

Investment

Summary :

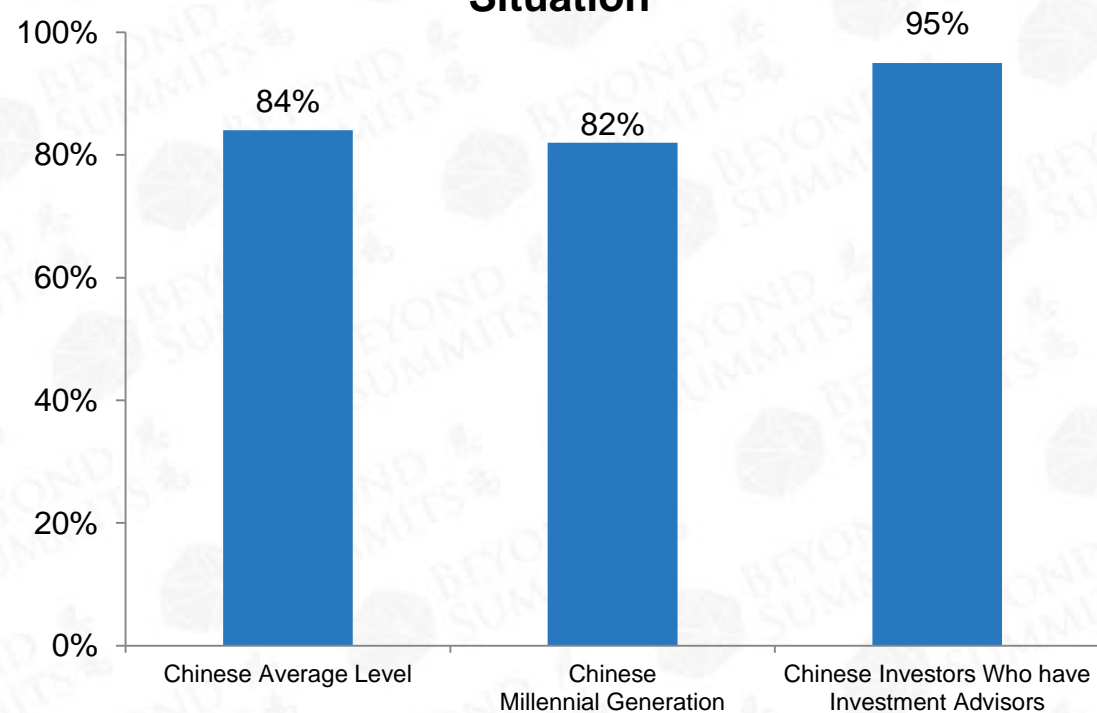
- 84% of Chinese investors were optimistic about their future financial situation. Thus, their desire to invest became increasingly stronger. Cash investment accounted for the largest proportion of all Chinese portfolio investment. In addition, general insurance, stock, and fund were main products in China's personal investing and financing markets.
- In 2015, Internet-based investment and financing has sprung up, with its market scale at close to CNY2 trillion. The proportion of females was a little higher than males in China's Internet-based financing market. Moreover, China's Internet-based financing was most used by people aged 25-30 years old. Various families tended to have similar preference for Internet-based investment and financing. The products such as YuEbao was the first choice for all families, followed by P2P.
- The crowd funding has become a new way of investment among young people. As of the end of 2015, the amount of China's crowd funding products has reached CNY3.07 billion, while JD and Alibaba were the dominant players.

Summary :

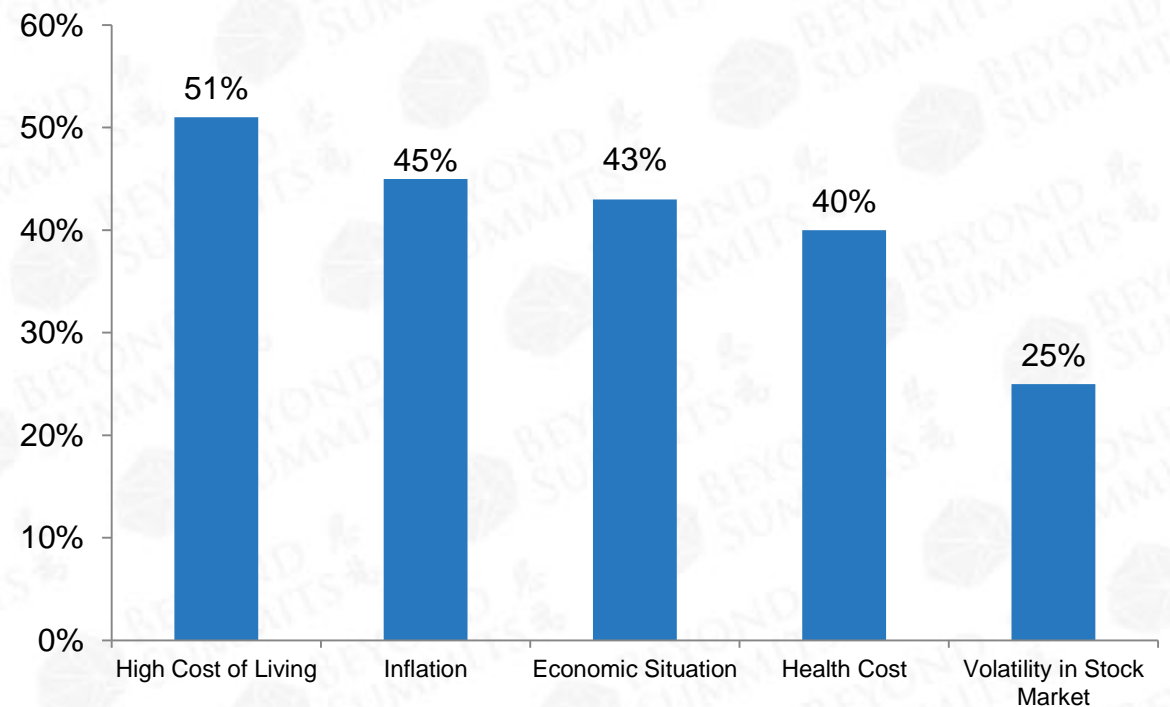
- China's high net worth households amounted to 2.07 million in 2015, and were expected to reach 3.88 million in 2020. China's high net worth individuals' investable assets have increased by 15% for recent years. It was estimated that China's high net worth individuals' total investable assets would exceed the general families in 2020.
- China's high net worth individuals were mainly composed of entrepreneurs, real estate speculators, professional investors and gold collar workers. What they valued most was whether they can control the risks. Overseas property was the most popular investment. In addition, fixed-income products, overseas stocks, industry, insurance and funds were also favored by investors.
- With the advantages of investment, immigration and education, the United States has become the first choice for China's high-net-worth individuals' overseas investment, accounting for 73.7% of the total. The United States was also the primary country for China's high-net-worth individuals to buy property abroad, accounting for 66.17% of the total. Better investment and children's education were the main purposes to buy houses abroad.

84% of Chinese investors were optimistic about their future financial situation. Their concerns on future financial risks were mainly about the high living costs, inflation and sluggish economic situation.

Proportion of Chinese Investors Who Were Optimistic about the Future Financial Situation



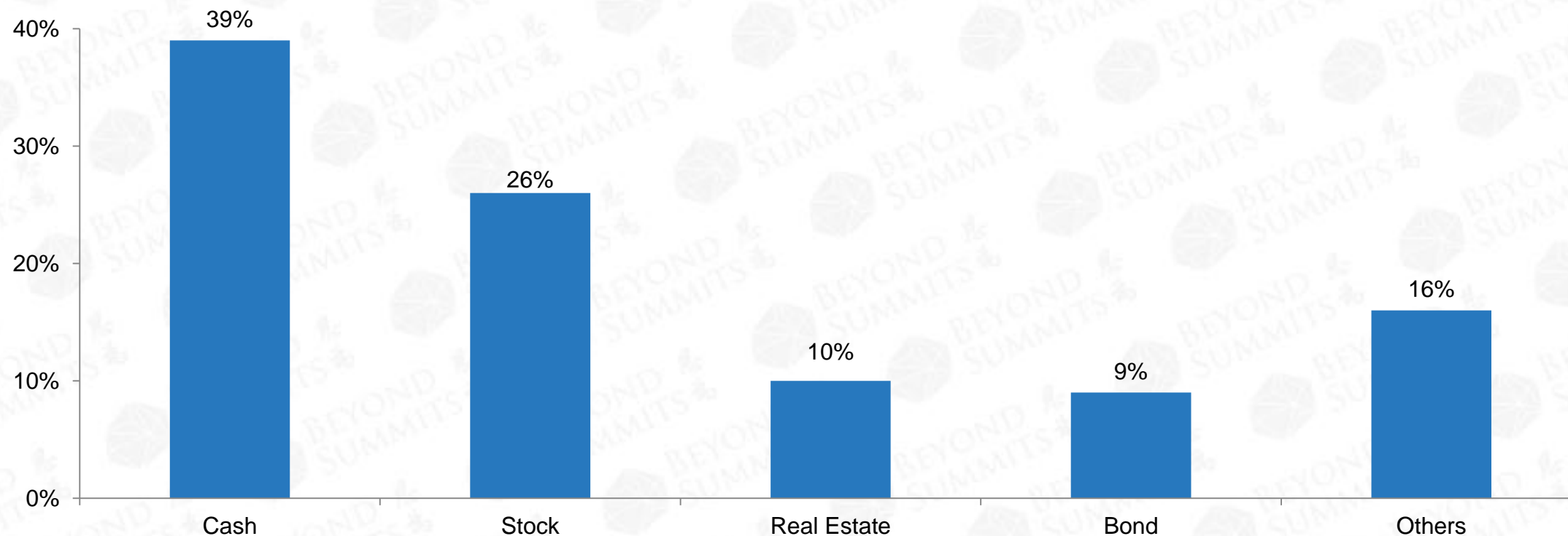
Financial Risks Chinese Investors Concerned



Source : 2015 Global Investor Intention Survey

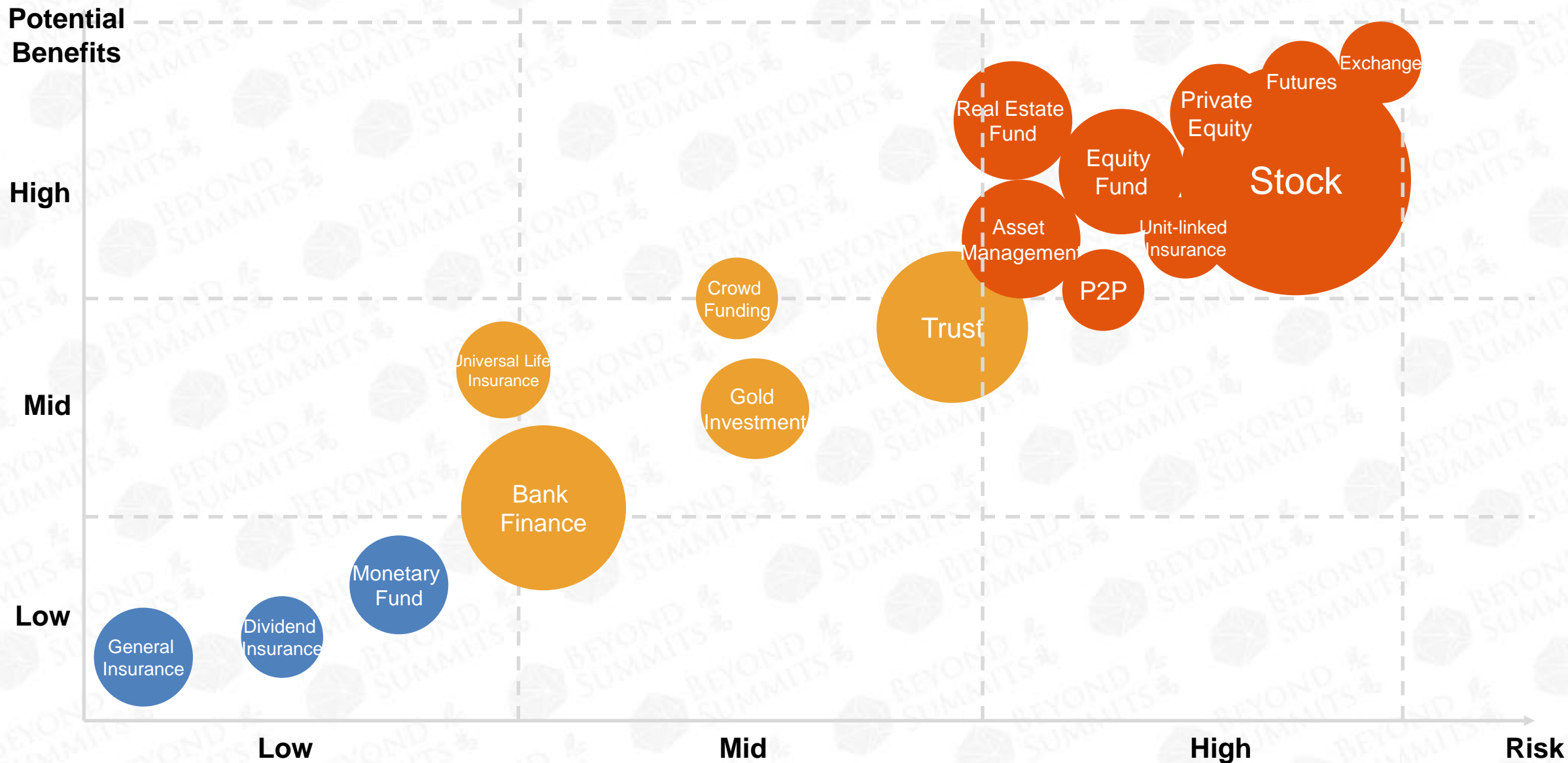
Cash investment accounted for the largest proportion among all Chinese portfolio investment.

