

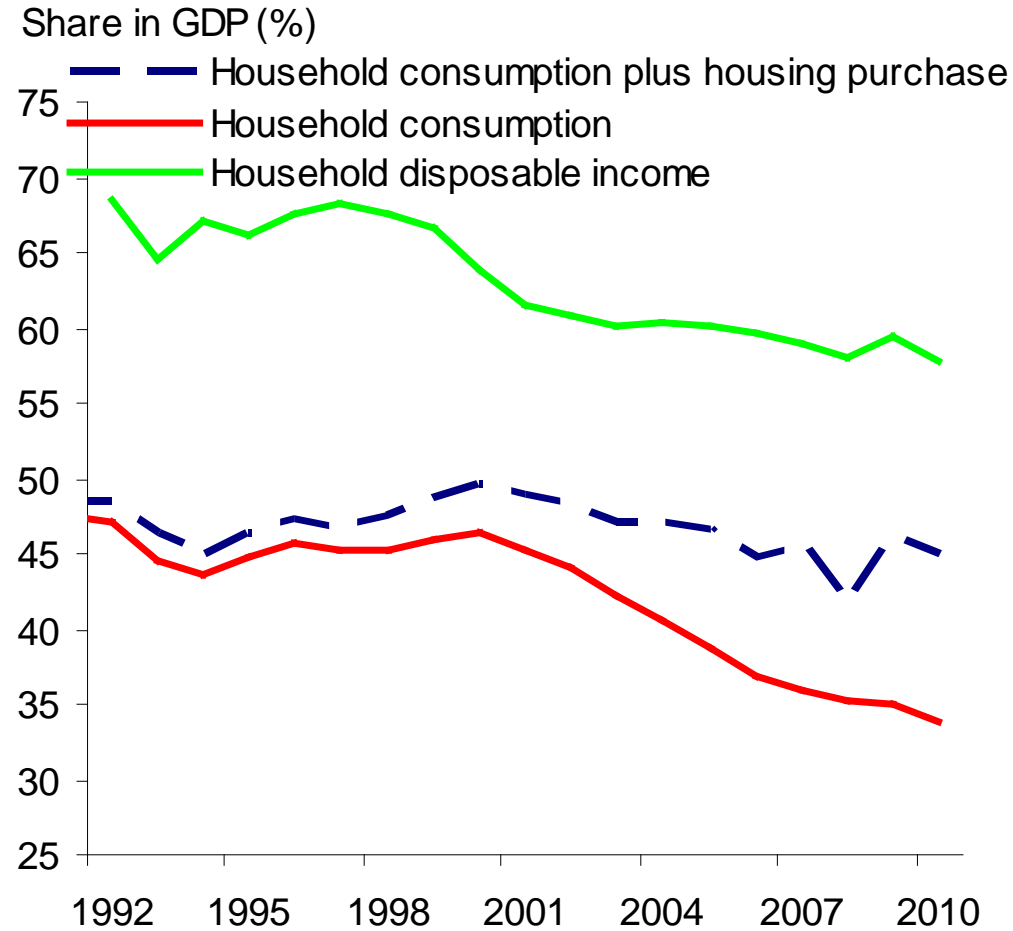
A Turning Point in China's Development

Tao Wang
Managing Director
Head of China Economic Research

May 2012

