

McVEAN

Trading & Investments, LLC

Is the Chinese Roller Coaster Near the Bottom?

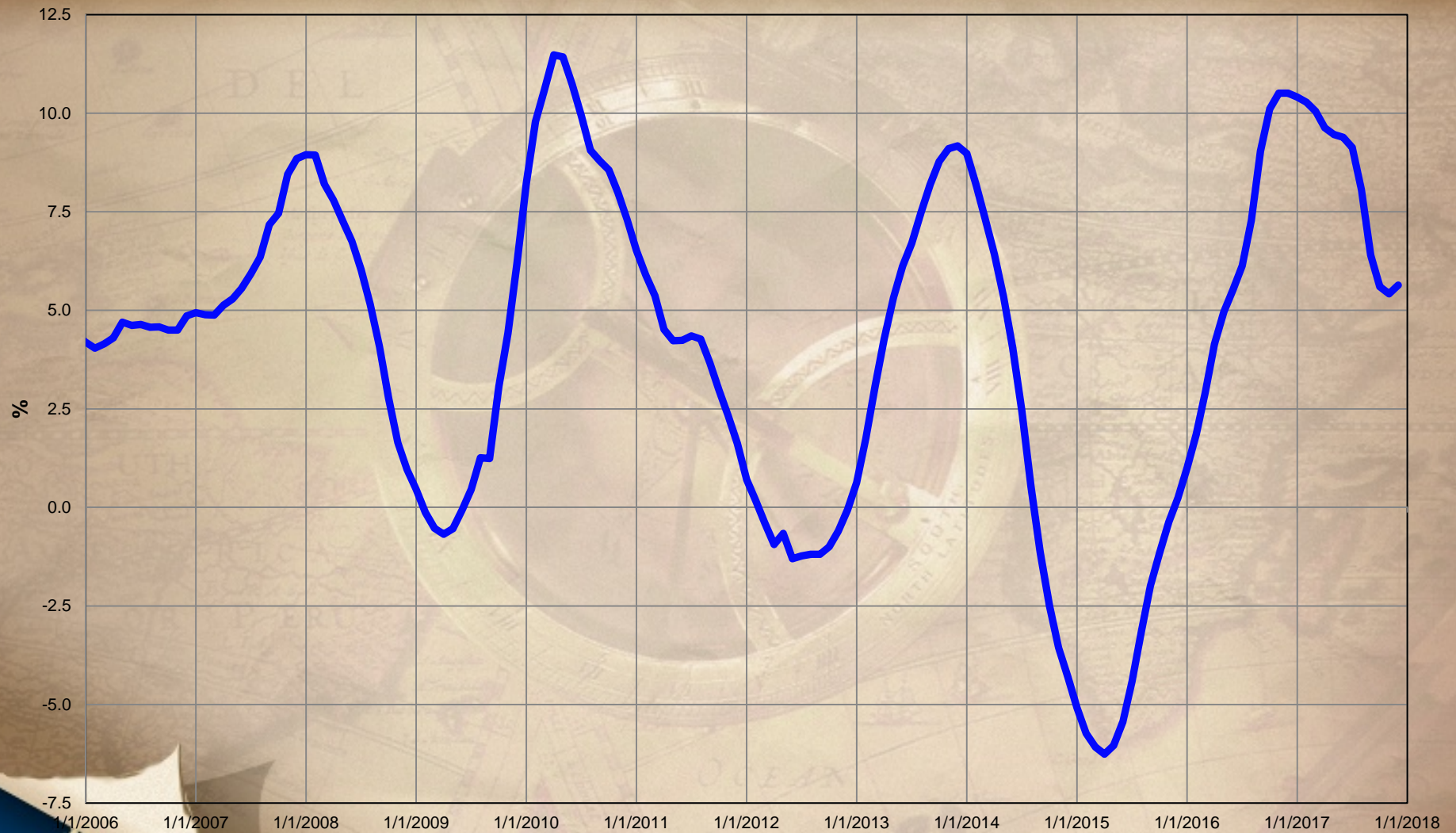
February 28, 2018

Michael Drury

Chief Economist

McVean Trading and Investments, LLC