Asset Allocated by Chinese Investors



Source : 2015 Global Investor Intention Survey

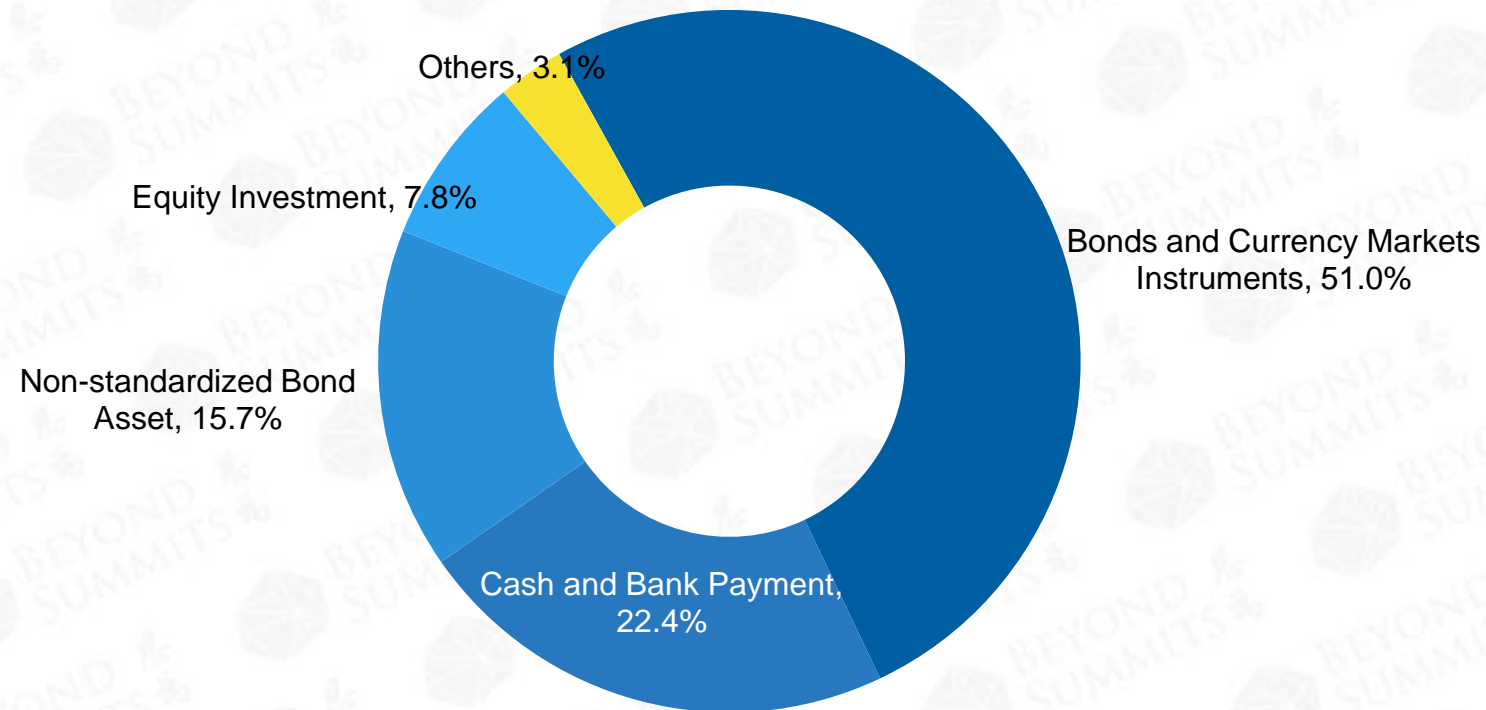
Main Products in China's Personal Investment and Financing Market



Source : China's Personal Financial Market Research Report (2016)

Bonds and currency markets instruments, cash and bank payment and non-standardized bond asset were the main allocation of China's personal investment, accounting for 89.1% of the total.

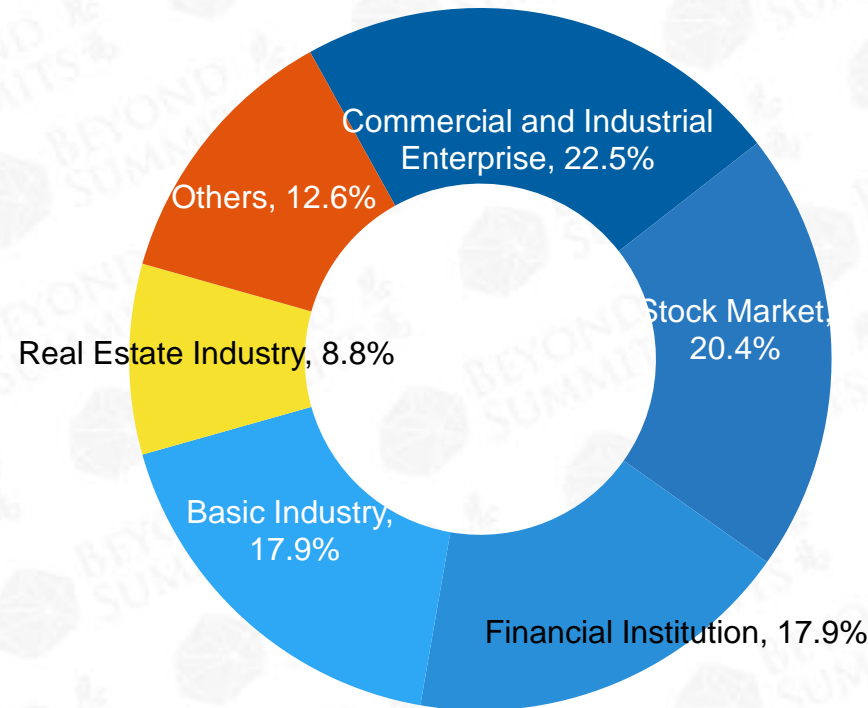
Asset Allocation of Bank-Financing Products by End of 2015



Source : China's Personal Financial Market Research Report (2016)

The main allocation of trust fund investment include industrial and commercial enterprises, stock markets and financial institutions. It should be noticed that the stock market grew rapidly by 6.2%.

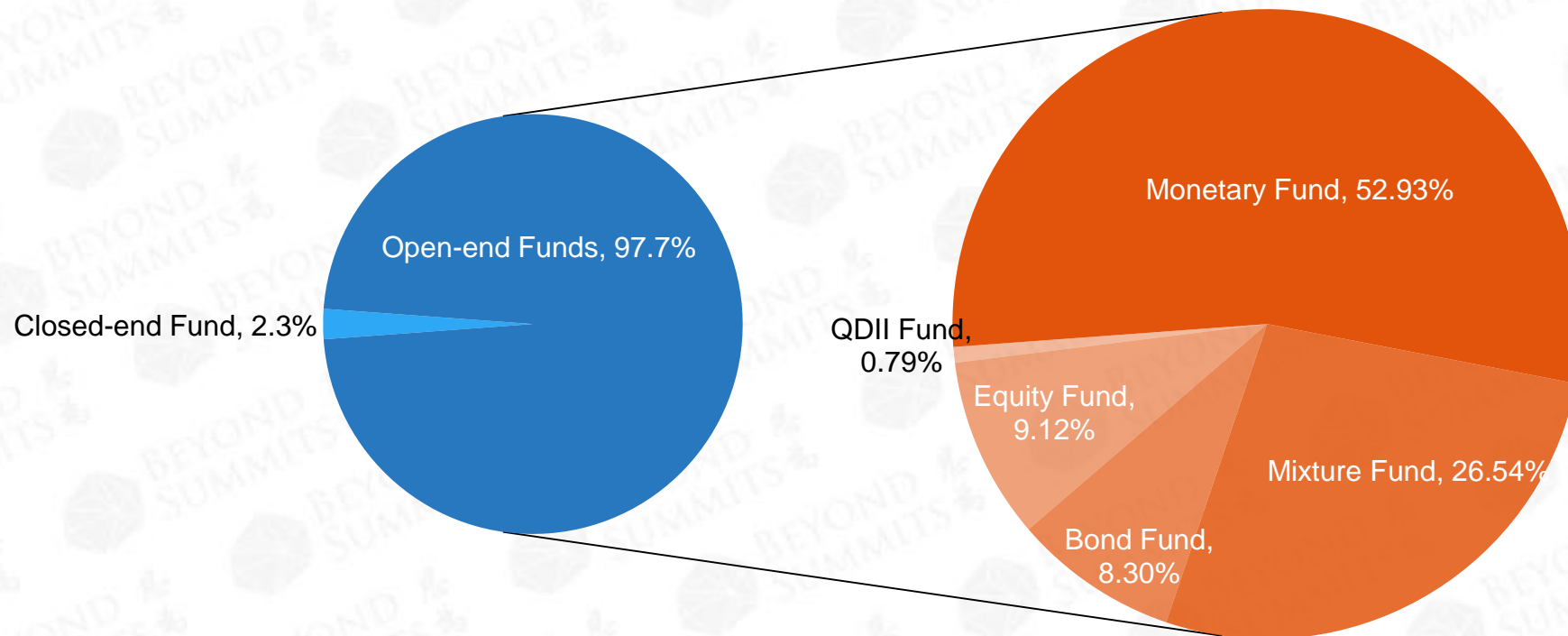
Asset Allocation of Trust Fund Investment by End of 2015



Source : China's Personal Financial Market Research Report

The monetary fund accounted for more than 50% of the public fund in China. Thus, the cash management products with high liquidity and low risk were very popular in China.

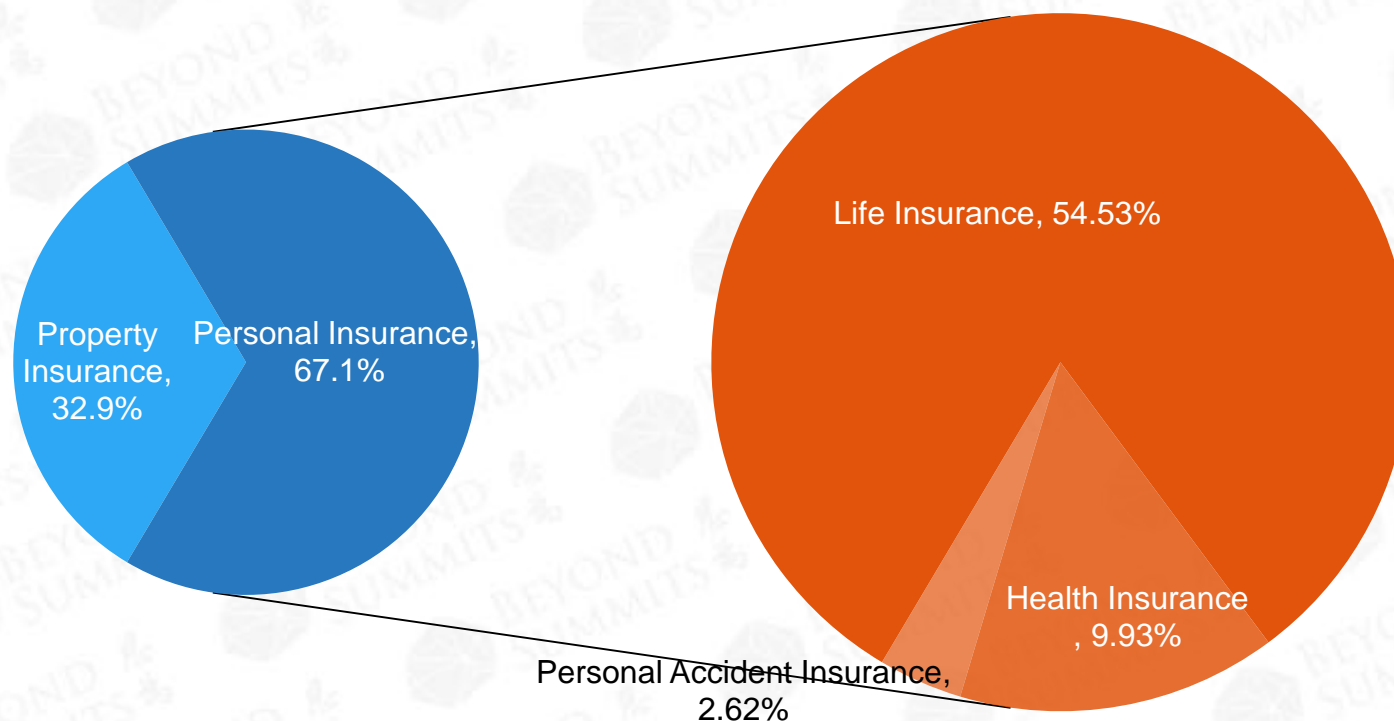
Distribution of Public Funds by End of 2015



Source : China's Personal Financial Market Research Report

By end of 2015, the original premium collected by the insurance companies was close to CNY2.43 trillion, ranking the third in the world. The proportion of life insurance was more than 67%.

