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Exhibit 1: 1Q15 economic indicators

YoY% or otherwise specified	1Q'15*	2014
GDP	7.0	7.4
CPI	1.2	2.0
PPI	(4.4)	(1.9)
Exports	14.1	6.1
Imports	(17.0)	0.4
Trade Balance (US\$/bn)	166.7	382.5
FAI (YTD%)	15.0	15.7
Industrial production	7.0	8.3
Retail Sales	12.9	12.0
M2	12.6	12.2
New loans (RMB/bn)	3,340	9,781.4
Aggregate financing (RMB/bn)	5600.8	16,413.3

* Forecast

Source(s): Bloomberg, ABCI Securities estimates

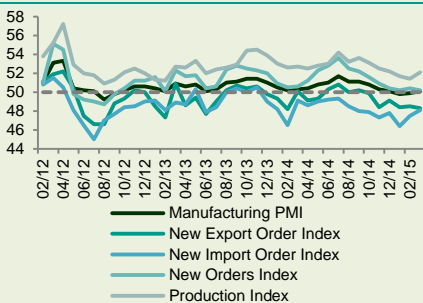
Exhibit 2: March economic indicators

YoY% or otherwise specified	Mar'15*	Jan-Feb'15
Manufacturing PMI(%)	50.1	49.9
Non-Manufacturing PMI (%)	53.7	53.9
CPI	1.4	1.1
PPI	(4.2)	(4.6)
Exports	12.5	15.0
Imports	(10.5)	(20.2)
Trade Balance (US\$/bn)	46.0	120.6
FAI (YTD%)	15.0	13.9
Industrial production	7.2	6.8
Retail Sales	11.5	10.7
M2	12.6	12.5
New loans (RMB/bn)	850	2,490
Aggregate financing (RMB/bn)	2200	3400.8

* Forecast (except PMI and Non-Manufacturing PMI)

Source(s): Bloomberg, ABCI Securities estimates

Exhibit 3: China's manufacturing PMI (%) and sub-indices (%)



Source(s): Bloomberg, ABCI Securities

March PMI signals stabilization

China posted a better-than-expected March Manufacturing PMI at 50.1%, beating the consensus of 49.7% and indicating expansion in manufacturing activities. The economy has been stabilizing after being temporarily weighed down by the holiday effects in January and February. Production PMI continued to rebound, climbing from February's 51.4% to March's 52.1%. The latest PMI demonstrates a stabilizing macro trend. We expect China's economic indicators for March to improve, with the uptrend continuing in a steady and gradual manner in coming months. Under a "new normal" economic environment with a lowered growth target, we forecast GDP growth for 1Q15 will further decelerate to 7.0% as rebound in March would not be sufficient to offset the sluggishness in the first two months of 2015.

Small- and medium-sized enterprises still face hardship. PMI of large-sized enterprise continued to rebound to 51.5% from 50.4% in February, while PMI of medium-sized (48.3% in March vs 49.4% in February) and small-sized enterprises (46.9% in March vs 48.1% in February) have continued to contract for the past several months. This indicates falling new orders from domestic and external markets, which in turn implies higher financing costs for enterprises. Nonetheless, we expect recent easing measures and continued improvement in business environment would help the economy regain traction, thus lifting growth in manufacturing activities of small- and medium-sized enterprises.

Slow recovery of external trade sector. In March, PMI of New Export Order fell to 48.3 from 48.5 in February. The slowdown indicates major trading partners have not started restocking. PMI of imports improved from 47.5% in February to 48.1% in March, indicating falling commodities prices have triggered demand for imported raw materials and consumer goods. For March, we expect exports to grow 12.5% while imports to decline by 10.5% YoY; trade balance for the month would reach US\$ 46.0bn.

Inflation is not a concern. On the CPI front, slowing domestic demand for goods and services led to easing pricing pressure in China. We believe credit loosening measures implemented earlier have not cast serious pricing impacts on inflation yet. Thus, we believe CPI inflation for March would stay healthy at 1.4%. In addition, PPI deflation in the factory sector is a result of falling raw material prices and slowdown in inventory demand. In our view, decline in PPI will continue and reach 4.2% YoY in March.