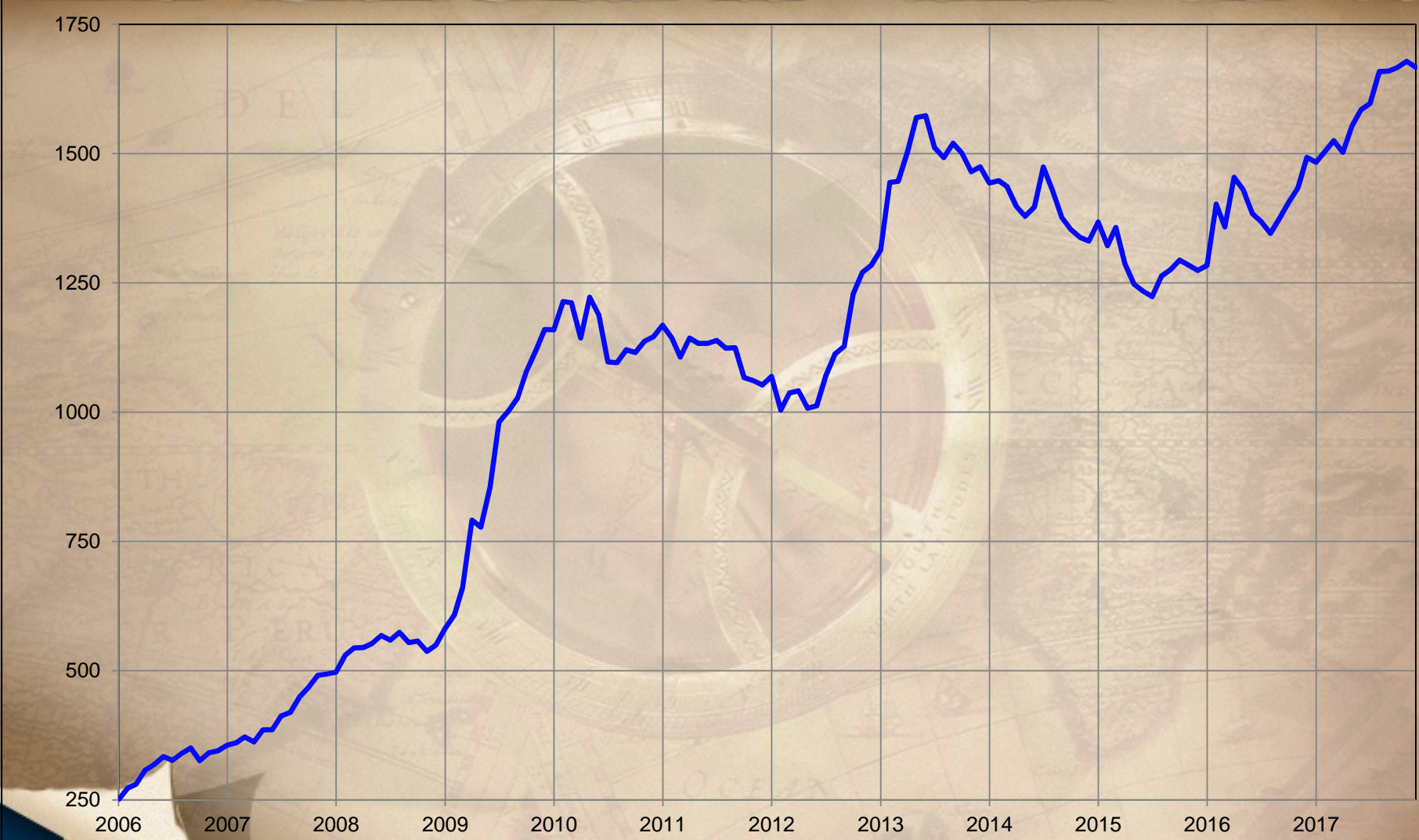
AVERAGE PRICE FOR NEW RESIDENTIAL BUILDINGS IN CHINA % CHANGE FROM YEAR AGO



Dec-17

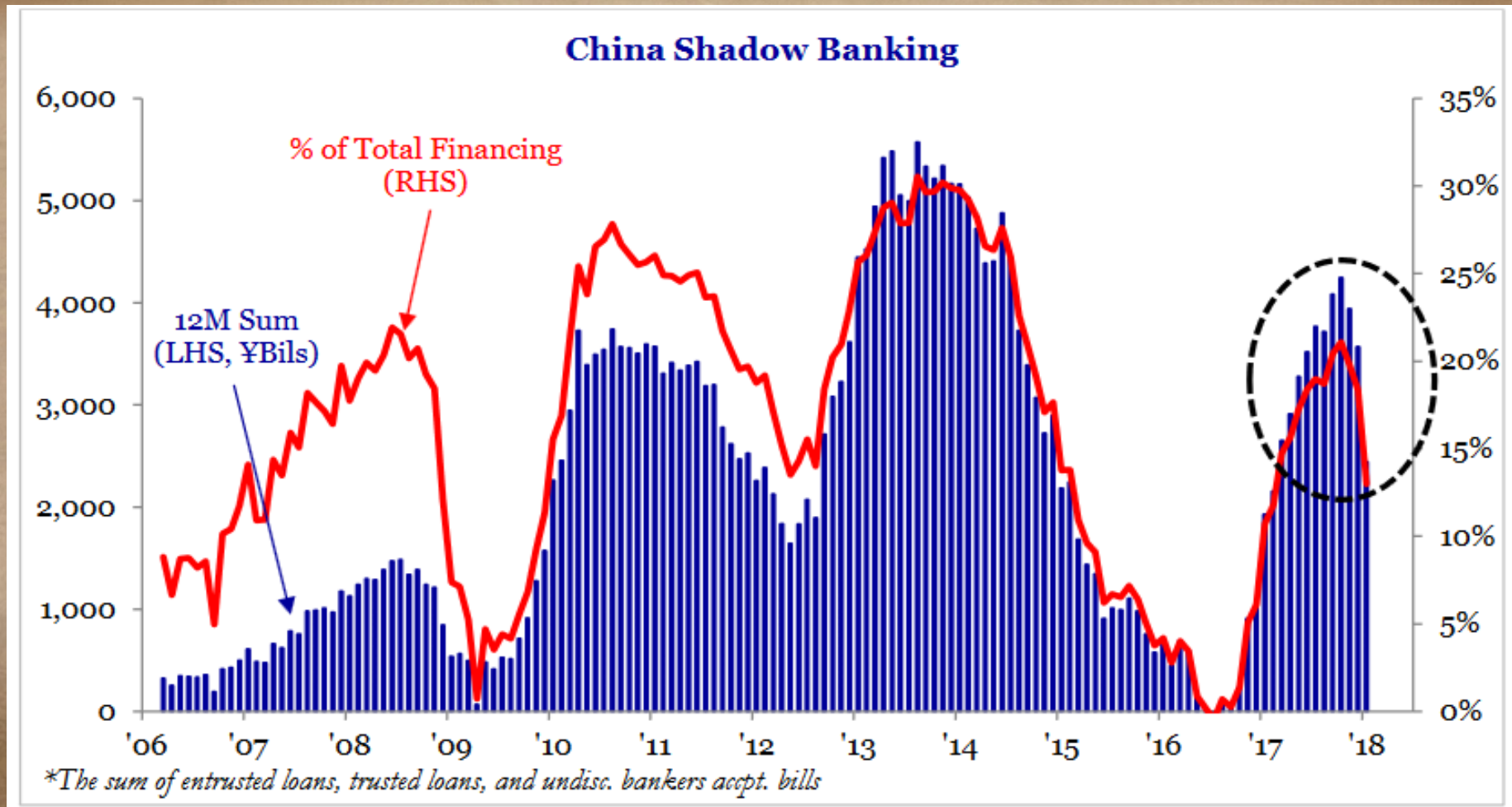
CHINA SOCIAL FINANCING