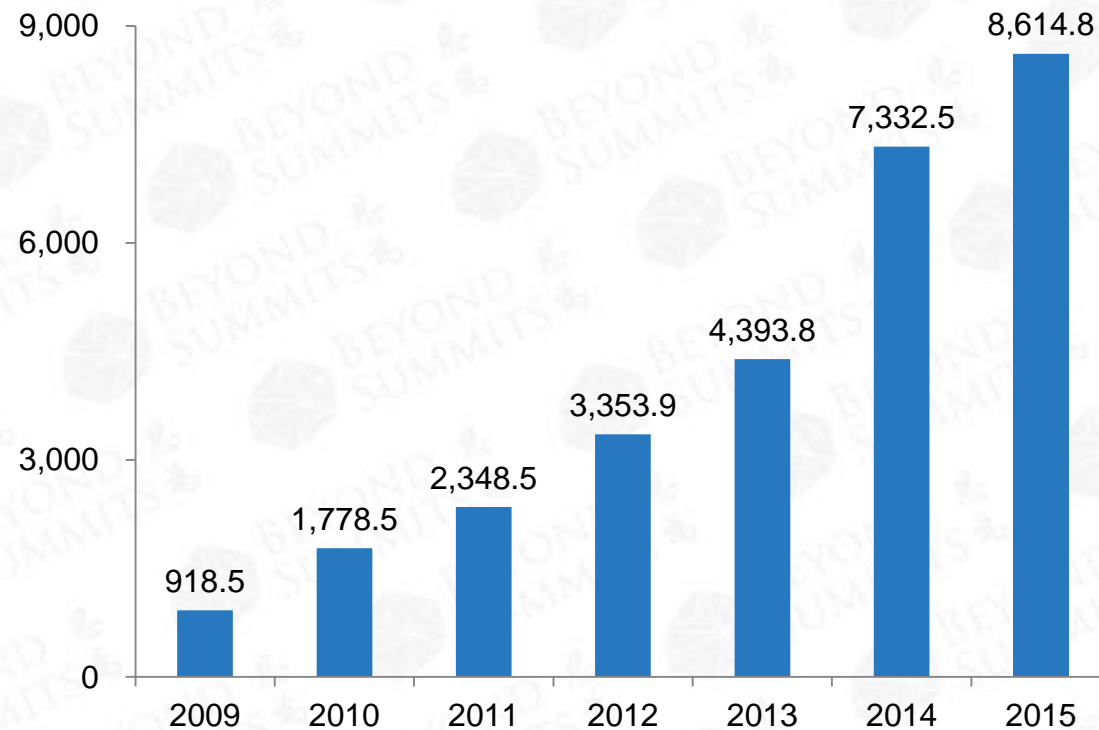
Distribution of Original Premium Collected by Insurance Companies (By end of 2015)



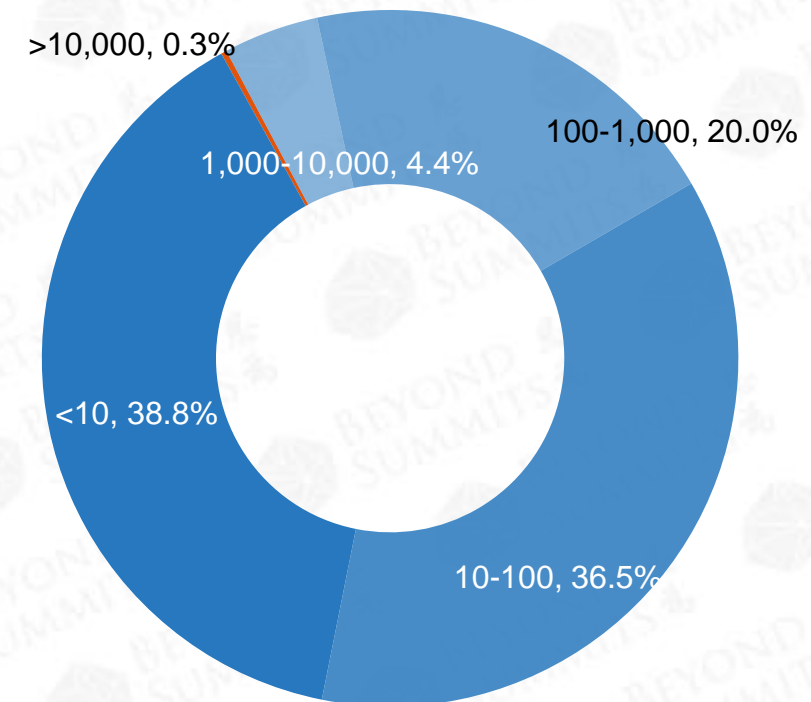
Source : China's Personal Financial Market Research Report

In recent years, the number of Chinese individuals investing on gold has grown fast, reaching 8.62 million in 2015. The proportion of the under-CNY10,000 transaction per day has the largest share at 38.8%.

The Number of Chinese Individuals Investing on Gold in 2015 ('000)



Chinese Individuals' Gold Transaction Volume Per day in 2015 ('000)



Source : China's Personal Financial Market Research Report

China's Internet-based investment and financing market has sprung up, reaching CNY2 trillion in 2015.



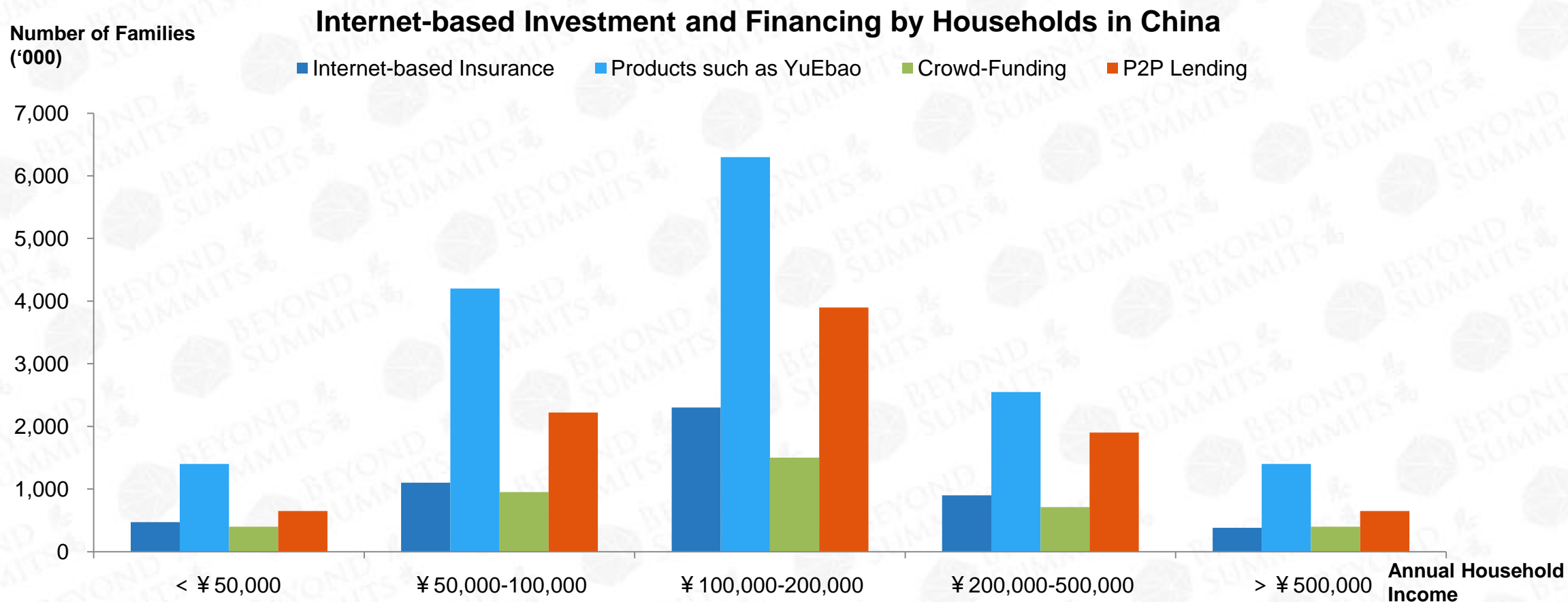
The net value of balance financing products(Money fund) was more than CNY1 trillion by end of 2015.

The financing balance of P2P lending was more than CNY500 billion by end of 2015.

Internet-based original premium income was CNY223.4 billion by the end of 2015.

Total crowd-funding was CNY 3 billion by end of 2015.

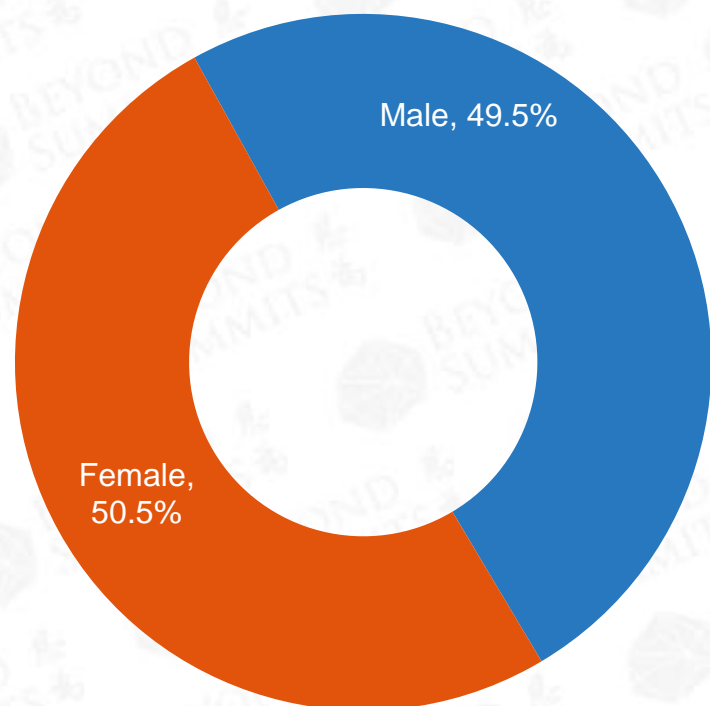
Various families tended to have similar preferences for Internet-based financing. The products such as YuEbao was the first choice for all families, followed by P2P.



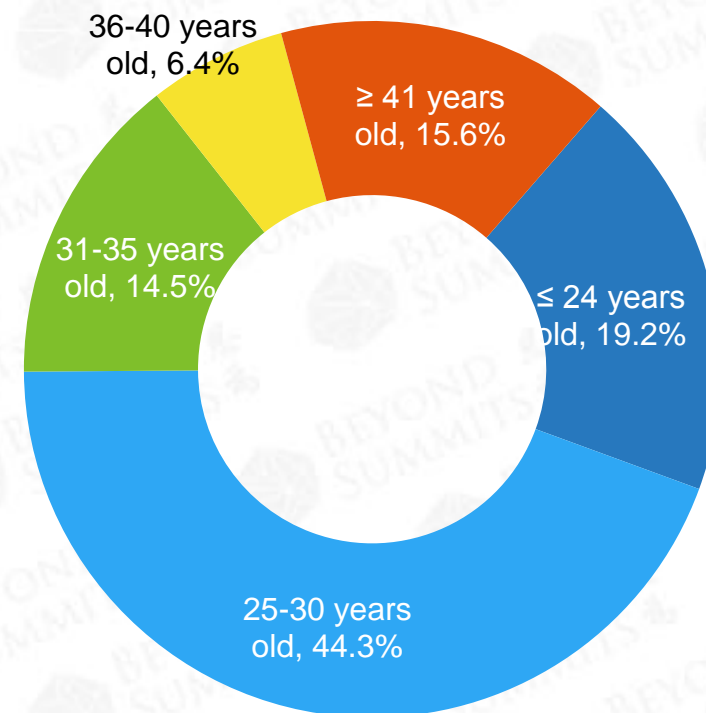
Source : China's Personal Financial Market Research Report

China's Internet-based financing was very popular among people of 25-30 years old. The proportion of female investors was a little higher than males.