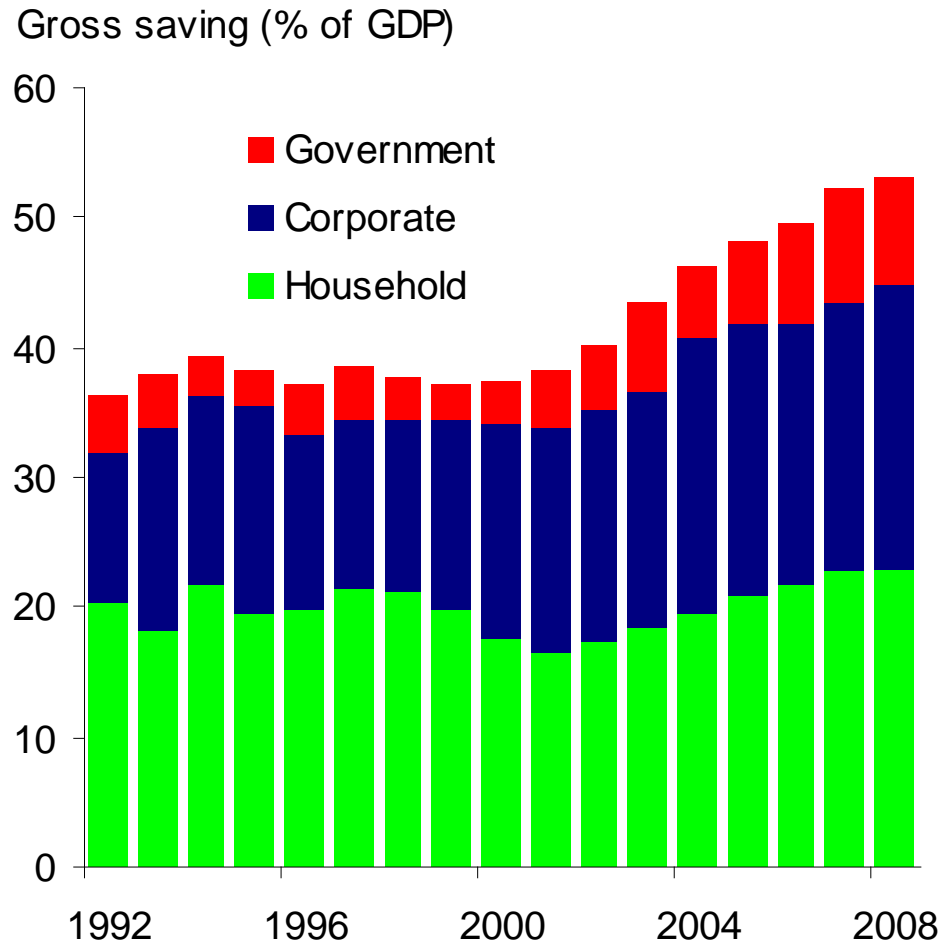


Relatively weak household consumption



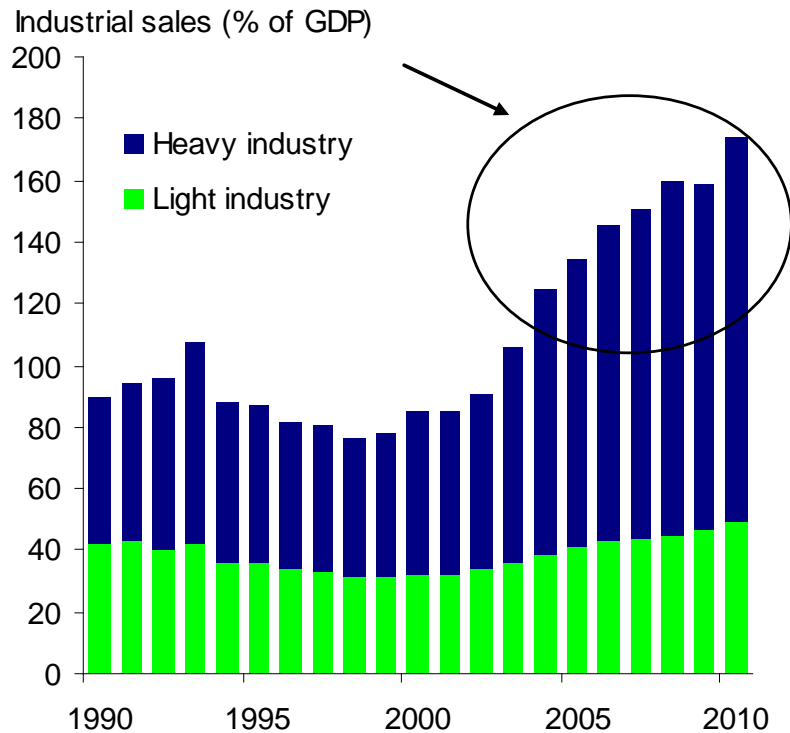
Source: CEIC, UBS estimates

Why is China's saving rate so high?

