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Exhibit 1: China's GDP growth (YoY %)



Source(s): NBS, ABCI Securities estimates

China NPC conference: More strategic changes on the way

The National People's Congress (NPC) is set to convene on March 5, 2014. This year's NPC will deliberate on major issues pivotal to China's reform and economic development in the coming years. We believe the annual government report to be delivered at NPC for approval will address strategic economic topics and provide guidance on future policy orientations. We expect that the session will focus on maintaining economic growth, urbanization, population control policies, reforms in SOE sector, and strengthening environmental protection.

Balanced economic growth is prioritized. NPC will continue to support the government's efforts to cultivate a consumption-led economy and diversify economic structure. We believe details on expanding private consumption and policies to stimulate development in high-tech industries will be revealed during the session. In addition, measures to crack down lavish spending by government officials will be proposed.

Urbanization will accelerate. Urbanization, as a critical driver of economic growth in the next decade, is expected to be discussed at length during the NPC. Main issues, including Infrastructure construction, such as urban rail and IT network establishment, as well as complementary policies on social mobility and social security benefits, are likely to be covered.

Easing of one-child policy may be implemented nationwide in 2014. Relaxation of the "One-child" policy, which allows families to have two children if one of the parents is an only child, was announced by the Standing Committee of the National People's Congress in November 2013. We believe the new policy would be implemented nationwide starting from 2014 to ensure sustainable population growth and a healthy age distribution.

SOE sector reform to enhance efficiency and competitiveness. SOE sector reform is likely to have a clearer direction after the NPC. We expect utilization of private capital in industries dominated by SOE, loosening of government control in certain industries, and reform within state-owned firms would be emphasized to promote economic efficiency and competitiveness of local companies.

Fortifying environmental protection. The session will continue to address multiple issues challenging social stability, including serious pollution problems in the country resulted from years of pursuing high economic growth. The government's determination to resolve the pressing pollution issues can be seen in recent efforts, such as deemphasizing GDP growth and setting up a RMB 10 billion fund to reduce air pollution. More stringent legislations and tightened oversight on resource-intensive and high-pollution industries can be expected in 2014.



China Economic Indicators													
	2013												2014
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Real GDP (YoY%)	---	---	7.7	---	---	7.5	---	---	7.8	---	---	7.7	---
Export Growth (YoY%)	25.0	21.8	10.0	14.7	1.0	(3.1)	5.1	7.2	(0.3)	5.6	12.7	5.8	10.6
Import Growth (YoY%)	28.8	(15.2)	14.1	16.8	(0.3)	(0.7)	10.9	7.0	7.4	7.6	5.3	6.5	10.0
Trade Balance (USD/bn)	29.2	15.3	(0.9)	18.2	20.4	27.1	17.8	28.5	15.2	31.1	33.8	32.3	31.9
Retail Sales Growth (YoY%)		12.3	12.6	12.8	12.9	13.3	13.2	13.4	13.3	13.3	13.7	13.6	---
Industrial Production (YoY%)		9.9	8.9	9.3	9.2	8.9	9.7	10.4	10.2	10.3	10.0	9.7	---
PMI - Manufacturing (%)	50.4	50.1	50.9	50.6	50.8	50.1	50.3	51.0	51.1	51.4	51.4	51.0	50.5
PMI - Non-manufacturing (%)	56.2	54.5	55.6	54.5	54.3	53.9	54.1	53.9	55.4	56.3	56.0	54.6	53.4
FAI(YTD) (YoY%)		21.2	20.9	20.6	20.4	20.1	20.1	20.3	20.2	20.1	19.9	19.6	---
CPI (YoY%)	2.0	3.2	2.1	2.4	2.1	2.7	2.7	2.6	3.1	3.2	3.0	2.5	2.5
PPI (YoY%)	(1.6)	(1.6)	(1.9)	(2.6)	(2.9)	(2.7)	(2.3)	(1.6)	(1.3)	(1.5)	(1.4)	(1.4)	(1.6)
M2(YoY%)	15.9	15.2	15.7	16.1	15.8	14.0	14.5	14.7	14.2	14.3	14.2	13.6	13.2
New Lending (RMB/bn)	1070.0	620.0	1060.0	792.9	667.4	860.5	699.9	711.3	787.0	506.1	624.6	482.5	1320