12 MONTH AVERAGE



Nov-17

CREDIT CRUNCHES FOCUS ON THE ELITE

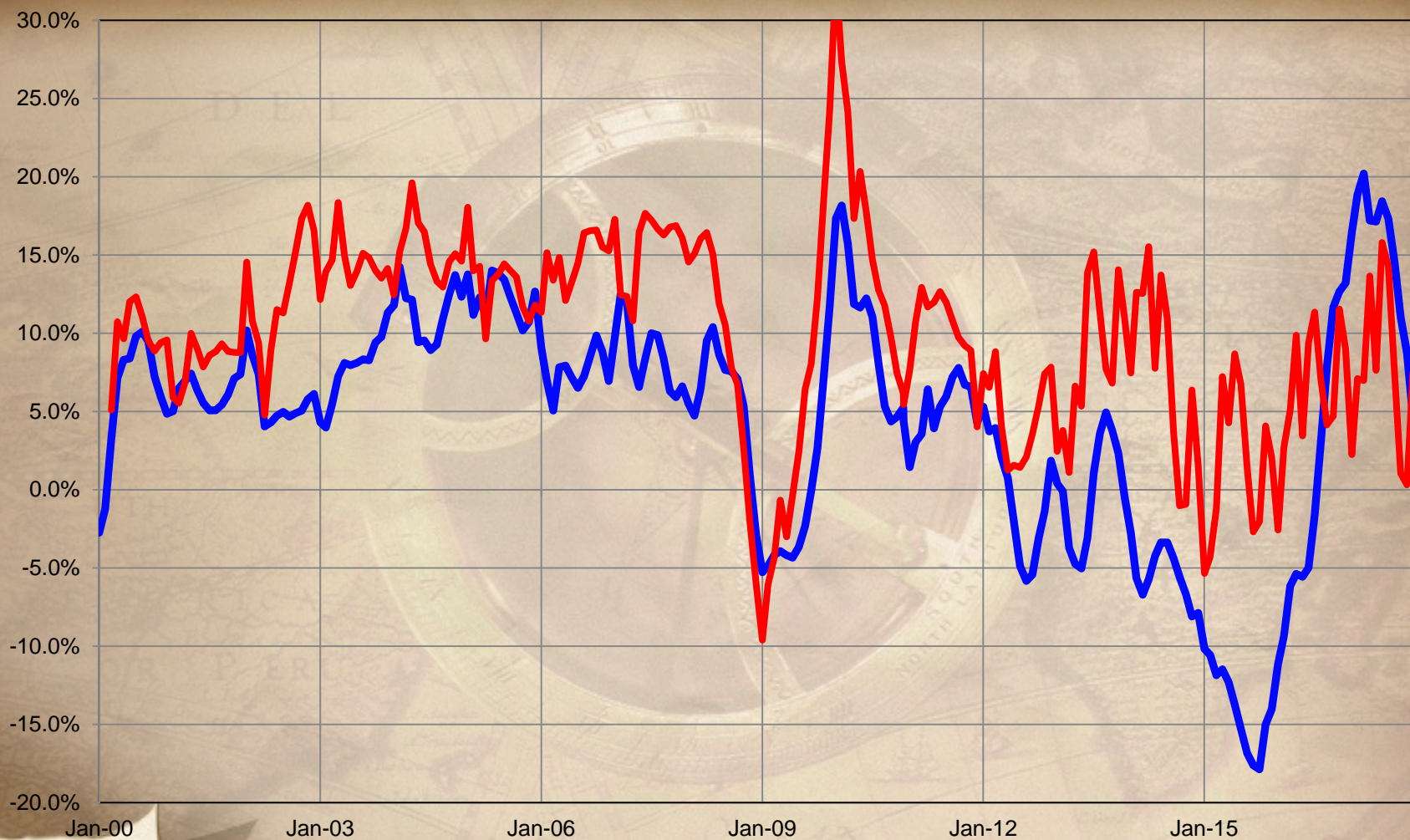


Source: Strategas

Past Performance Is Not Necessarily Indicative Of Future Results.

