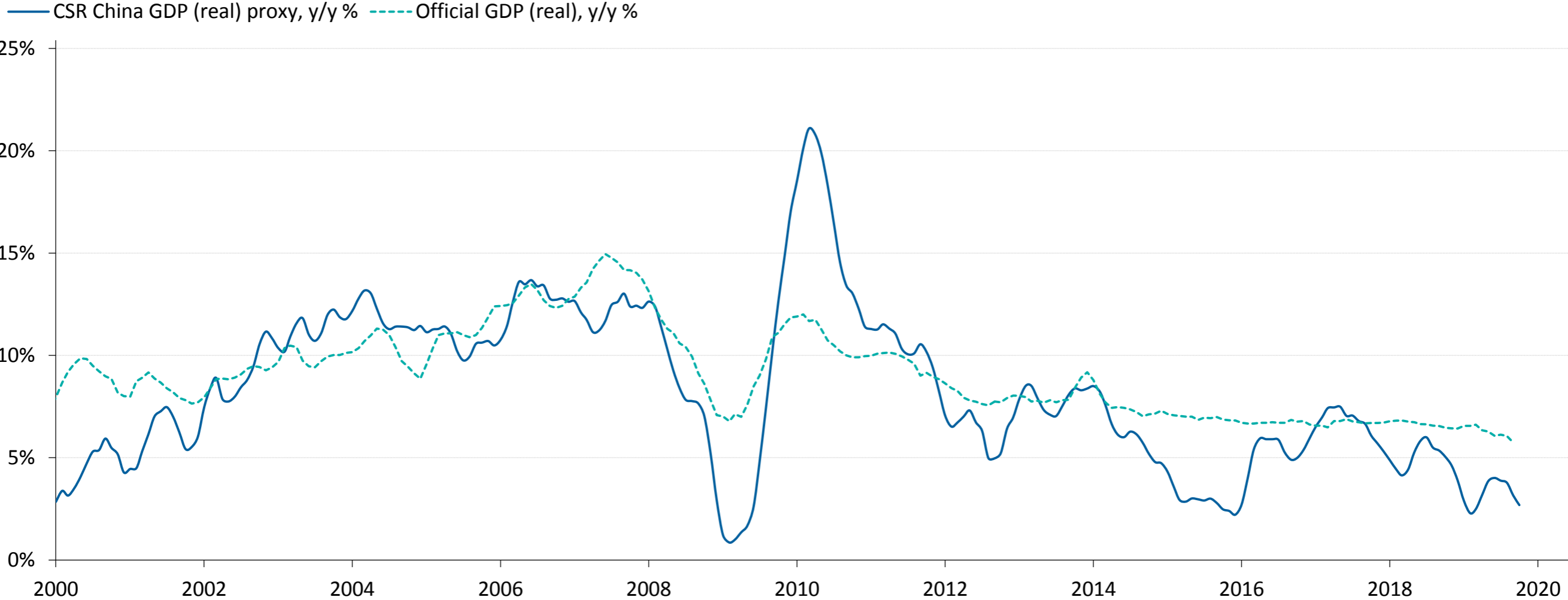
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Stephen Green, Capital Group  
February 2020