FAI growth to resume slowly. Improvement in the manufacturing sector is expected to boost FAI, which we believe to have bottomed out. Going forward, surging investment in infrastructure and railways will help reverse the downtrend. We expect FAI in March to rebound with a YTD growth of 15% YoY.

Industrial production growth dampened by weak domestic demand. Production has been resumed after the Spring festival and we expect industrial production for March to increase by 7.2% YoY. In general, the growth remains subdued on weak domestic demand and the government's efforts to reduce overcapacity in certain industries. Nonetheless, we expect industrial production to gradually improve later this year.



Retail sales to improve steadily. March's retail sales are expected to grow by 11.5% YoY, driven by the government's continuous efforts to encourage private consumption and normalization of consumption after the holiday. Consumption is trending up, and demand for consumer discretionary and staples will continue to climb.

Monetary indicators point to a stable growth. We believe PBOC's recent efforts to inject liquidity would have a direct impact on the monetary data. PBOC's flexible approach and the government's policies to restore a healthy credit growth and rectify existing issues in the manufacturing sectors would create a new economic dynamic. We expect M2 growth to be 12.6% YoY and new loans to reach RMB 850bn for March.



China Economic Indicators

	2014												2015		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar*
Real GDP (YoY%)	---	---	7.4	---	--	7.5	--	---	7.3	---	---	7.3	---	---	7.0
Export Growth (YoY%)	10.6	(18.1)	(6.6)	0.9	7.0	7.2	14.5	9.4	15.3	11.6	4.7	9.7	(3.2)	48.3	12.5
Import Growth (YoY%)	10.0	10.1	(11.3)	0.8	(1.6)	5.5	(1.6)	(2.4)	7.0	4.6	(6.7)	(2.4)	(19.7)	(20.5)	(10.5)
Trade Balance (USD/bn)	31.9	(23.0)	7.7	18.5	35.9	31.6	47.3	49.8	30.9	45.4	54.5	49.6	60.0	60.6	46.0
Retail Sales Growth (YoY%)	11.8		12.2	11.9	12.5	12.4	12.2	11.9	11.6	11.5	11.7	11.9	10.7		11.5
Industrial Production (YoY%)	8.6		8.8	8.7	8.8	9.2	9.0	6.9	8.0	7.7	7.2	7.9	6.8		7.2
PMI - Manufacturing (%)	50.5	50.2	50.3	50.4	50.8	51.0	51.7	51.1	51.1	50.8	50.3	50.1	49.8	49.9	50.1
PMI - Non-manufacturing (%)	53.4	55.0	54.5	54.8	55.5	55.0	54.2	54.4	54.0	53.8	53.9	54.1	53.7	53.9	53.7
FAI(YTD) (YoY%)	17.9		17.6	17.3	17.2	17.3	17.0	16.5	16.1	15.9	15.8	15.7	13.9		15.0
CPI (YoY%)	2.5	2.0	2.4	1.8	2.5	2.3	2.3	2.0	1.6	1.6	1.4	1.5	0.8	1.4	1.4
PPI (YoY%)	(1.6)	(2.0)	(2.3)	(2.0)	(1.4)	(1.1)	(0.9)	(1.2)	(1.8)	(2.2)	(2.7)	(3.3)	(4.3)	(4.8)	(4.2)
M2(YoY%)	13.2	13.3	12.1	13.2	13.4	14.7	13.5	12.8	12.9	12.6	12.3	12.2	10.8	12.5	12.6
New Lending (RMB/bn)	1,320	644.5	1,050	774.7	870.8	1,080	385.2	702.5	857.2	548.3	852.7	697.3	1,470.0	1,020	850
Aggregate Financing (RMB bn)	2,580	938.7	2,081.3	1,550	1,400	1,970	273.7	957.7	1,135.5	662.7	1,146.3	1,690.0	2,050.0	1,350	2,200

* Forecast (Excluding PMI-Manufacturing & PMI-Non-manufacturing)