CHINESE RAILROAD FREIGHT VS ELECTRICITY PRODUCTION

3 MONTH AVERAGE % CHANGE FROM YEAR AGO 3 MONTH AVERAGE

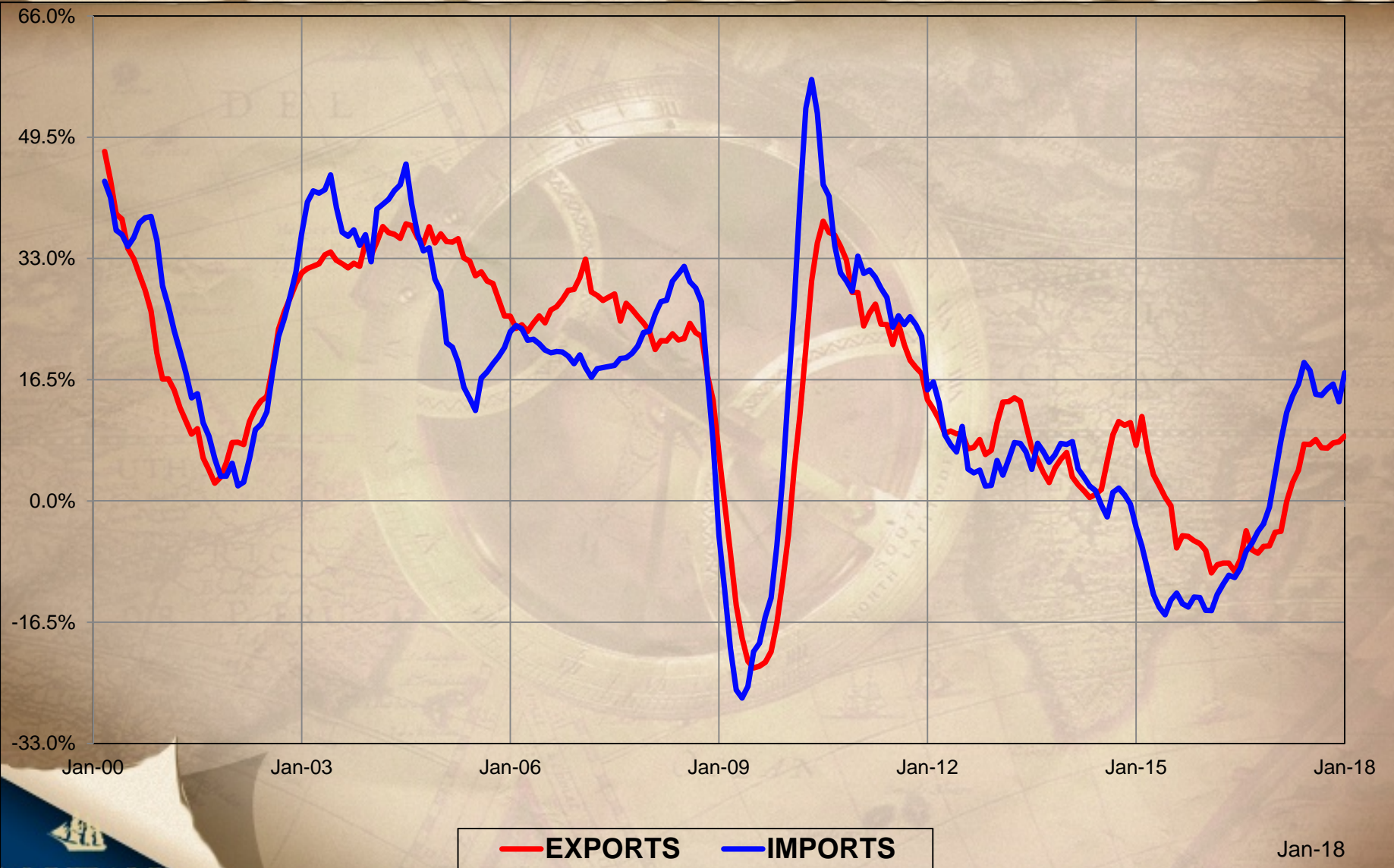


— RAIL — ELECTRICITY PRODUCTION