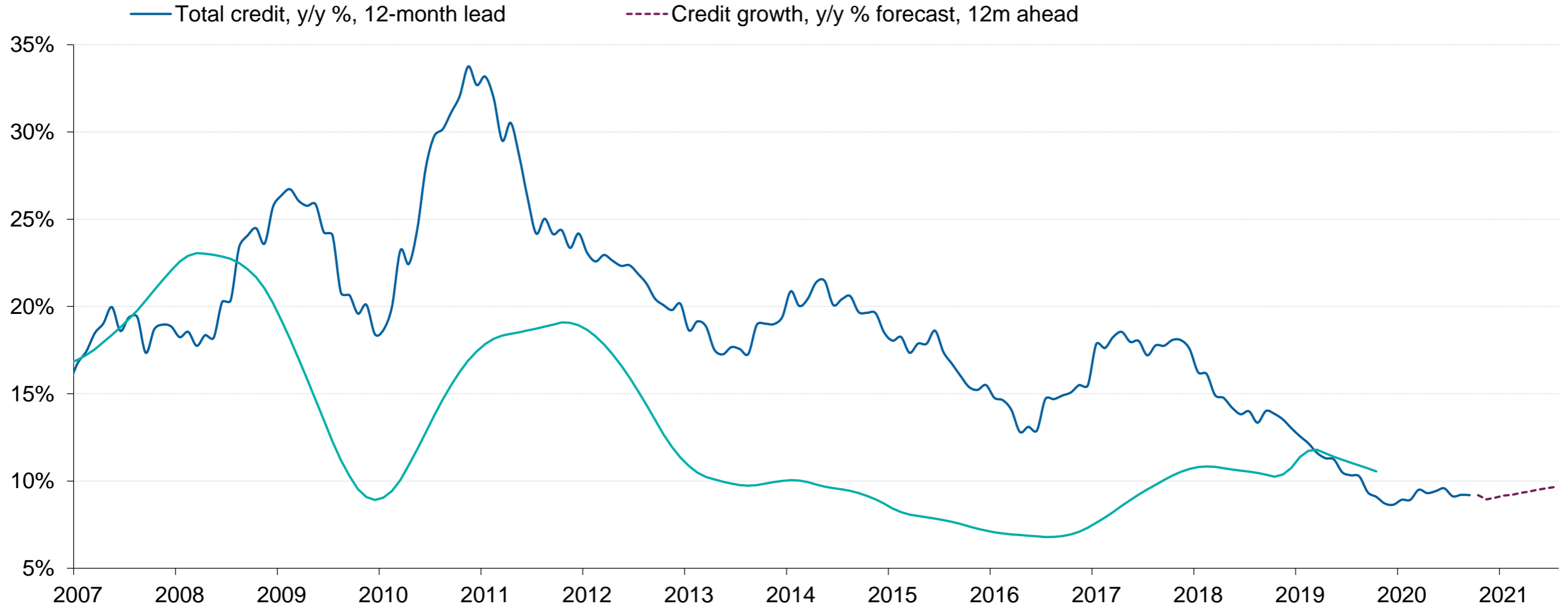


# We think Chinese GDP growth is weaker than official data suggests



As at December 2019. CSR: Capital Strategy Research. y/y: year-on-year. Sources: Capital Group, CEIC

