

People's Republic of China

This annex refers to the rating action release of 28 February 2020

Annex I: Summary of core variable scorecard (CVS) and qualitative scorecard (QS)¹

Implied rating of core variable scorecard (CVS)		a
Weight	Qualitative scorecard (QS)	
35%	Growth potential of the economy	Very strong
	Economic policy framework	Neutral
	Macro-economic stability and sustainability	Weak
30%	Fiscal policy framework	Weak
	Debt sustainability	Weak
	Market access and funding sources	Very strong
15%	Current account vulnerability	Neutral
	External debt sustainability	Very strong
	Vulnerability to short-term external shocks	Very strong
10%	Perceived willingness to pay	Neutral
	Recent events and policy decisions	Weak
	Geopolitical risk	Neutral
10%	Banking sector performance	Weak
	Banking sector oversight and governance	Neutral
	Financial imbalances and financial fragility	Very weak
QS adjustment (notches)		1
Additional considerations (notches)		0
Final rating		A+ NEG

Annex II: Selected indicators

	2015	2016	2017	2018	2019E	2020F
GDP per capita (USD, '000s)	8.2	8.1	8.7	9.6	10.1	10.9
Real GDP, % change	6.9	6.7	6.8	6.6	6.1	5.0
CPI (AVG), % change	1.5	2.1	1.5	1.9	2.9	-
General government balance, % of GDP ¹	-3.4	-3.8	-3.7	-4.1	-4.9	-6.0
General government debt, % of GDP	36.4	36.7	36.8	37.9	40.2	43.1
Current account balance, % of GDP	2.7	1.8	1.6	0.4	1.3	1.0
Gross external debt, % of GDP	12.6	12.6	14.3	14.1	-	-

¹China's general budget figures exclude fiscal stabilisation fund transfers. Source: IMF, NBS, Haver, Scope Ratings GmbH.

Annex III: Economic development and default indicators

IMF Development Classification ²	EMDE
5y CDS spread (bps) as of 28 February 2020	50

¹ The weighting and explanation of all rating factors are described in Scope's 'Public Finance Sovereign Ratings' methodology, available on www.scopeeratings.com

² AE = advanced economy; EMDE = emerging market and developing economy