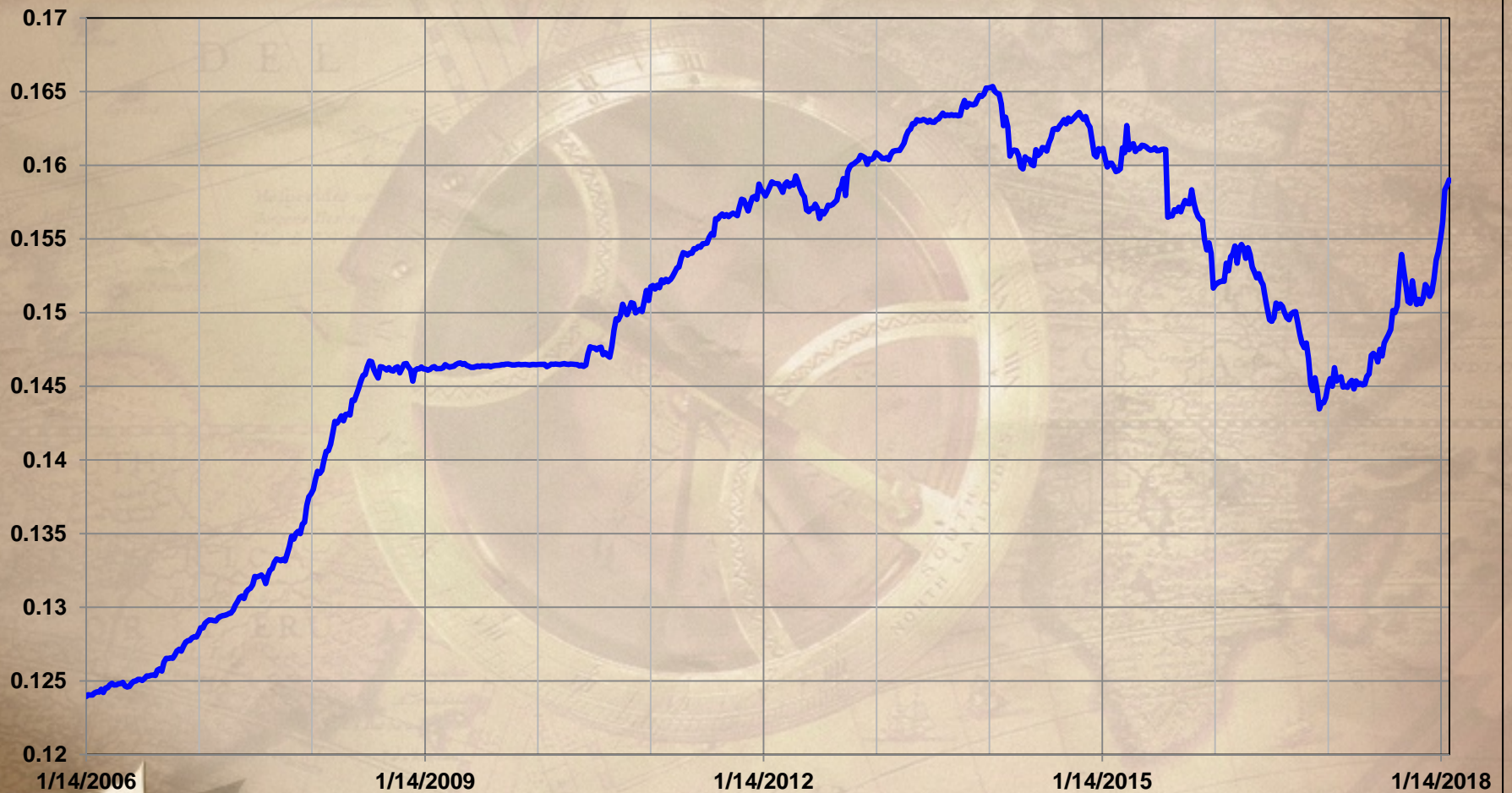
Dec-17

CHINA EXPORTS VS IMPORTS

3 MONTH AVERAGE %CH FROM 3 MONTH AVERAGE YEAR AGO



YUAN PER US DOLLAR (INVERTED SCALE)