# The credit impulse is still weak, so growth's unlikely to pick up

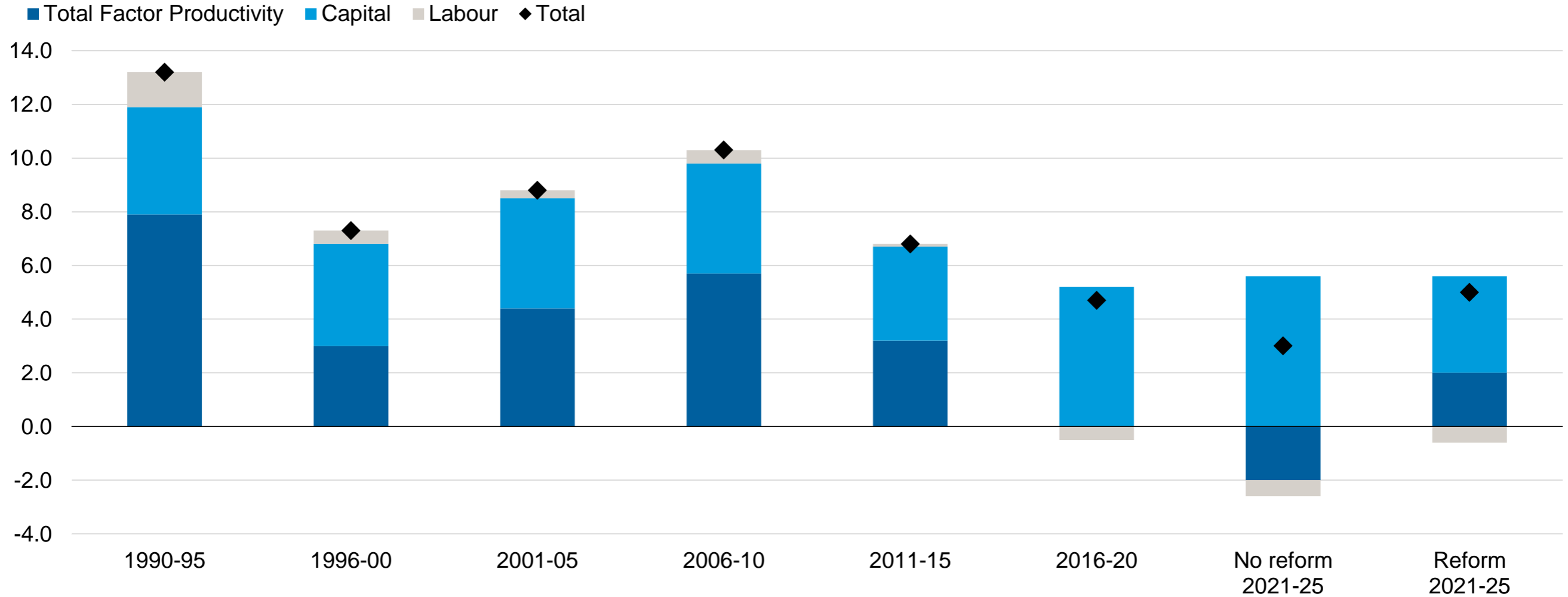


**For illustrative purposes only.**

As at December 2019. Sources: Capital Group, CEIC

