



CHINA STIMULUS: OASIS OR MIRAGE?

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Agenda: China yawfulness

- Recent stimulus is weak
- Real interest rates the real problem
- Where next for property?
- Where next for steel and iron ore?
- Where next for markets?

Chinese stimulus is weak

- Combined lowering of mortgage rates and inventory clearance
- Not low enough and very troubled public buying of toxic assets
- Credit demand continues to fall despite fiscal
- M1-M2 spread
- Private debt-deleveraging
- Reliant on exports for growth

Exhibit 5: ...which is supported by tier-1/2 cities

Weekly new home search demand heat index, by city tier

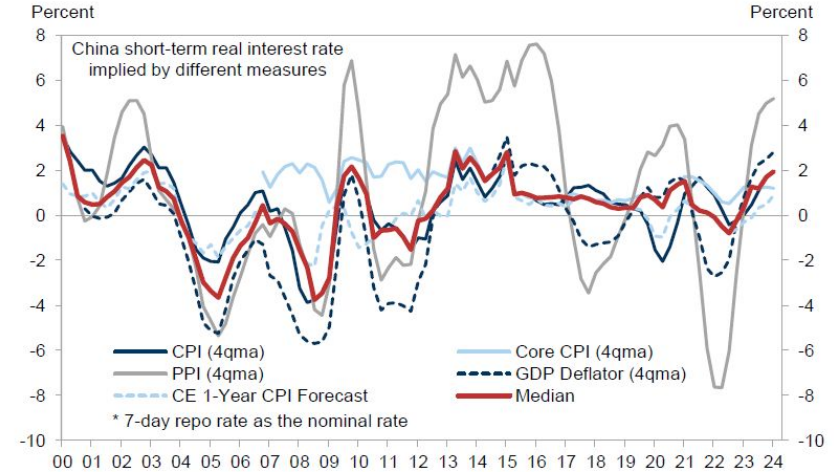


Source: 58 Anjuke Real Estate Research Institute, Wind, Data compiled by Goldman Sachs Global Investment Research

Real interest rates the real problem

- Real interest rates still rising!
- Triggering debt revulsion
- Why? Protect CNY as reserve, address demographics and productivity
- No end in sight to deflation
- More yawning to be slow and halting

Short-term real rates highest since 2015



Source: Haver Analytics, Wind, Goldman Sachs Global Investment Research

What next for property?

- More price falls
- More sales falls
- More construction falls
- More falls in steel output
- More falls in iron ore!

What next for property?

- Income shock to Australia inevitable.
- Weak nominal growth. Weak wages.
- Very deflationary.
- Buy bond dips.
- Buy property as immigration and lower rates will be the policy response.

Choose themes to screen from your portfolio away from (i.e. remove stocks)

Climate Change

War

Human Rights

Health

Vices

Animal Rights

Religion

Asset Class

Thematic

Climate Change

- No Fossil Fuels (Worst Offenders) 
- No Fossil Fuels (Any) 
- No Coal Seam Gas or Fracking 
- No Nuclear Power 
- No Old Growth Forest Logging 

Personalise Your Portfolio

Screens

You can exclude the below to customise your portfolio

Climate Change	War	Human Rights	Health	Vices
Animal Rights	Religion	Asset Class	Thematic	

- No Fossil Fuels (Worst Offenders) ?
- No Fossil Fuels (Any) ?
- No Coal Seam Gas or Fracking ?
- No Nuclear Power ?
- No Old Growth Forest Logging ?

Tilts

You can add the below to customise your portfolio

Investment Style Factors	Climate Change	Technology	
Consumption	Commodities	Military	GICS Sectors

- Quality Stocks ?
- Value Stocks ?
- Growth Stocks ?
- Defensives ?



Personalise your portfolio now >



Build Your Portfolio

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- Account Selection
- Investment Choice
- Risk Profile
- Build Your Portfolio**
- Ethical Overlay
- Review
- Applicants
- Bank Details
- Compliance
- Final Review

Portfolio Tilts



Quality Stocks

Value Stocks

Growth Stocks

Oil & Gas Stocks

Gold Stocks

Agribusiness

Large Technology Stocks

Cloud Computing Stocks

Robotics/AI

Video Gaming

Cybersecurity

Clean Energy

Defensives

Battery Supply Chain

Nuclear Power

Defense Contractors

Travel

Luxury Goods

Logistics

Global Communication Services

Global Consumer Discretionary

Global Consumer Staples

Global Energy

Global Financials

Global Health Care

Global Industrials

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