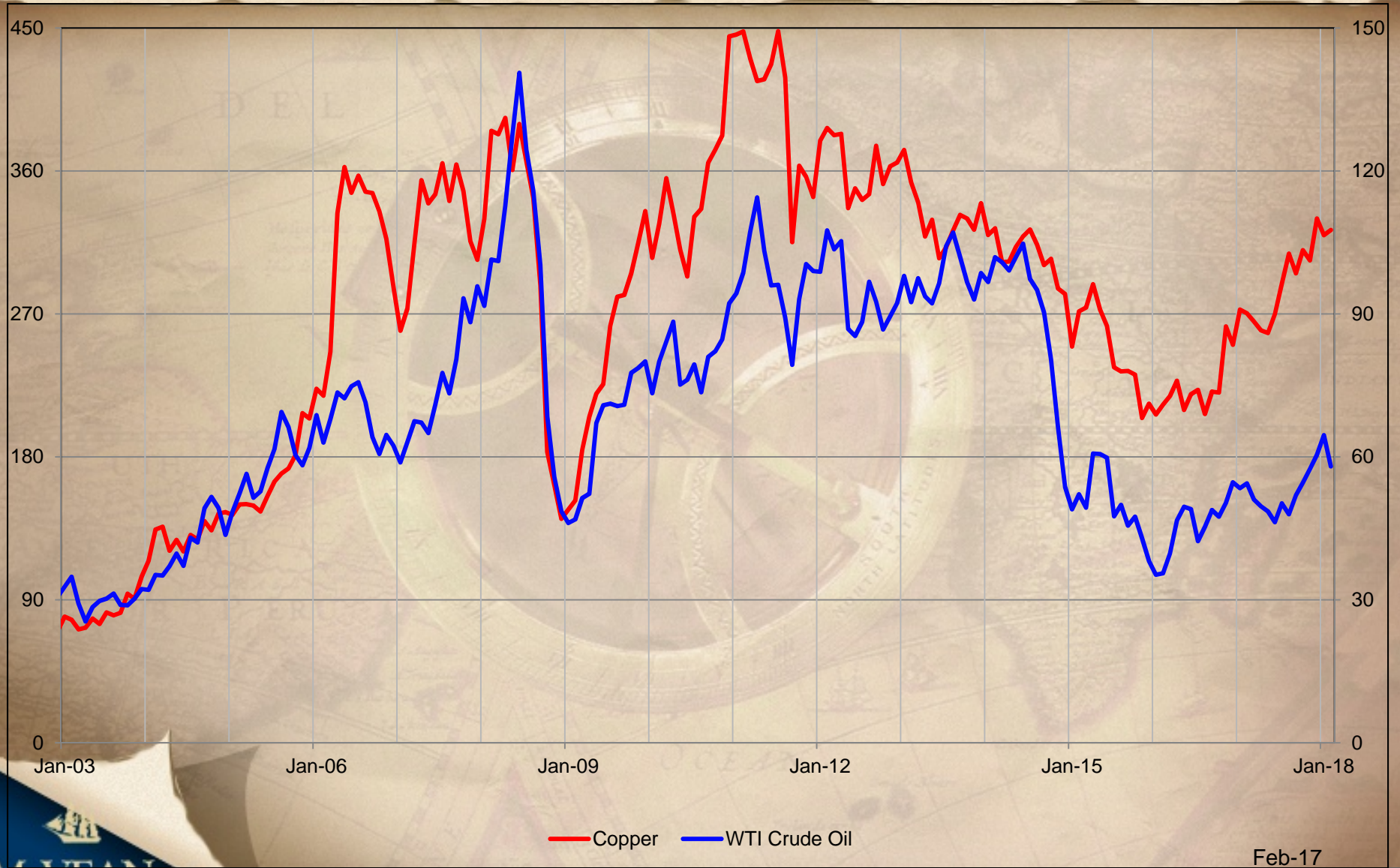
Feb 2017

CHINA NOMINAL GDP GROWTH IN US\$ CURRENT QUARTER % CHANGE FROM YEAR AGO