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 (Bps)	
U.S.				Energy				US Fed Fund Rate				
DJIA	17,776.12	0.36	15.59	NYMEX WTI	USD/bbl	47.30	(3.21)	403,956	US Prime Rate	3.25	0.00	
S&P 500	2,067.89	0.33	18.27	ICE Brent Oil	USD/bbl	55.02	(2.46)	254,676	US Discount Window	0.75	0.00	
NASDAQ	4,900.89	0.20	29.56	NYMEX Natural Gas	USD/MMBtu	2.67	3.05	54,483	US Treasury (1 Yr)	0.2598	2.05	
MSCI US	1,981.62	0.34	18.82	Australia Newcastle Steam Coal Spot fob ²	USD/Metric Tonne	61.80	N/A	N/A	US Treasury (5Yr)	1.3896	(4.55)	
Europe				Basic Metals				US Treasury (10 Yr)				
FTSE 100	6,830.51	(0.36)	23.44	LME Aluminum Cash	USD/MT	1,781.25	0.32	16,173	Japan 10-Yr Gov. Bond	0.3880	1.30	
DAX	12,040.75	1.45	20.12	LME Aluminum 3 -mth. Rolling Fwd.	USD/MT	1,785.00	0.17	31,282	China 10-Yr Gov. Bond	3.6300	10.00	
CAC40	5,072.05	0.75	26.21	CMX Copper Active	USD/lb.	6,064.50	(0.18)	6,927	ECB Rate (Refinancing)	0.05	0.00	
IBEX 35	11,582.40	1.36	21.90	LME Copper 3- mth Rolling Fwd.	USD/MT	6,041.00	(0.23)	48,366	1-Month LIBOR	0.1793	0.13	
FTSE MIB	23,294.66	1.35	88.90	Precious Metals				3 Month LIBOR				
Stoxx 600	399.17	0.92	24.52	CMX Gold	USD/T. oz	1,182.40	(1.52)	116,528	O/N SHIBOR	3.0870	(11.9)	
MSCI UK	1,988.57	(1.21)	23.63	CMX Silver	USD/T. oz	16.56	(3.01)	36,623	1-mth SHIBOR	4.9980	(1.80)	
MSCI France	141.78	0.04	26.95	NYMEX Platinum	USD/T. oz	1,136.40	(0.36)	13,150	3-mth HIBOR	0.3850	(0.21)	
Asia				Agricultural Products				Corporate Bonds (Moody's)				
NIKKEI 225	19,034.84	(1.30)	21.59	CBOT Corn	USD/bu	378.00	(3.32)	193,630	Aaa	3.55	2.00	
S&P/ASX 200	5,860.75	(1.00)	20.76	CBOT Wheat	USD/bu	515.75	1.58	75,811	Baa	4.51	3.00	
HSI	25,082.75	2.44	10.56	NYB-ICE Sugar	USD/lb.	12.01	(0.99)	54,864	Note:			
HSCEI	12,537.28	5.37	8.93	CBOT Soybeans	USD/bu.	977.25	1.03	114,242	1. Data sources: Bloomberg, National Bureau of Statistics of China, ABCIS (updated on date of report)			
CSI300	4,123.90	3.83	17.81	2. Australia Newcastle Steam Coal Spot fob is the Australia Newcastle 6700 kc GAD fob Steam Coal Spot price published by McCloskey								
SSE Composite	3,810.29	3.23	18.67									
SZSE Composite	2,005.67	3.62	47.13									
MSCI China	71.50	3.28	11.05									
MSCI Hong Kong	13,166.97	0.63	9.85									
MSCI Japan	950.35	(0.87)	17.44									

Currency

	Euro/USD	GBP/USD	AUD/USD	USD/JPY	USD/CHF	USD/CNY	USD/HKD	USD/CNY NDF 12-mth Spot pr.
Spot Rate	1.0732	1.4751	0.7589	120.24	0.9724	6.1982	7.7539	6.3435
Chg. WTD (%)	(1.44)	(0.86)	(2.10)	(0.92)	(1.09)	0.28	(0.01)	0.54



Disclosures

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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 2009-2013

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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