World Economic/Financial Indicators

Equity Indices				Global Commodities				Bond Yields & Key Rates			
	Closing price	Chg. WTD (%)	P/E	Unit	Price	Chg. WTD (%)	Volume (5-day avg.)		Yield (%)	Chg. WTD	
U.S.				Energy				US Fed Fund Rate			
DJIA	16,130.40	(0.15)	15.14	NYMEX WTI	USD/bbl	102.54	2.23	233,644		0.25	0.00
S&P 500	1,840.76	0.12	17.01	ICE Brent Oil	USD/bbl	110.04	0.88	95,587	US Prime Rate		
NASDAQ	4,272.78	0.68	N/A	NYMEX Natural Gas	USD/MMBtu	5.70	9.40	199,424	US Discount Window		
MSCI US	1,763.91	0.17	17.25	Australia Newcastle Steam Coal Spot fob ²	USD/Metric Tonne	75.80	N/A	N/A	US Treasury (1 Mth)		
Europe				Basic Metals				US Treasury (5 Yr)			
FTSE 100	6,801.92	2.08	16.40	LME Aluminum Cash	USD/MT	1,721.75	1.13	45,048	US Treasury (10 Yr)		
DAX	9,652.39	(0.10)	15.43	LME Aluminum 3 -mth. Rolling Fwd.	USD/MT	1,766.00	1.17	27,596	Japan 10-Yr Gov. Bond		
CAC40	4,327.80	(0.28)	22.55	CMX Copper Active	USD/lb.	329.40	0.90	50,709	China 10-Yr Gov. Bond		
IBEX 35	9,986.30	(1.45)	19.12	LME Copper 3- mth Rolling Fwd.	USD/MT	7,195.00	0.63	33,182	ECB Rate (Refinancing)		
FTSE MIB	20,364.13	(0.35)	97.57	TSI CFR China Iron Ore Fines Index ³	USD	124.40	0.97	N/A	1-Month LIBOR		
Stoxx 600	334.50	0.35	22.15	Precious Metals				3 Month LIBOR			
MSCI UK	2,004.57	2.00	16.46	CMX Gold	USD/T. oz	1,321.60	0.23	143,104	O/N SHIBOR		
MSCI France	120.99	(0.17)	22.21	CMX Silver	USD/T. oz	21.86	2.05	66,003	1-mth SHIBOR		
MSCI Germany	132.22	0.01	15.13	NYMEX Platinum	USD/T. oz	1,420.80	(0.65)	9,563	3-mth HIBOR		
MSCI Italy	58.81	0.27	97.04	Agricultural Products				Corporate Bonds (Moody's)			
Asia				CBOT Corn	USD/bu	449.25	0.90	184,679	Aaa 4.50 1.00		
NIKKEI 225	14,766.53	3.17	20.18	CBOT Wheat	USD/bu	612.75	2.38	75,038	Baa 5.13 0.00		
S&P/ASX 200	5,408.24	0.97	19.81	NYB-ICE Sugar	USD/lb.	16.16	3.39	92,856			
HSI	22,664.52	1.64	10.27	CBOT Soybeans	USD/bu.	1,359.50	1.64	123,775			
HSCEI	10,057.52	1.25	7.48								
CSI300	2,308.66	0.57	10.97								
SSE Composite	2,142.55	1.26	10.76								
SZSE Composite	1,157.20	1.65	31.52								
MSCI China	60.56	1.25	9.56								
MSCI Hong Kong	11,822.08	0.36	10.95								
MSCI Japan	756.00	3.45	15.09								

Currency								
	Euro/USD	GBP/USD	AUD/USD	USD/JPY	USD/CHF	USD/CNY	USD/HKD	USD/CNY NDF 12-Mth
Spot Rate	1.3755	1.6721	0.9023	102.16	0.8887	6.0764	7.7554	6.1119
Chg. WTD (%)	0.45	(0.16)	(0.12)	(0.35)	0.43	(0.17)	0.00	(0.03)

Note:

- Data sources: Bloomberg Finance LP, National Bureau of Statistics of China, ABCIS (updated on date of report)
- Australia Newcastle Steam Coal Spot fob is the Australia Newcastle 6700 kc GAD fob Steam Coal Spot price published by McCloskey
- TSI CFR China Iron Ore Fines Index is calculated with the 62% Fe specification, spot price



Disclosures

Analyst Certification

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Definition of equity rating

Rating	Definition
Buy	Stock return \geq Market return rate
Hold	Market return - 6% \leq Stock return < Market return rate
Sell	Stock return < Market return - 6%

Stock return is defined as the expected % change of share price plus gross dividend yield over the next 12 months

Market return: 5-year average market return rate from 2007-2011

Time horizon of share price target: 12-month

Definition of share price risk

Rating	Definition
Very high	$2.6 \leq 180$ day volatility/180 day benchmark index volatility
High	$1.5 \leq 180$ day volatility/180 day benchmark index volatility < 2.6
Medium	$1.0 \leq 180$ day volatility/180 day benchmark index volatility < 1.5
Low	180 day volatility/180 day benchmark index volatility < 1.0

We measure share price risk by its volatility relative to volatility of benchmark index. Benchmark index: Hang Seng Index.

Volatility is calculated from the standard deviation of day to day logarithmic historic price change. The 180-day price volatility equals the annualized standard deviation of the relative price change for the 180 most recent trading days closing price.

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