# China's potential growth in the medium-term looks weak

...and is dependent on the level of reform

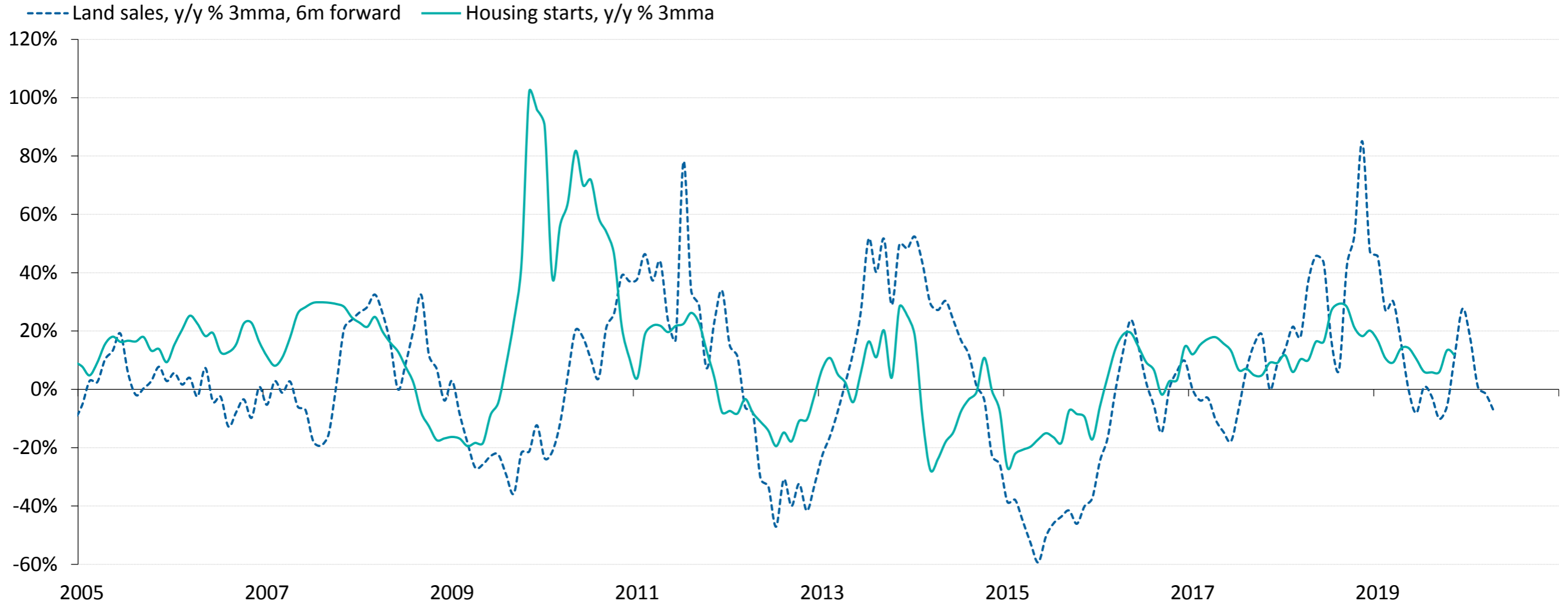