Distribution of China's Internet-based Financing Investors by Gender



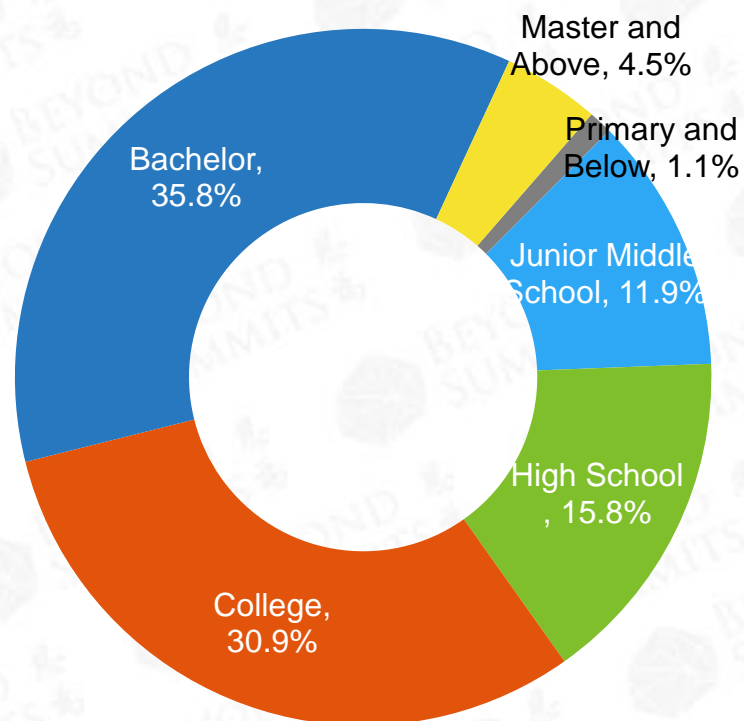
Distribution of China's Internet-based Financing Investors by Age



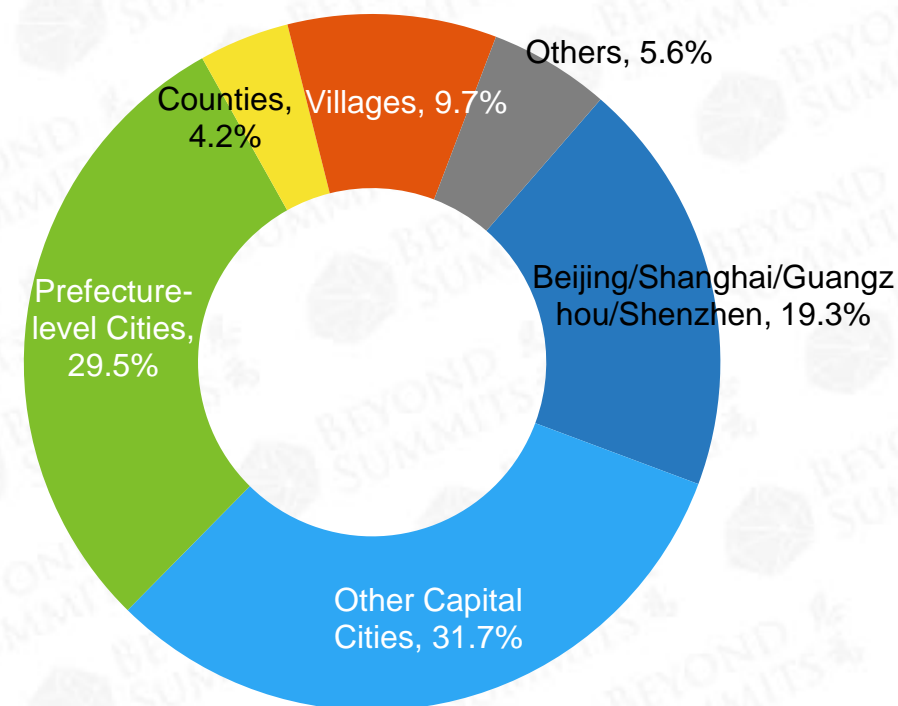
Source : China's Internet-based Financial Market Research Report

China's Internet-based financing investors were concentrated in prefecture-level, and most of them had received good education.

Distribution of China's Internet-based Financing Investors by Education



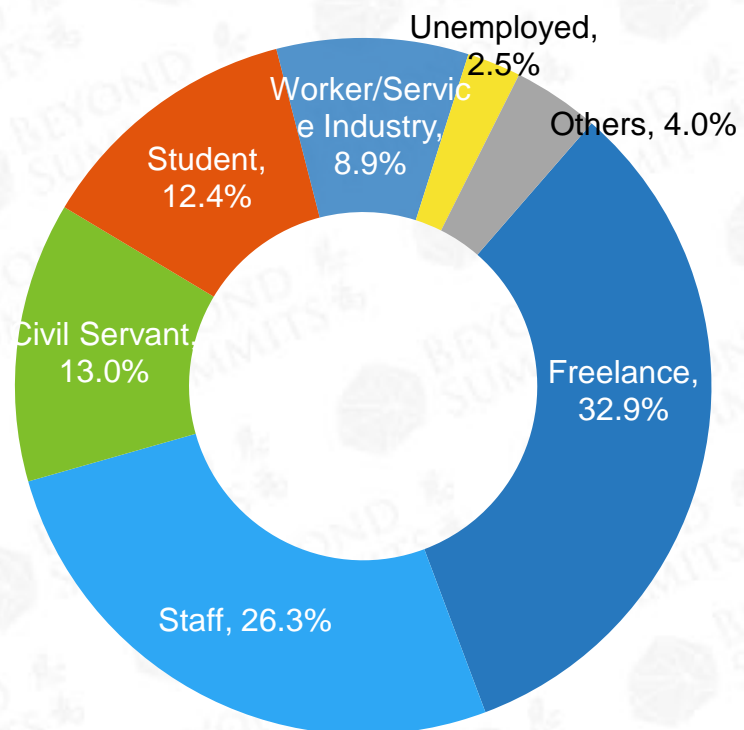
Distribution of China's Internet-based Financing Investors by Region



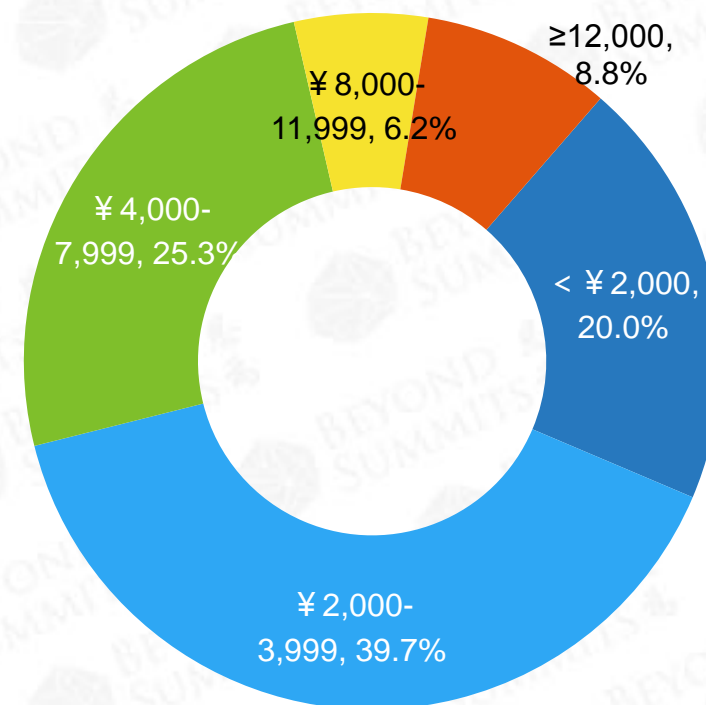
Source : China's Internet-based Financial Market Research Report

Most of China's Internet-based financing investors had lower-middle income.

Distribution of China's Internet-based Financing Investors by Occupation



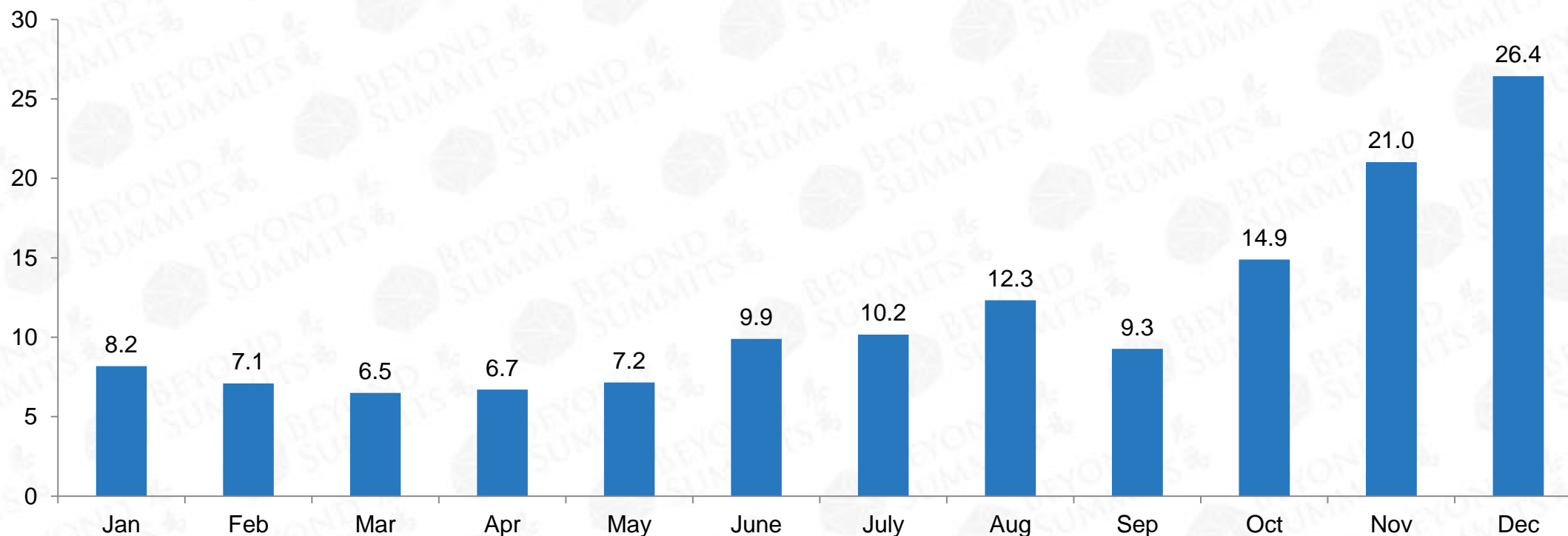
Distribution of China's Internet-based Financing Investors by Monthly Income



Source : China's Internet-based Financial Market Research Report

In 2015, the number of active mobile users in China's Internet-based financing market increased rapidly, reaching 26.4 million in December.

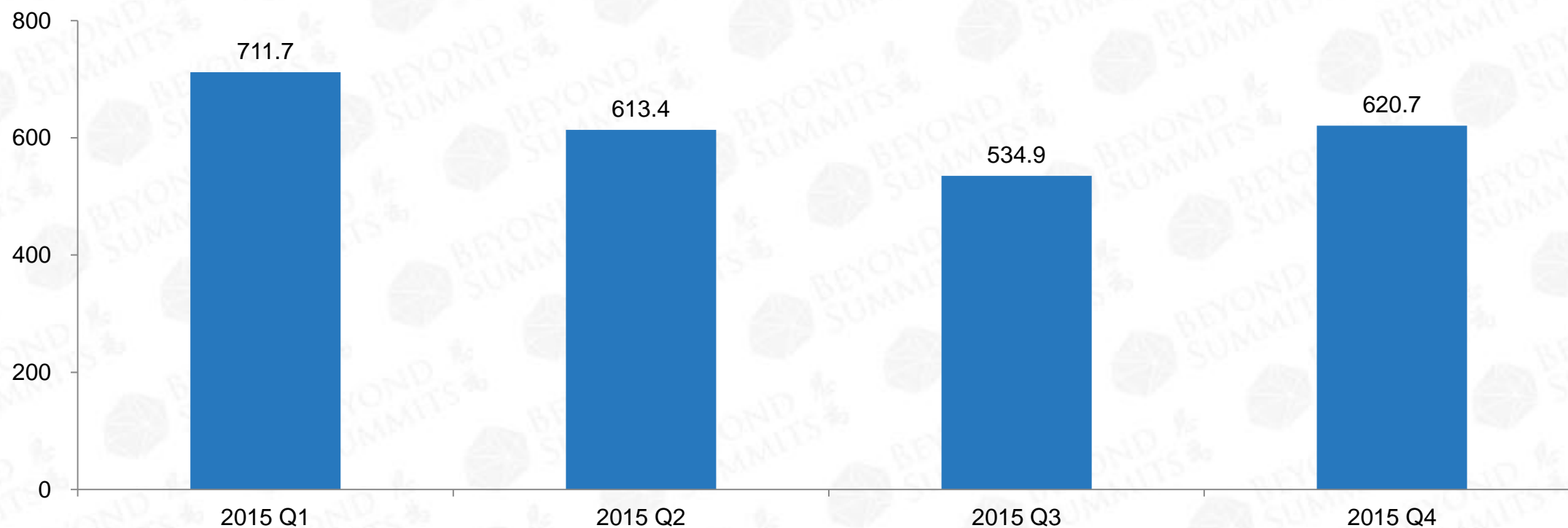
**The Number of Active Mobile Users in China's Internet-based Financing Market
(million)**



Source : Investigation on Global Investors (2015)

In general, the investment in YuEbao was in a stable status in 2015, reaching CNY620.7 million in the last quarter of 2015. It was estimated that the total investment in products such as YuEbao amounted at more than one trillion yuan in 2015 with more than 0.3 billion users.