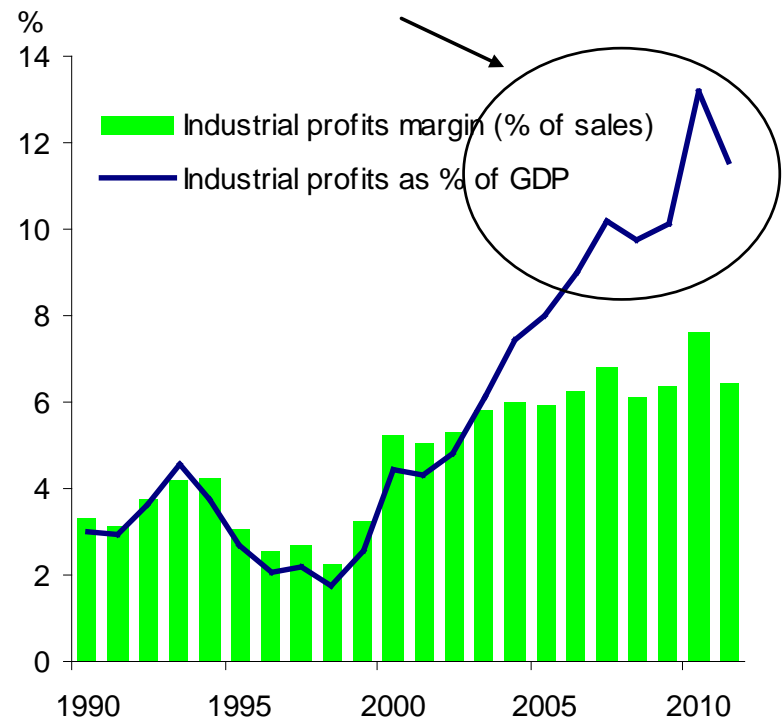


Source: CEIC, UBS estimates

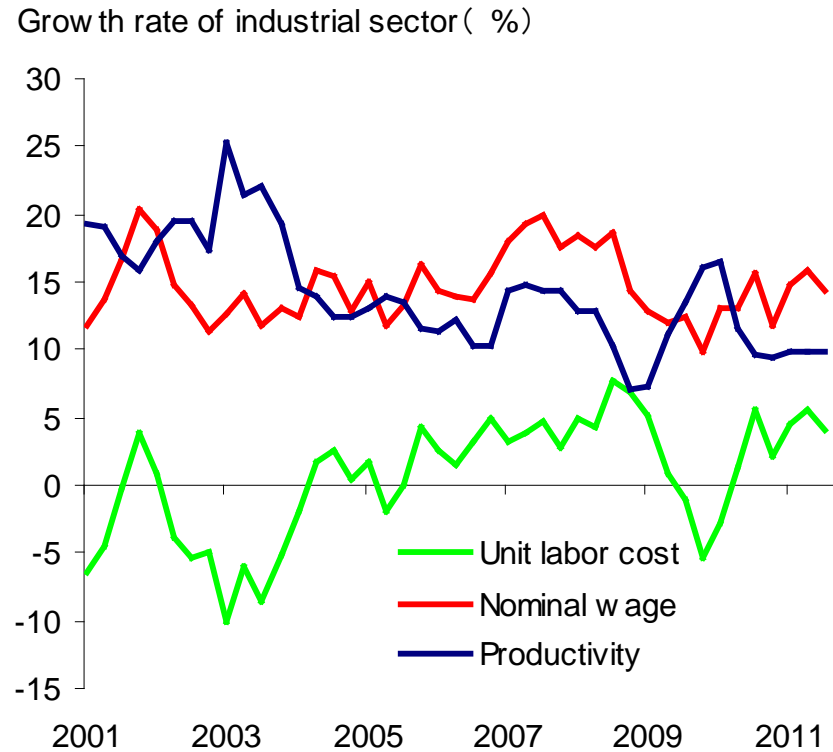