**For illustrative purposes only.**

As at 30 September 2019. Sources: Capital Group, CEIC, Refinitiv

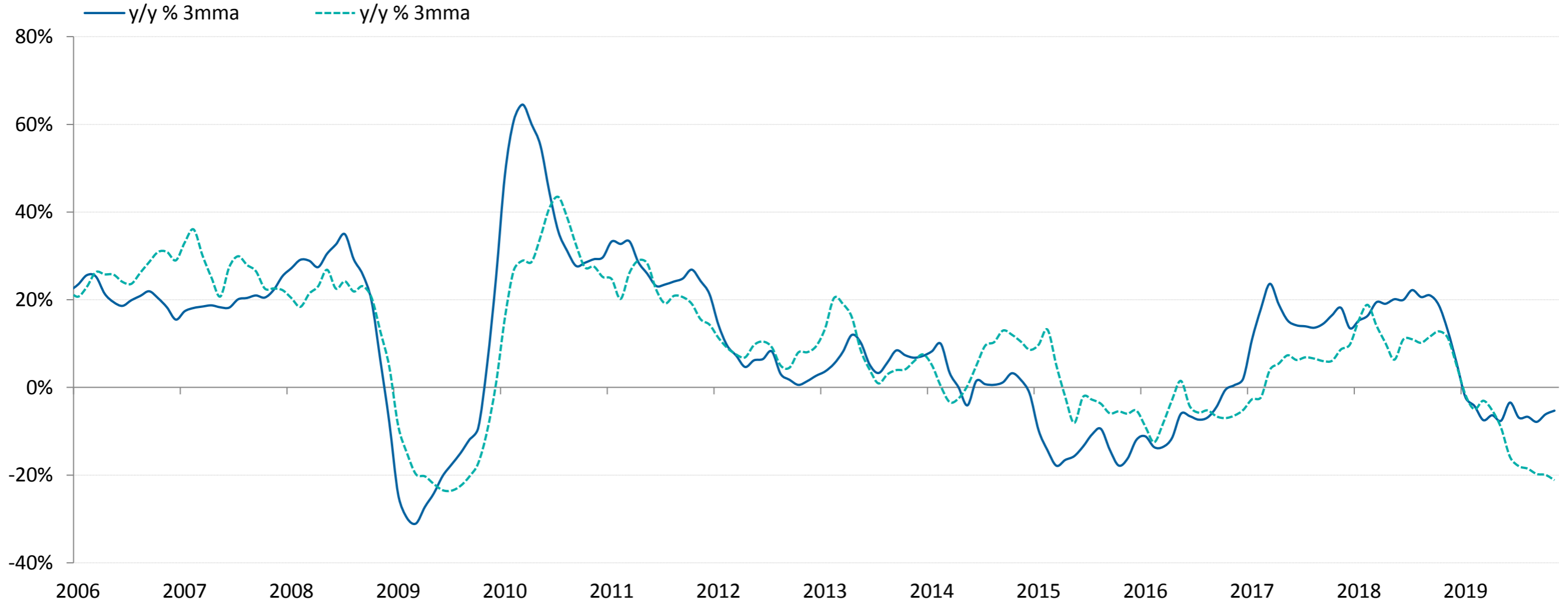


# Real estate construction will probably weaken in 2020