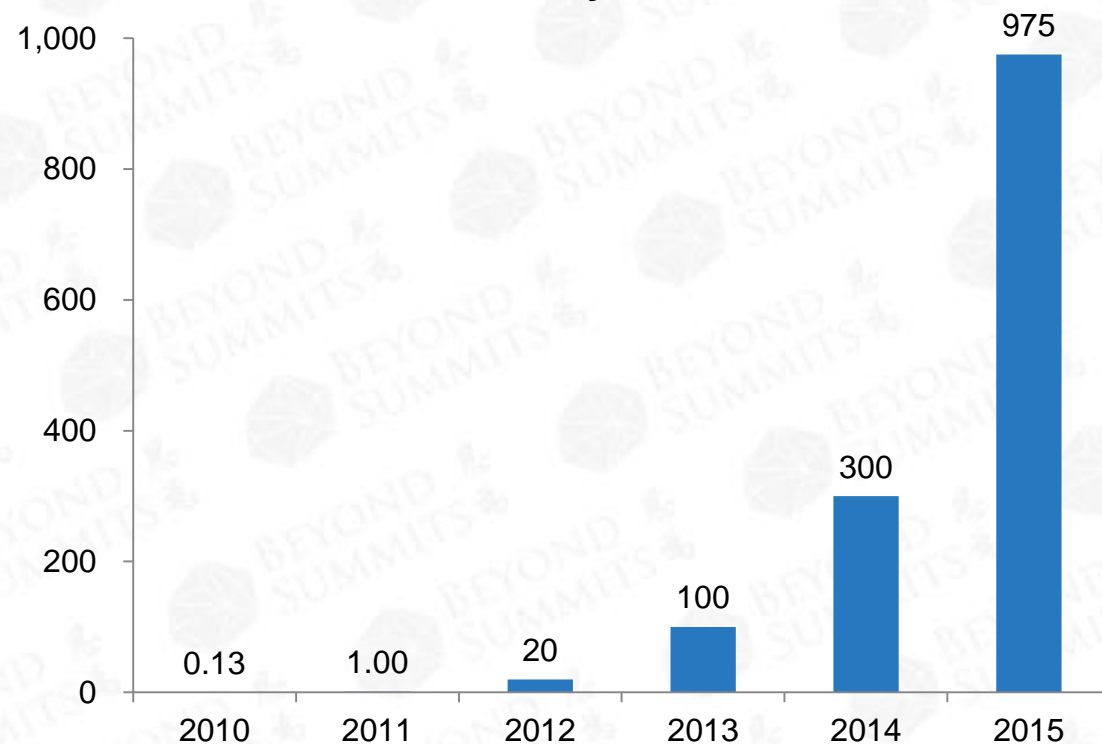
Investment in YuEbao in 2015 (billion yuan)



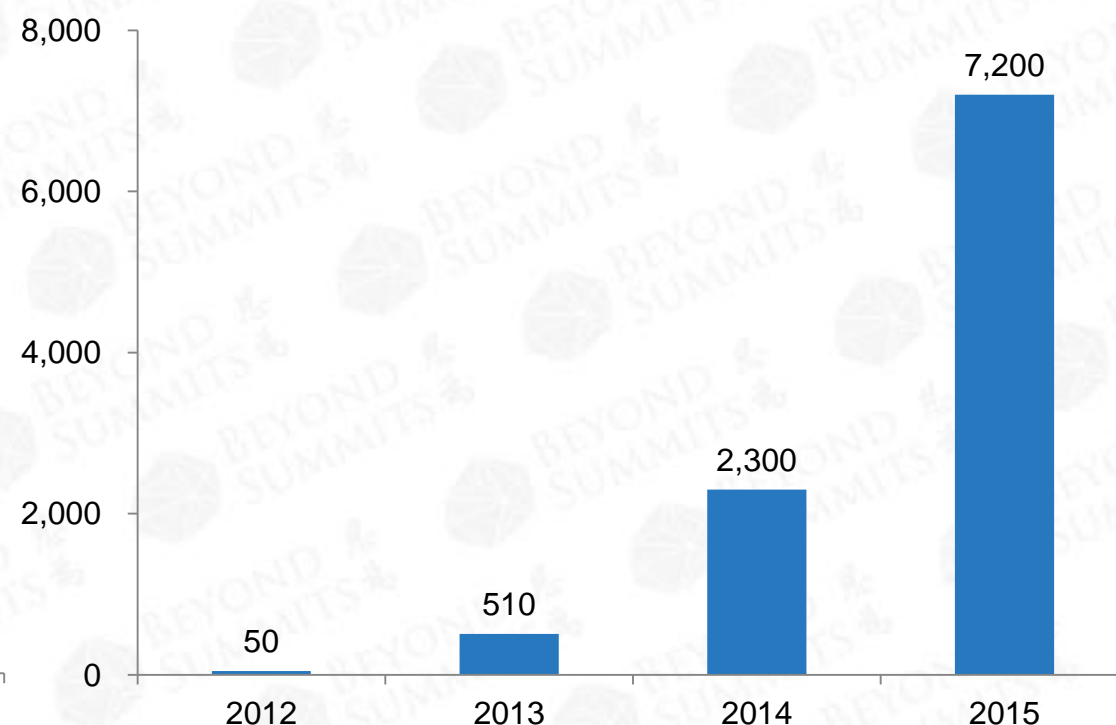
Source : China's Personal Financial Market Research Report

China's personal investment and financing of P2P has grown rapidly. At the end of 2015, the total number of P2P investors was 0.72 million, and the transaction volume was CNY975 billion.

Transaction Volume of P2P by End of 2015
(billion yuan)



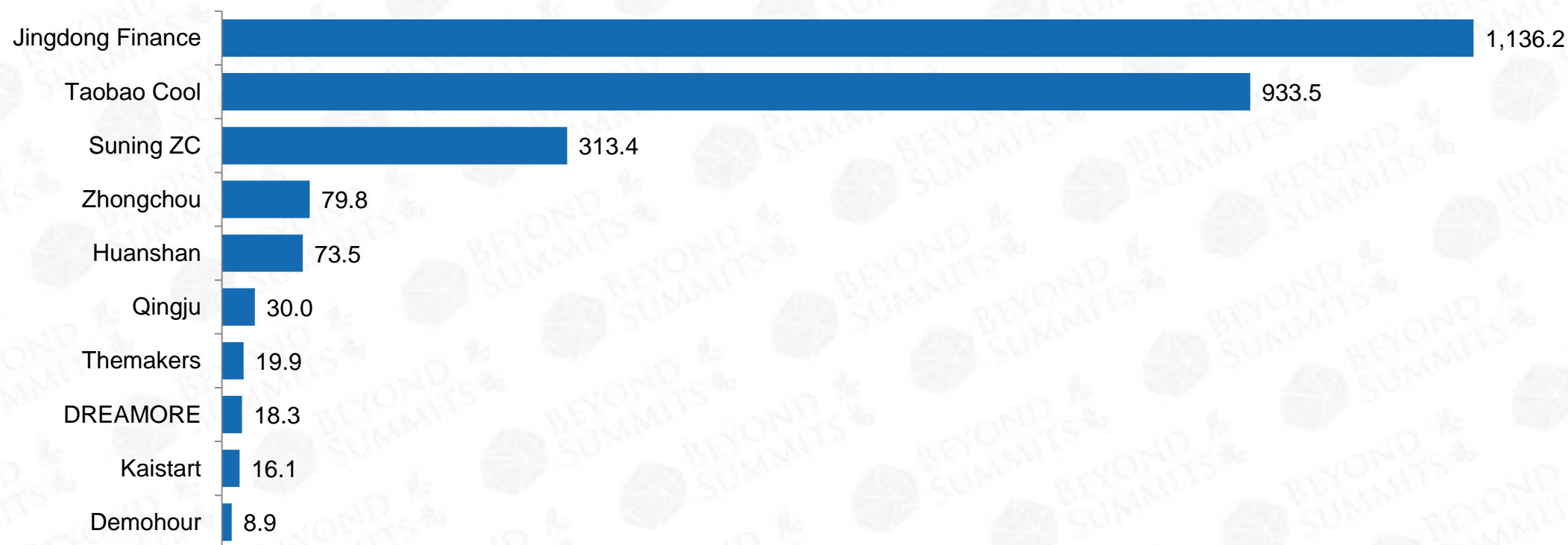
The Number of P2P Investors by End 2015
('000)



Source : China's Personal Financial Market Research Report

As of the end of 2015, the amount of China's crowd funding products has reached CNY3.07 billion, while JD Finance and Taobao Cool were the dominant players. The crowd funding has become a new way of investment among young people.

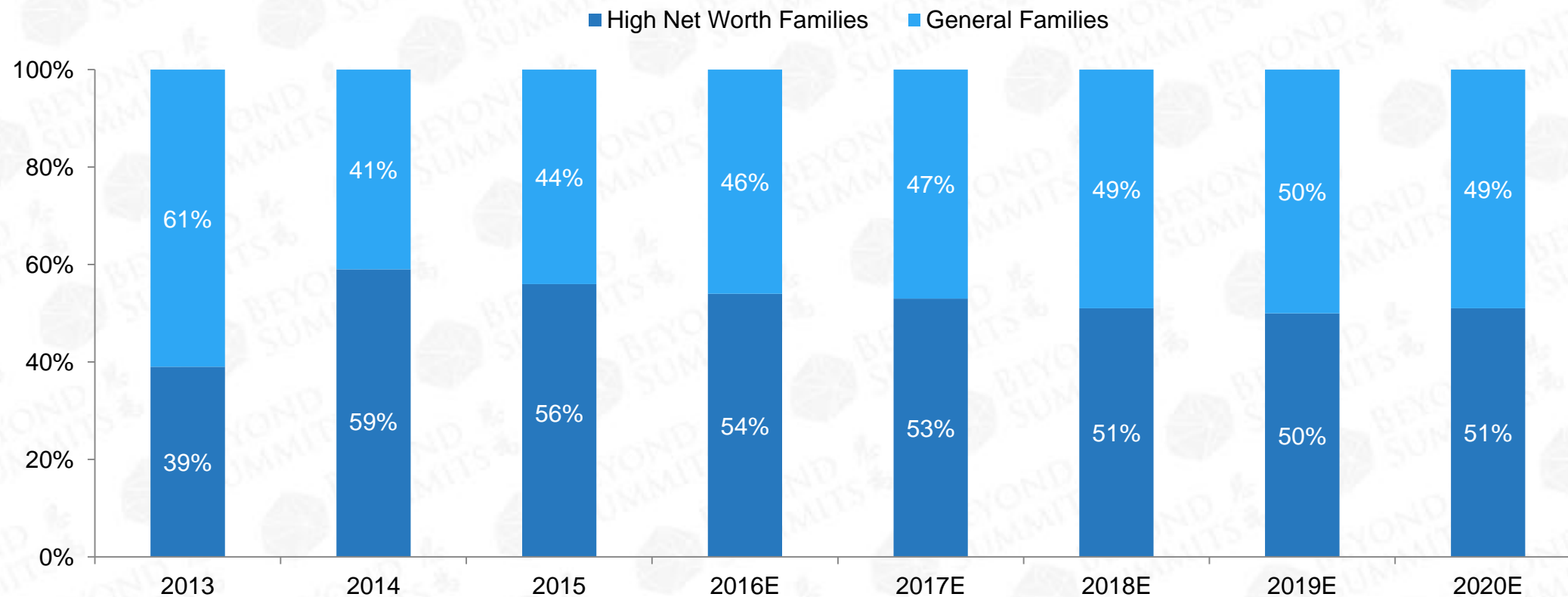
Fund raising from Major Crowd Funding Platforms by End of 2015 (Million Yuan)



Source : China's Personal Financial Market Research Report

China's high net worth individuals' investable assets have increased by 15% for recent years. It was estimated that China's high net worth individuals' total investable assets would exceed the general families in 2020.

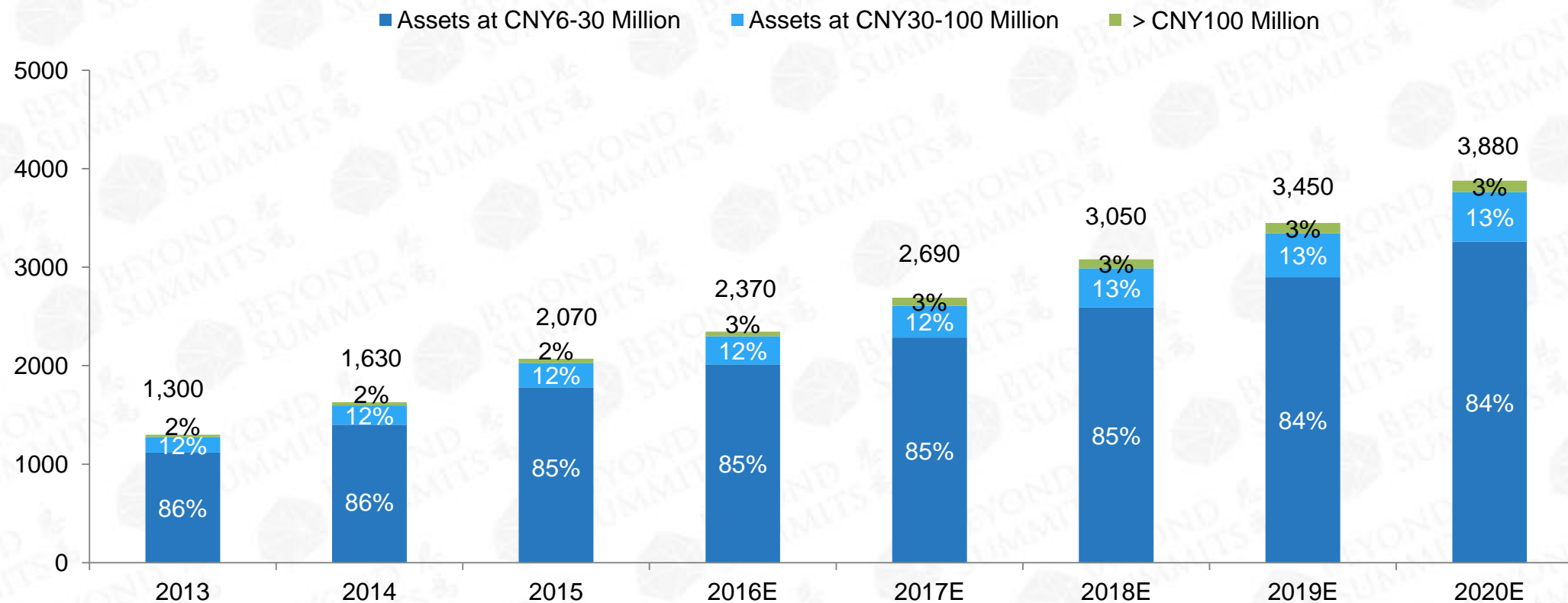
Source of Individual Investable Assets in China



Source : China Private Bank 2016

China's high net worth families amounted to 2.07 million households in 2015, and was expected to reach 3.88 million households in 2020.