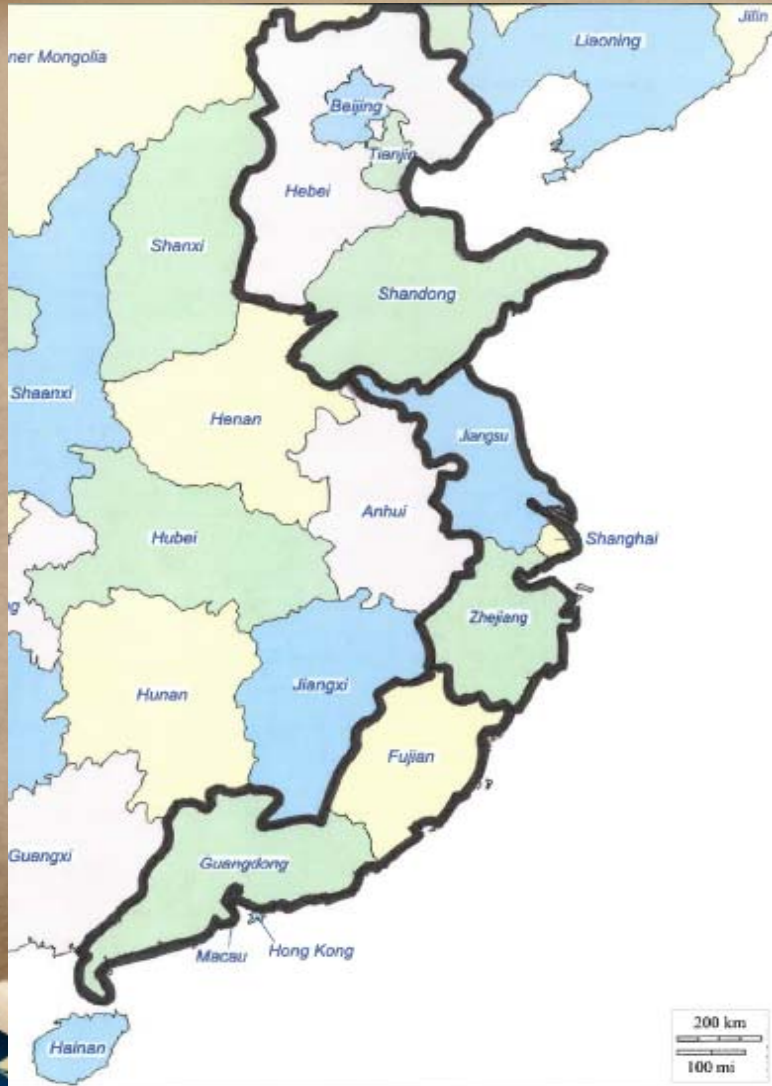


Q4 2017

COPPER VS CRUDE



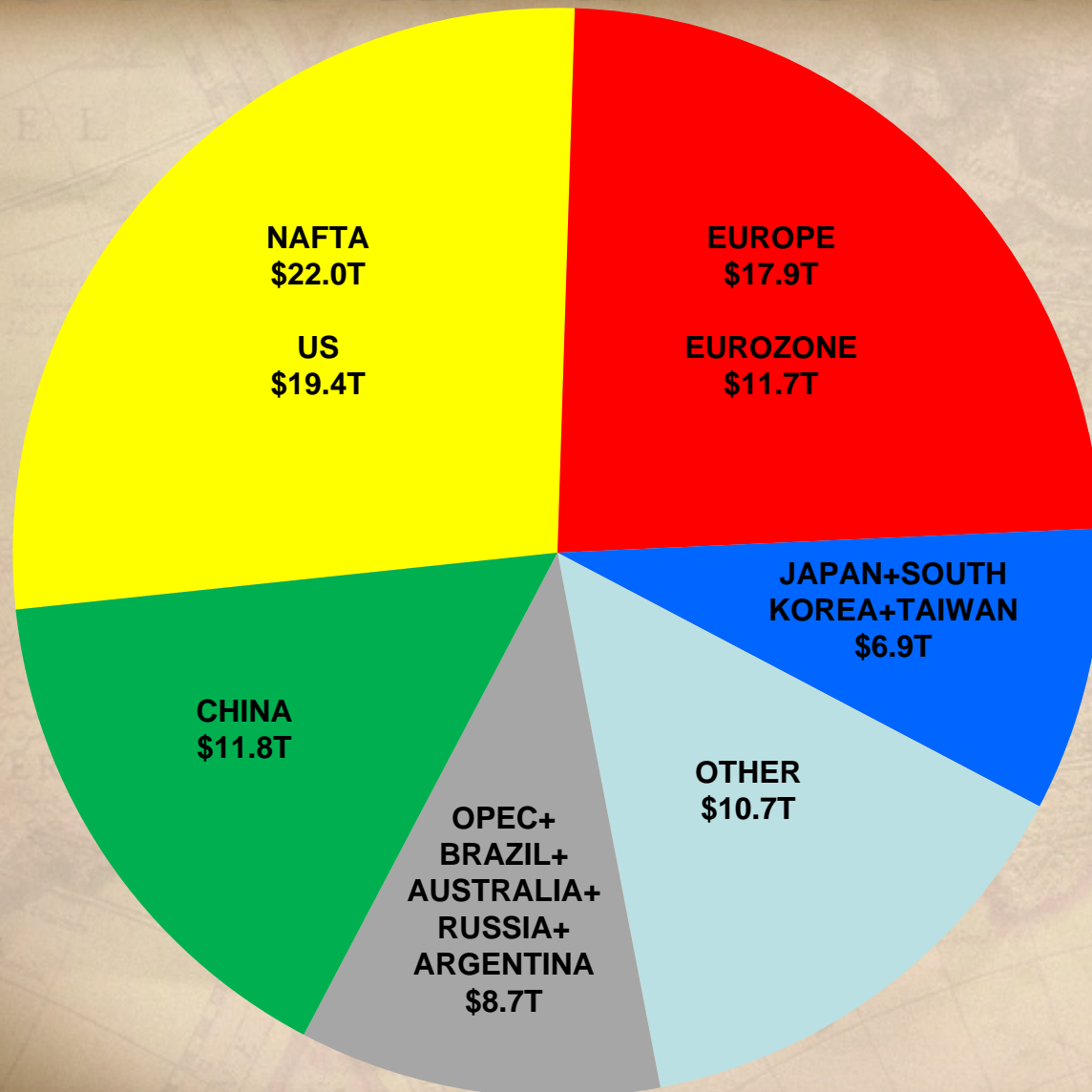
COASTAL CHINA = FSU + ITALY, AUSTRIA & GREECE