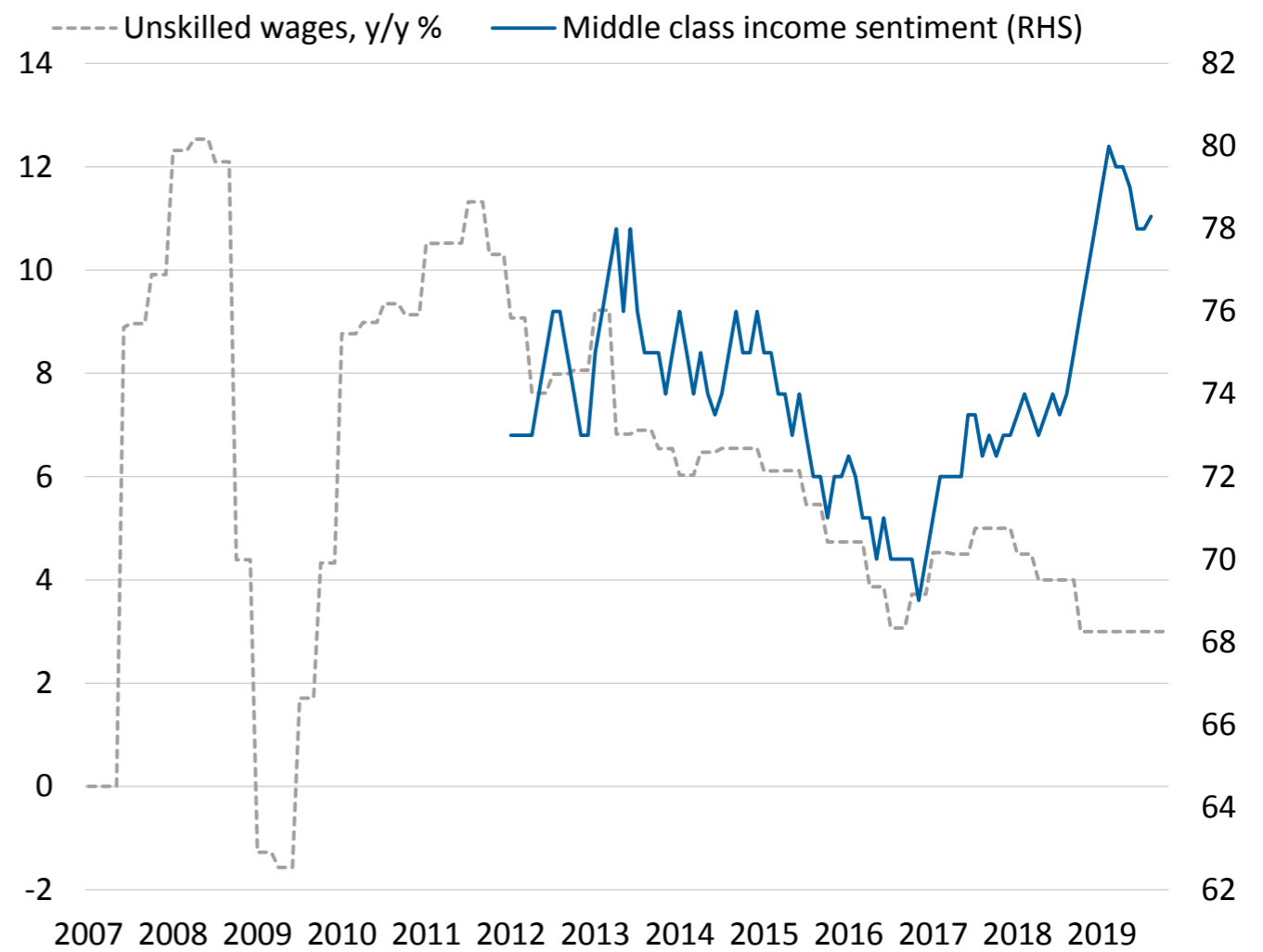
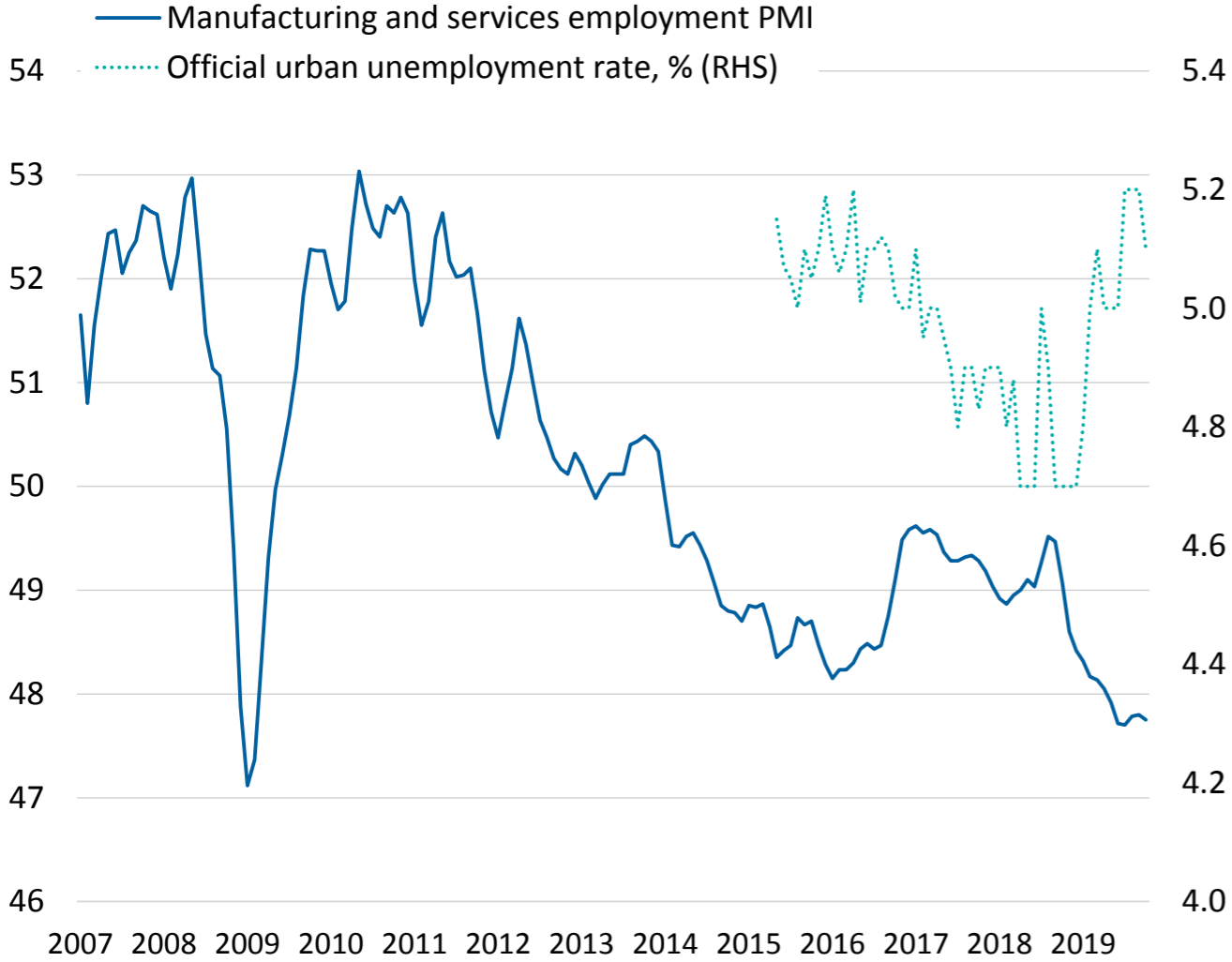
As at December 2019. mma: monthly moving average. y/y: year-on-year. Sources: Capital Group, CEIC