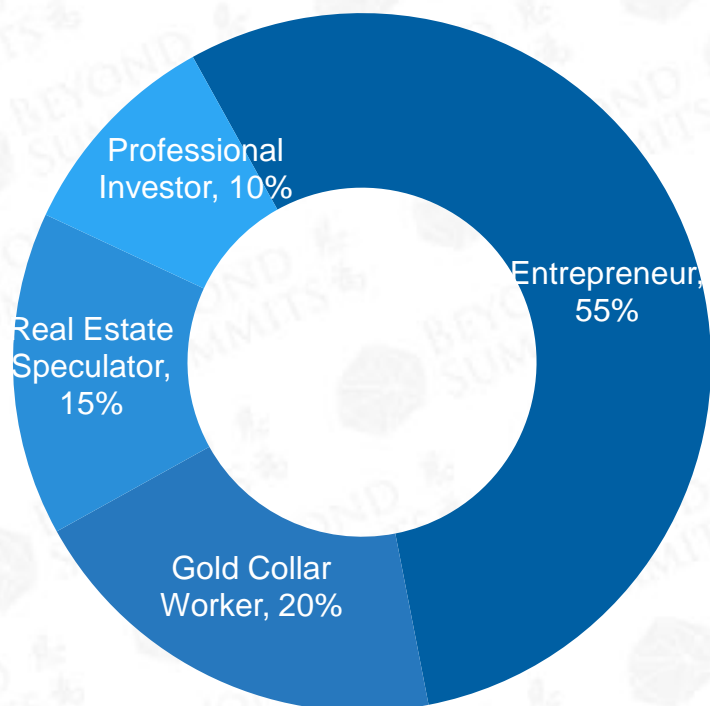
The Number of China's High Net Worth Households ('000)



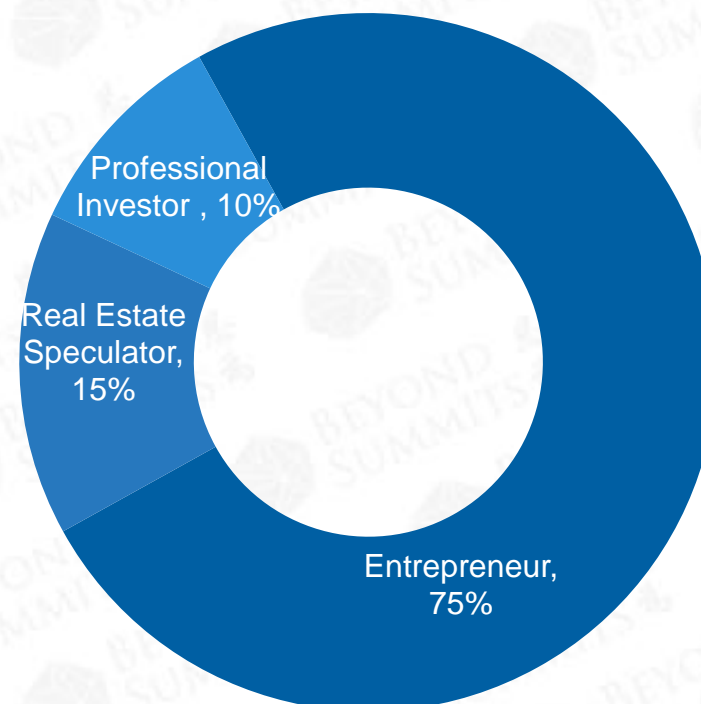
Source : China Private Bank 2016

China's high net worth individuals were mainly composed of entrepreneurs, real estate speculators, professional investors and gold collar workers.

China's High Net Worth Individuals with over CNY10 Million Assets (2015)



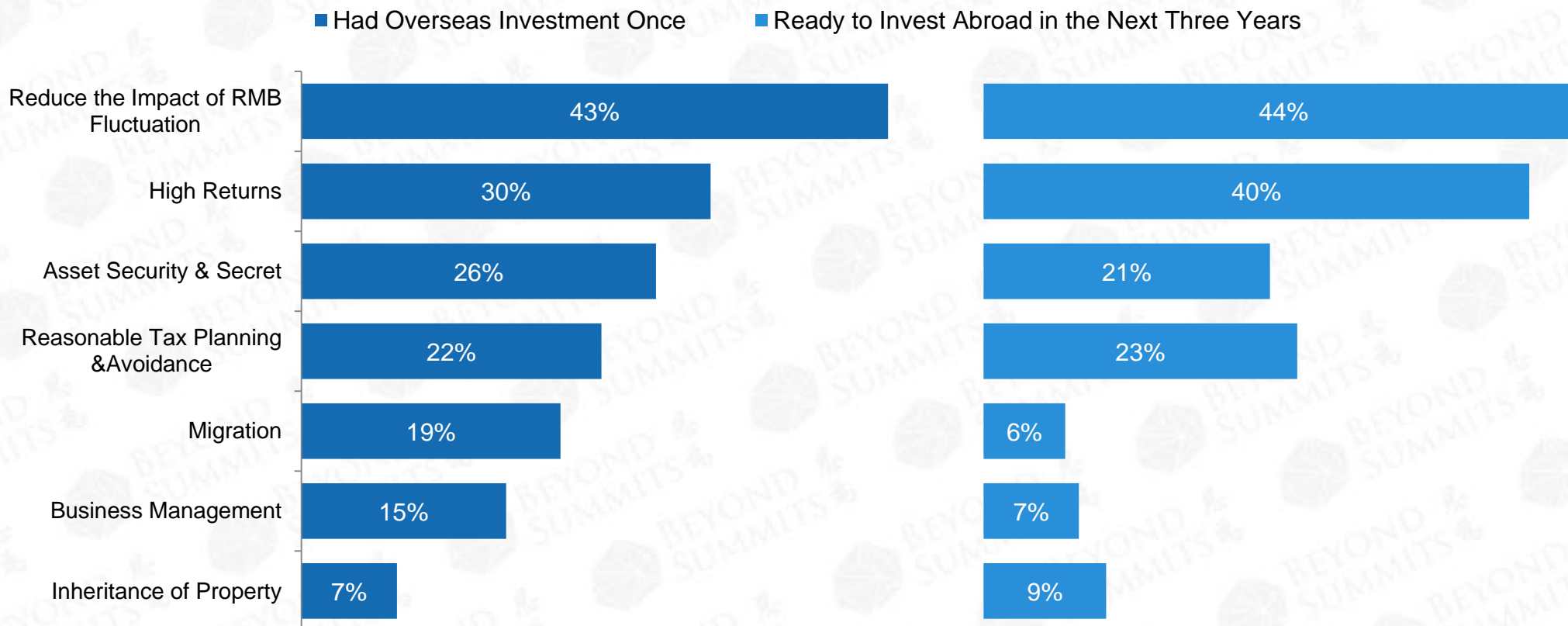
China's High Net Worth Individuals with over 100 Million Assets (2015)



Source : White Paper on Demand and Trend of Going on Abroad for China's High Net Worth Individuals

China's high net worth individuals mainly invested overseas for maintaining or increasing the value of their assets. For the individuals who were ready to invest overseas in the coming three years, their demand mainly focused on asset appreciation.

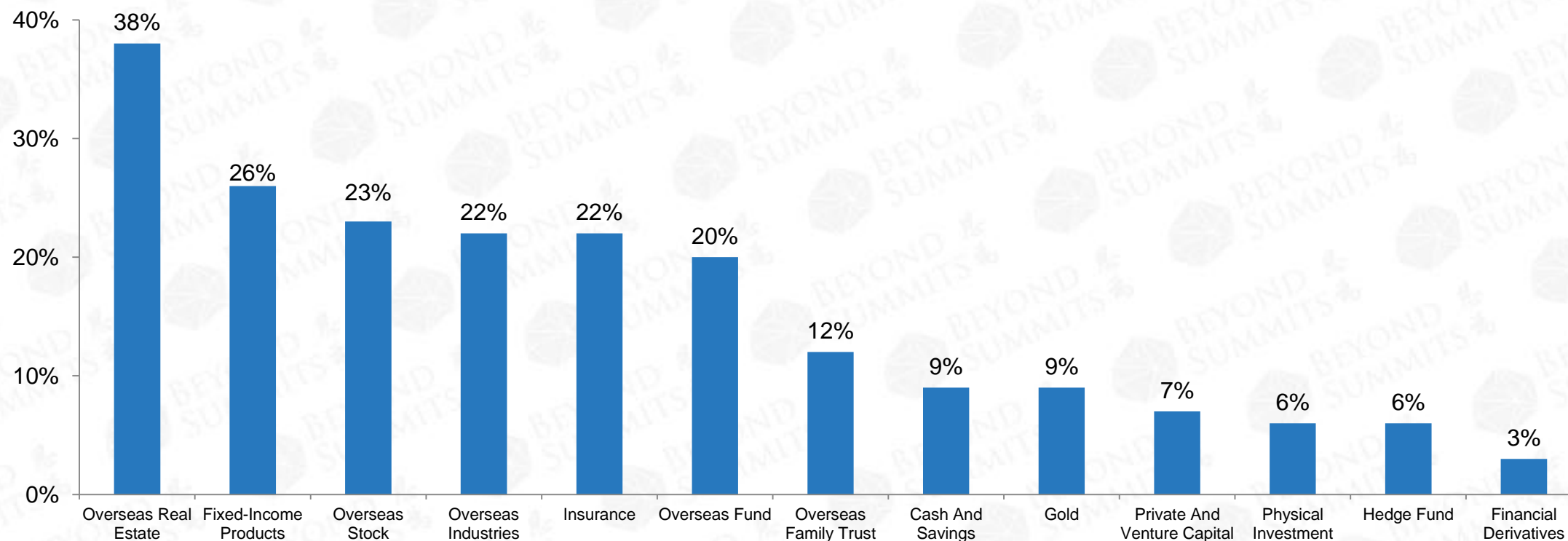
The Purpose of China's High Net Worth Individuals to Invest Overseas



Source : China Private Bank 2016

House property was the most popular investment item overseas. Other items favored by investors include fixed-income products, overseas stocks, real industry, insurance and funds.

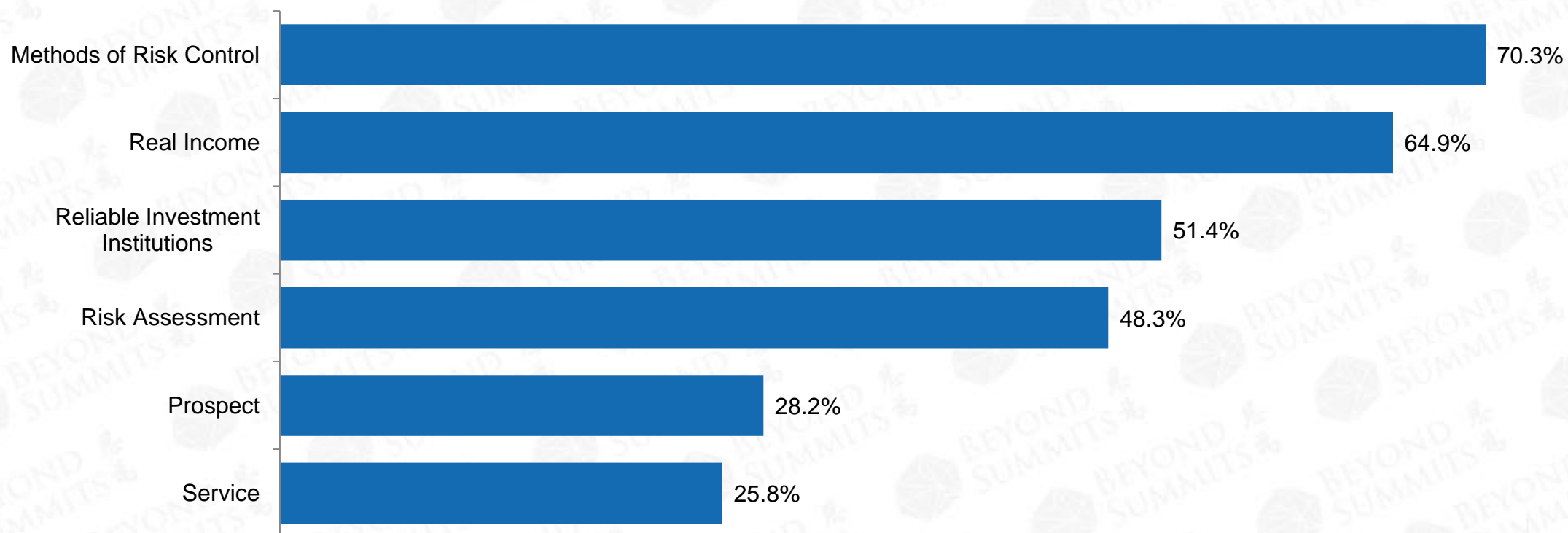
Overseas Investment Products that Would See a Value Increase Next Year



Source : China Private Bank 2016

What overseas investors valued most was whether they can control the risks.

