The Economic Outlook for China

Global Economic Prospects Meeting

Institute for International Economics

September 14, 2006

Washington, DC

Nicholas R. Lardy

Senior Fellow

Institute for International Economics
GDP growth, 1992–2006H1
Investment as a share of GDP, 1978–2005

Gross Domestic Investment

Nicholas R. Lardy
The increase in domestic currency loans as a percentage of GDP, 1989–2006H1
Industry profits as a share of GDP
1999–2006H1

Nicholas R. Lardy
Net exports of goods and services, 1992–2006F
Financial risk in China?

M2 as percent of GDP, 2005

China, India, Brazil, Russia, US
Required reserve ratio

1985 1987 Sep-88 Mar-98 Nov-99 Sep-03 Apr-04 Jul-06 Aug-06
One year real lending rate

Nominal Interest Rate

Change in Corporate Goods Price Index (CGPI)

Nominal Interest Rate – Change in CGPI
Current account balance as a percent of GDP, 1994–2006F