# Trade is in recession with limited signs of stabilisation



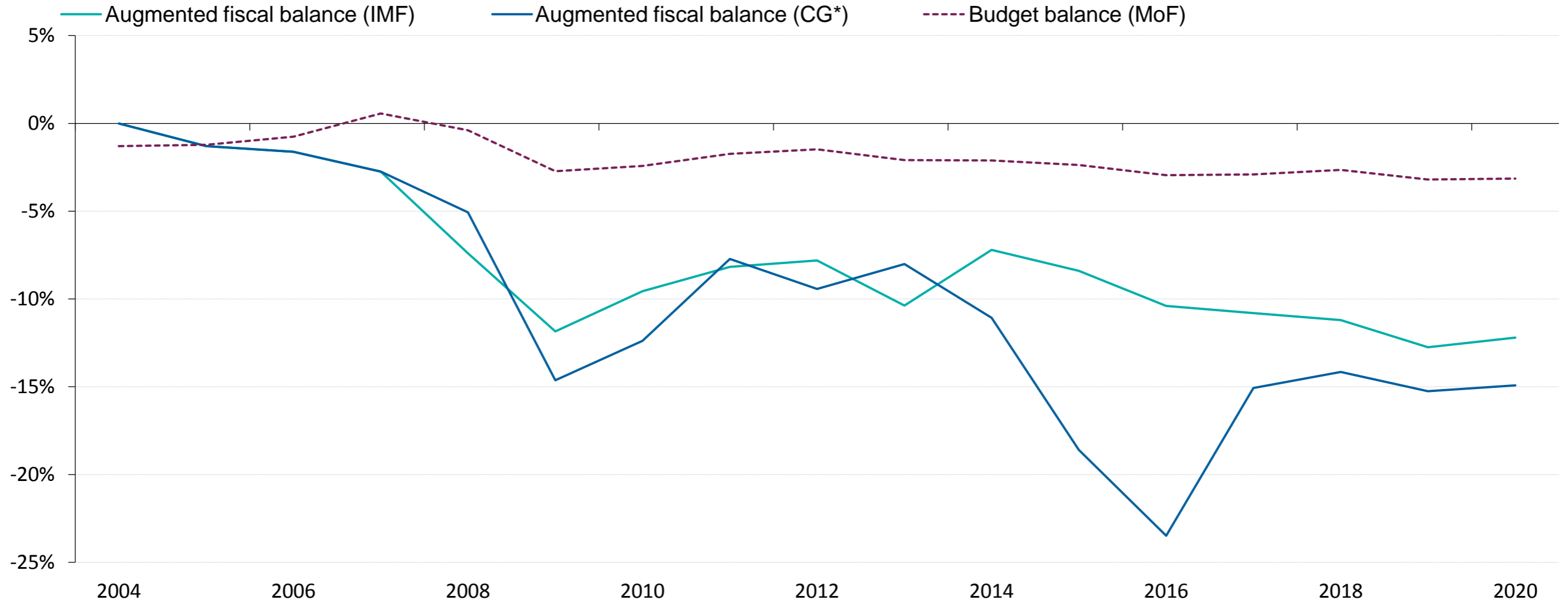
As at December 2019. mma: monthly moving average. y/y: year-on-year. Sources: Capital Group, CEIC

# Beijing is watching the jobs market, but the data is not great



As at December 2019. PMI: purchasing managers index. y/y: year-on-year. Sources: Capital Group, CEIC

# Beijing already has the fiscal accelerator on



As at December 2019. Sources: Capital Group, CEIC  
IMF: International Monetary Fund. MoF: Ministry of Finance.  
\* Capital Group economist calculations



# Disclaimer

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