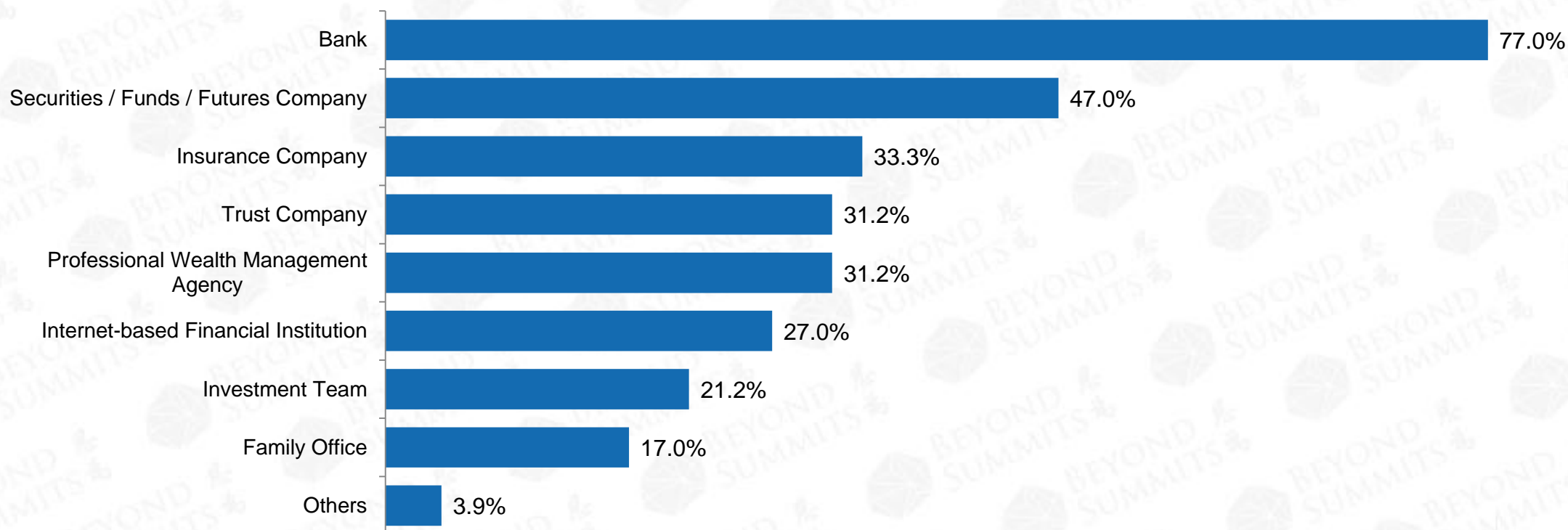
Factors That Influence Investors' Choices on Overseas Investment Products (2015)



Source : White Paper on Demand and Trend of Going on Abroad for China's High Net Worth Individuals

Banks and securities were the main channels for Chinese high net worth individuals to conduct overseas financial investment.

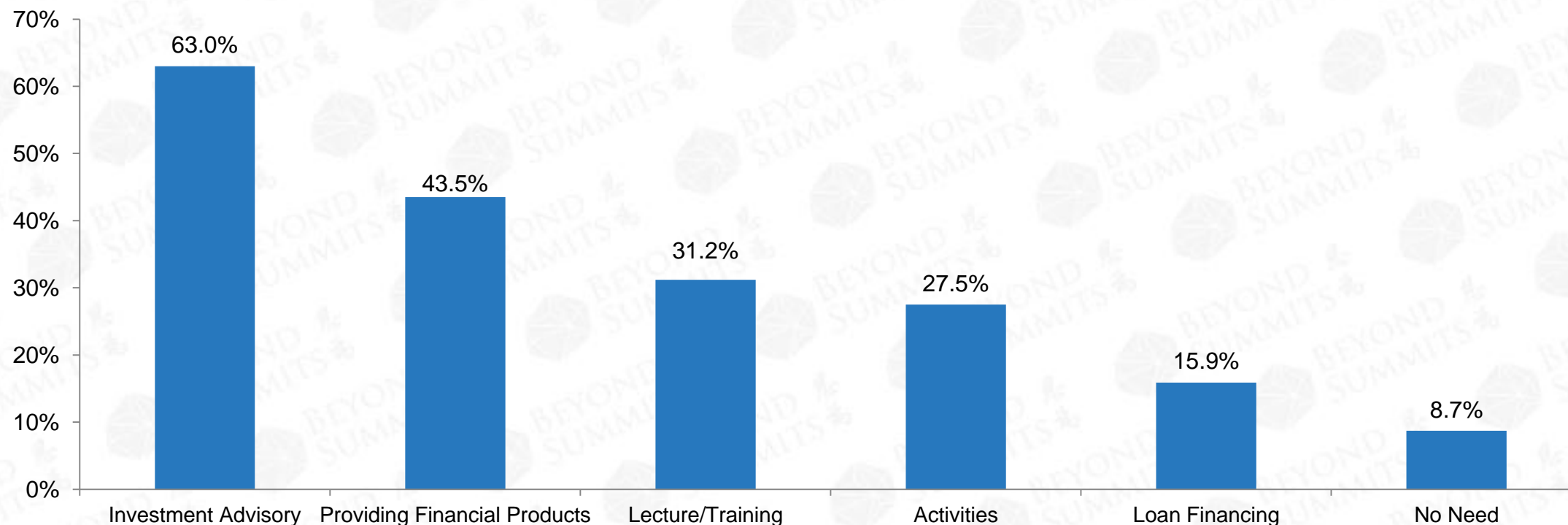
Channels of Overseas Financial Investment (2015)



Source : White Paper on Demand and Trend of Going on Abroad for China's High Net Worth Individuals

Services expected by most china's high net worth individuals included investment advisory and financial products' supply.

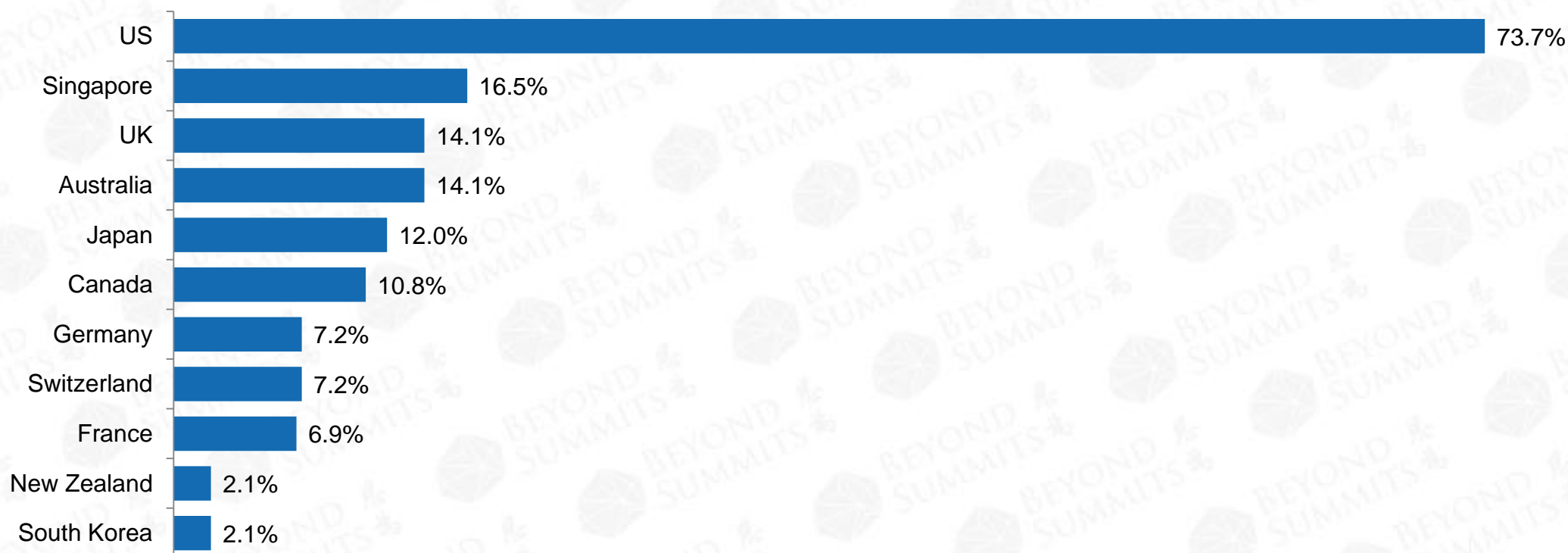
Most Expected Services for Overseas Financial Investment



Source : White Paper on Demand and Trend of Going on Abroad for China's High Net Worth Individuals

With the advantages of investment, immigration and education, the United States has become the first choice for China's high net worth individuals to make investment in, accounting for 73.7% of the total.

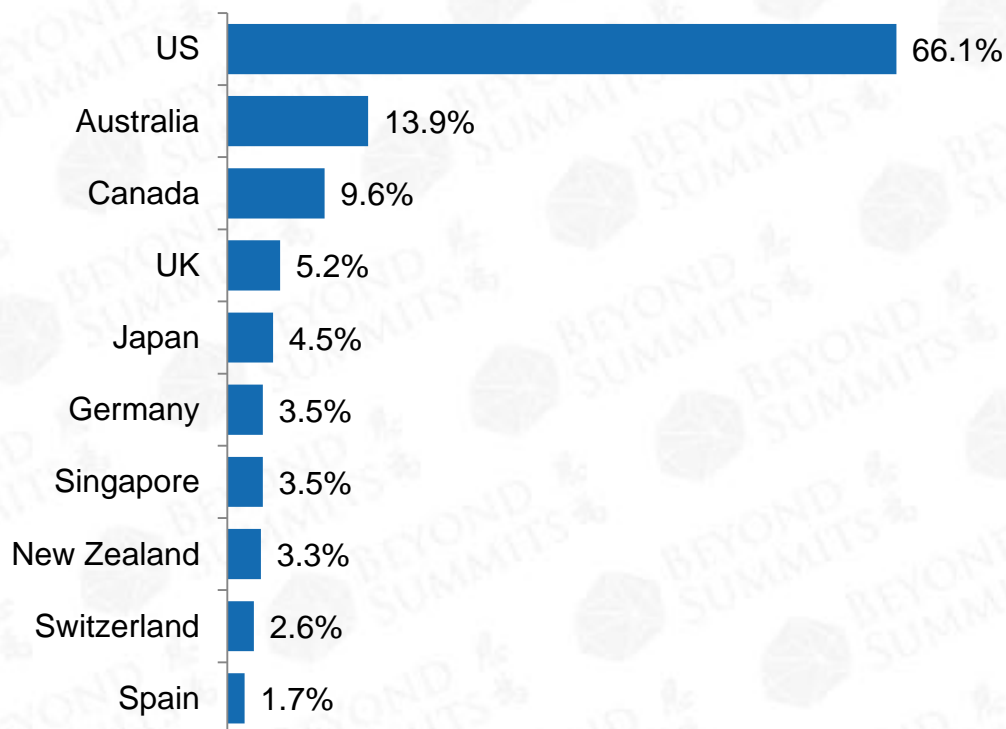
Popular Overseas Countries for Financial Investment



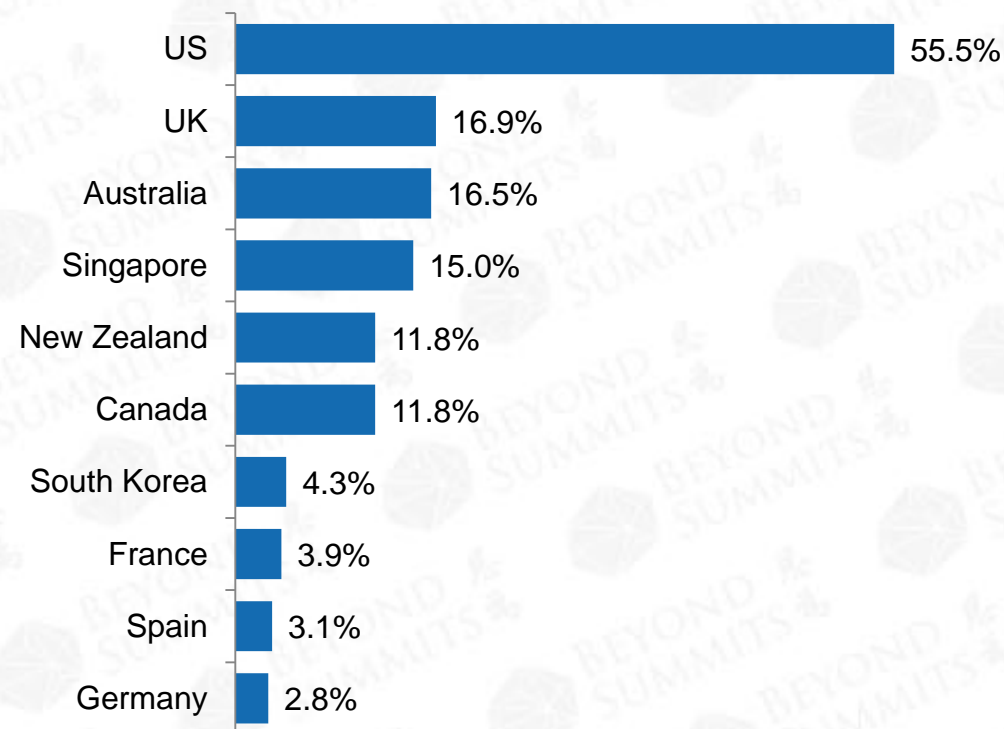
Source : White Paper on Demand and Trend of Going on Abroad for China's High Net Worth Individuals

United States was also a popular destination for China's high net worth individuals to purchase property in, accounting for 66.17% share in all the major countries.