Eastern Europe 455 million @ \$13,200

Eastern China 499 million @ \$13,500

2017 GLOBAL GDP \$78.0 TRILLION



Source: IMF

REAL GDP CURRENT QTR % CHANGE FROM YEAR AGO



REAL GDP CURRENT QTR % CHANGE FROM YEAR AGO



US TRADE BALANCE AS A % OF GDP

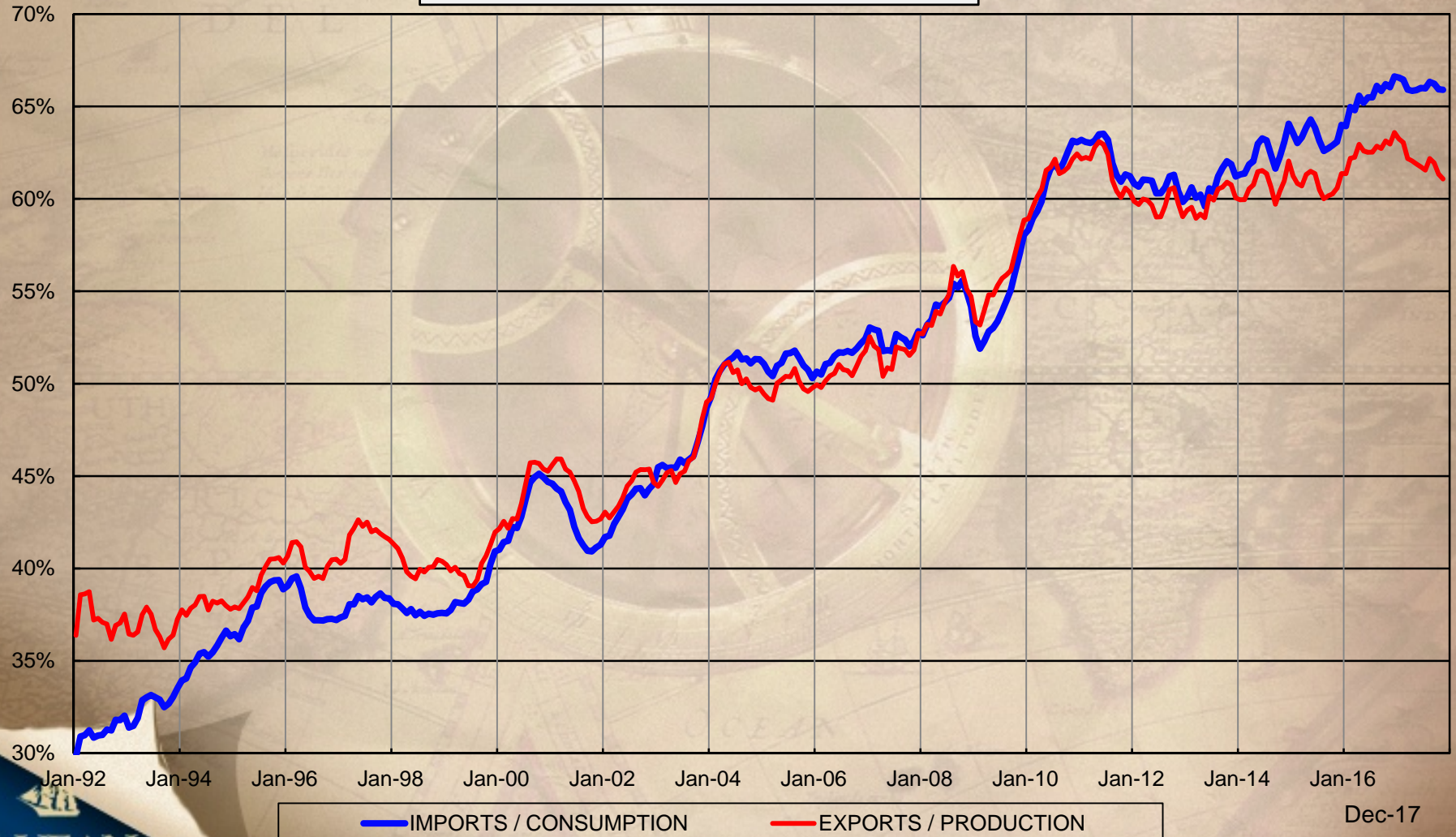
4 QTR AVERAGE



Q4 2017

OUR INVESTMENT IS THEIR PRODUCTION AND VICE VERSA

PRODUCERS' DURABLE EQUIPMENT
THREE MONTH AVERAGE



CHINESE POLITBURO STANDING COMMITTEE

Xi Jinping	1953
Li Keqiang	1955
Wang Qishan	1948
Li Zhanshu	1950
Wang Huning	1955
Wang Yang	1955
Zhao Leji	1957
Han Zheng	1954
Hu Chunhua	1963
Chen Min'er	1963

Past Performance Is Not Necessarily Indicative Of Future Results.

CHINESE POLITBURO SCORECARD

Retired by age rule	11	5 from Standing Committee
Forced retirement	3	2 from China Youth League
Expelled	1	Sun Zhengcai
Available Promotions	15	
Military	1 of 1	
Vice Premiers	2 of 3	Hu Chunhua also promoted
General Secretariat	5 of 5	One non-politburo concession
Provincial Leaders	5 of 6	Xinjiang chief Li Keqiang ally
Xi choices	13 of 15	WOW

Past Performance Is Not Necessarily Indicative Of Future Results.

XI ALSO CONTROLS THE PIPELINE TO LEADERSHIP

	Provincial Governor or Mayor	Provincial Party Secretary
Pre-Xi	2	3
Pre-2016	2	2
2016	15	12
2017	11	14
Vacant	1	0
	31	31

CHINA CORRELATES THEIR POLLUTION PROBLEM WITH CLIMATE CHANGE



ONE BELT, ONE ROAD