Top10 Countries for Chinese to Buy Property



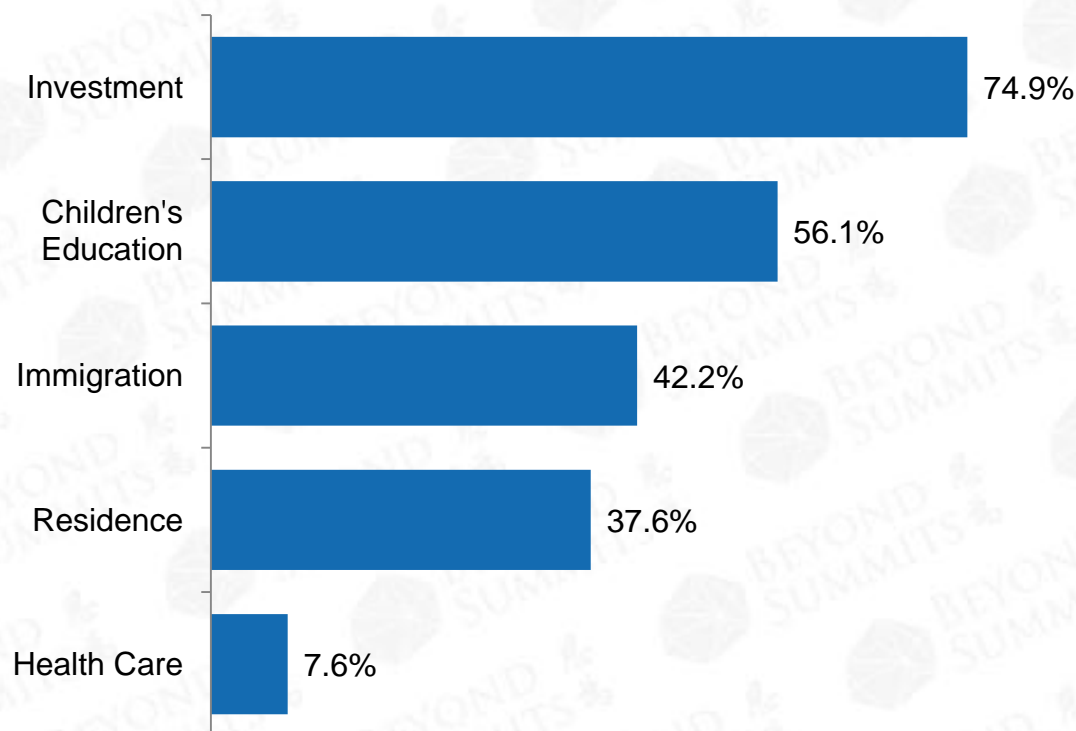
Countries that Chinese Investors Plan to Buy Property in for the Next Three Years



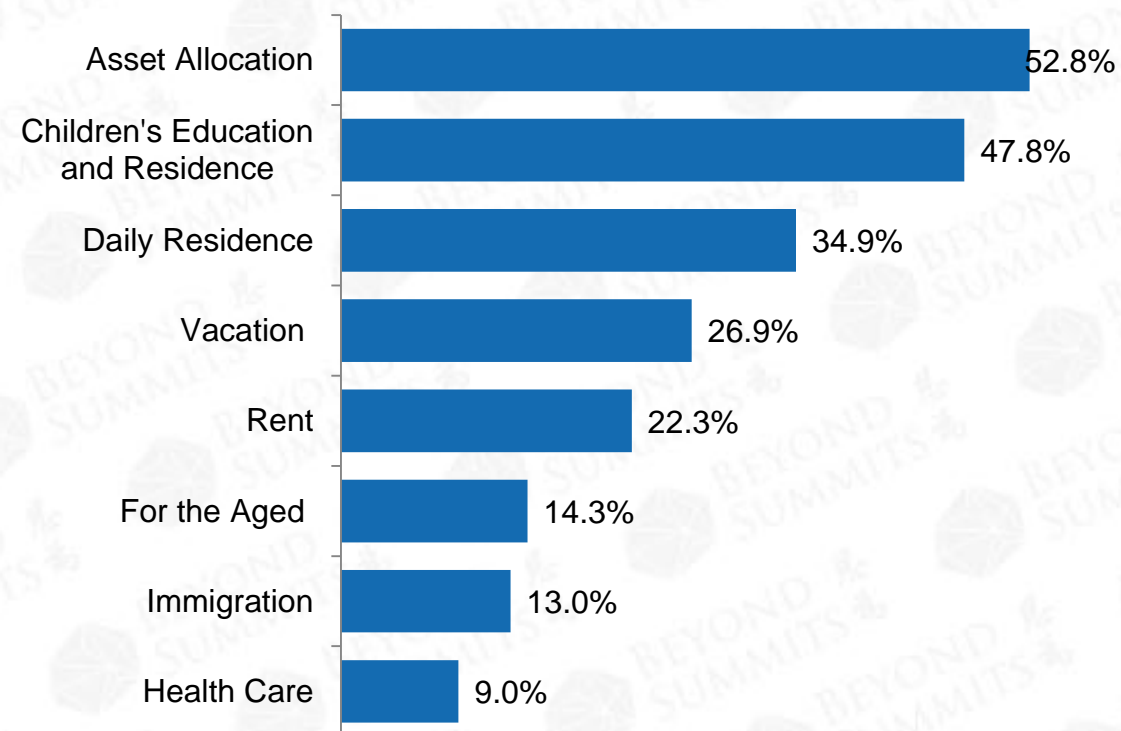
Source : White Paper on Demand and Trend of Going on Abroad for China's High Net Worth Individuals

For China's high net worth individuals, they buy house abroad mainly for the purpose of better investment and children's education.

Purpose to Buy House Abroad



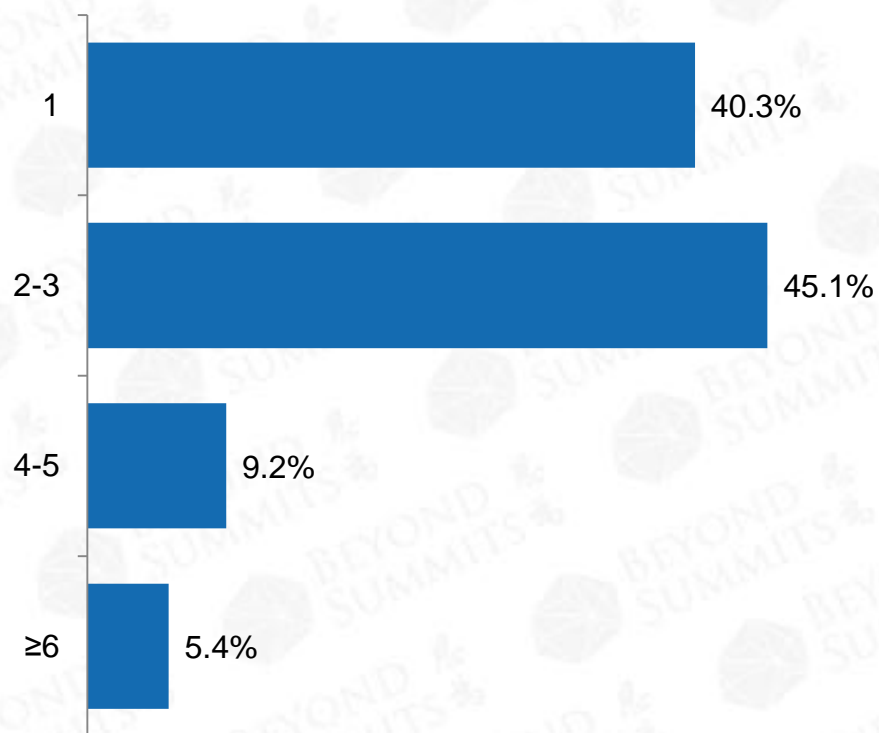
Use of Houses Bought Overseas



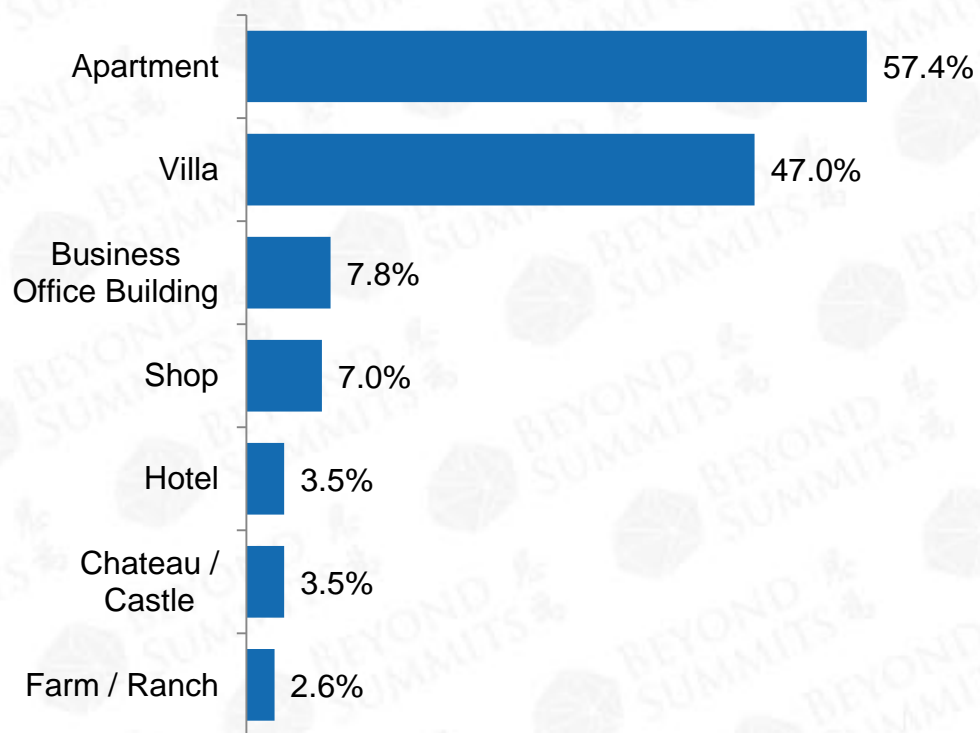
Source : White Paper on Demand and Trend of Going on Abroad for China's High Net Worth Individuals

Most China's high net worth individuals had less than 3 overseas real estate, mainly including apartments and villas.

The Number of Overseas Real Estate



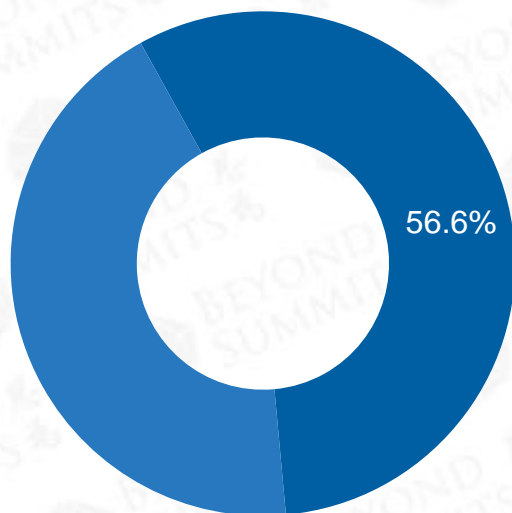
Type of Overseas Real Estate



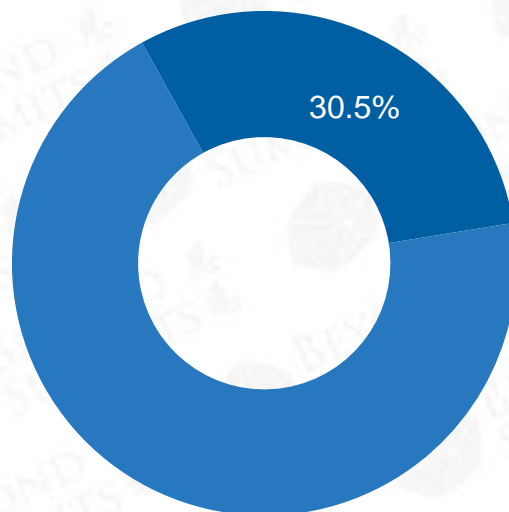
Source : White Paper on Demand and Trend of Going on Abroad for China's High Net Worth Individuals

In the coming few years, 56.6% of China's high net worth individuals will maintain the number of current overseas property, 30.5% will continue to buy and 12.9% will sell some of them.

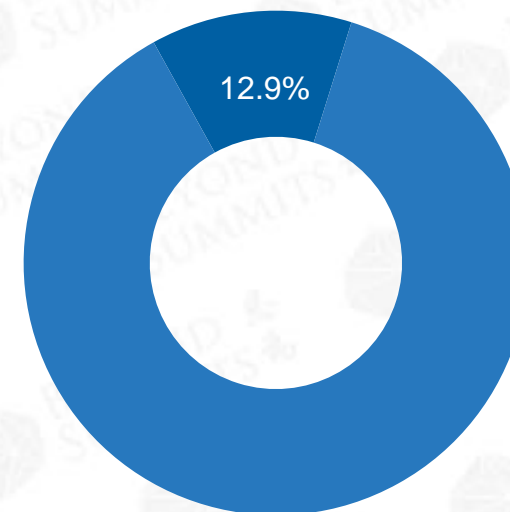
Maintain the Current Situation



Continue to Buy



Sell



Source : White Paper on Demand and Trend of Going on Abroad for China's High Net Worth Individuals



BEYOND 思
SUMMITS 為

Your Global All-media Marketer

Visit our website to learn more: www.beyonddsummits.com

We have collaborating offices in

· SH · BJ · HK · TYO · SEL · SYD · MOS · BER · LON · PAR · ROM · NYC · SF ·