The results of heavy industrialization



Source: CEIC, UBS estimates

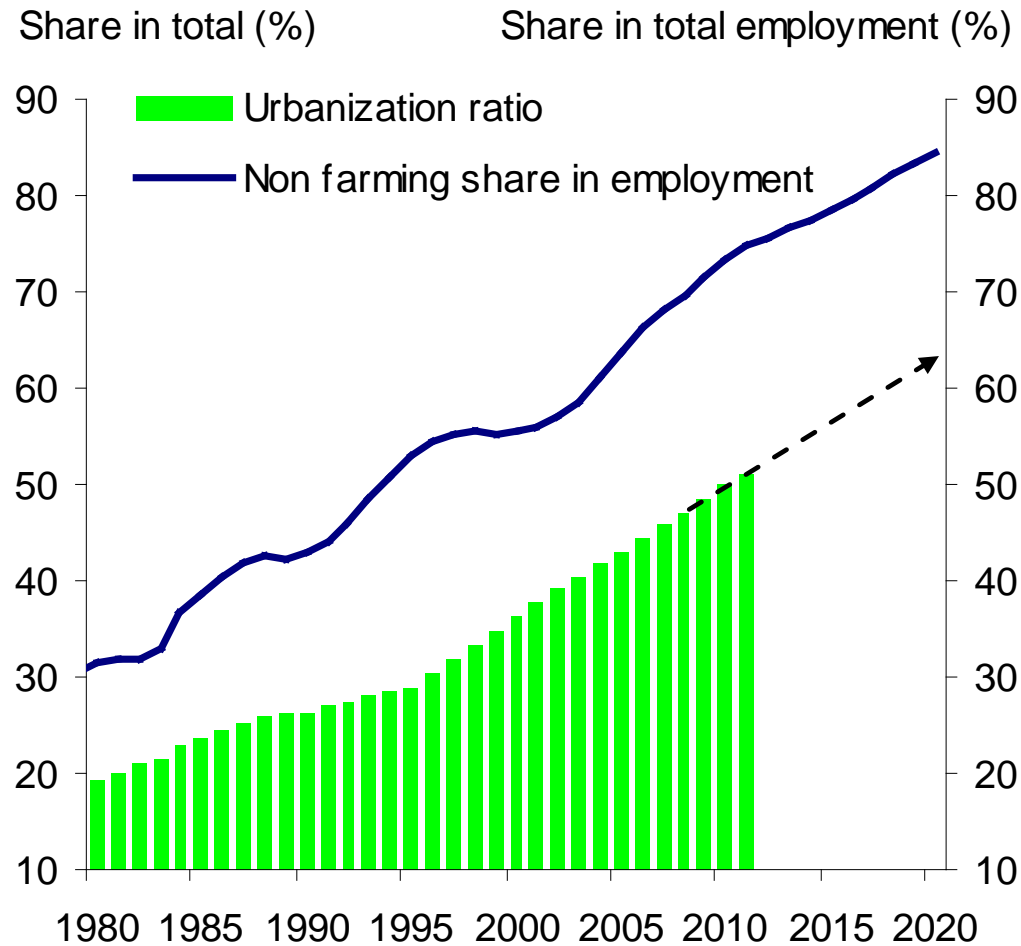


Wage growth and labor productivity



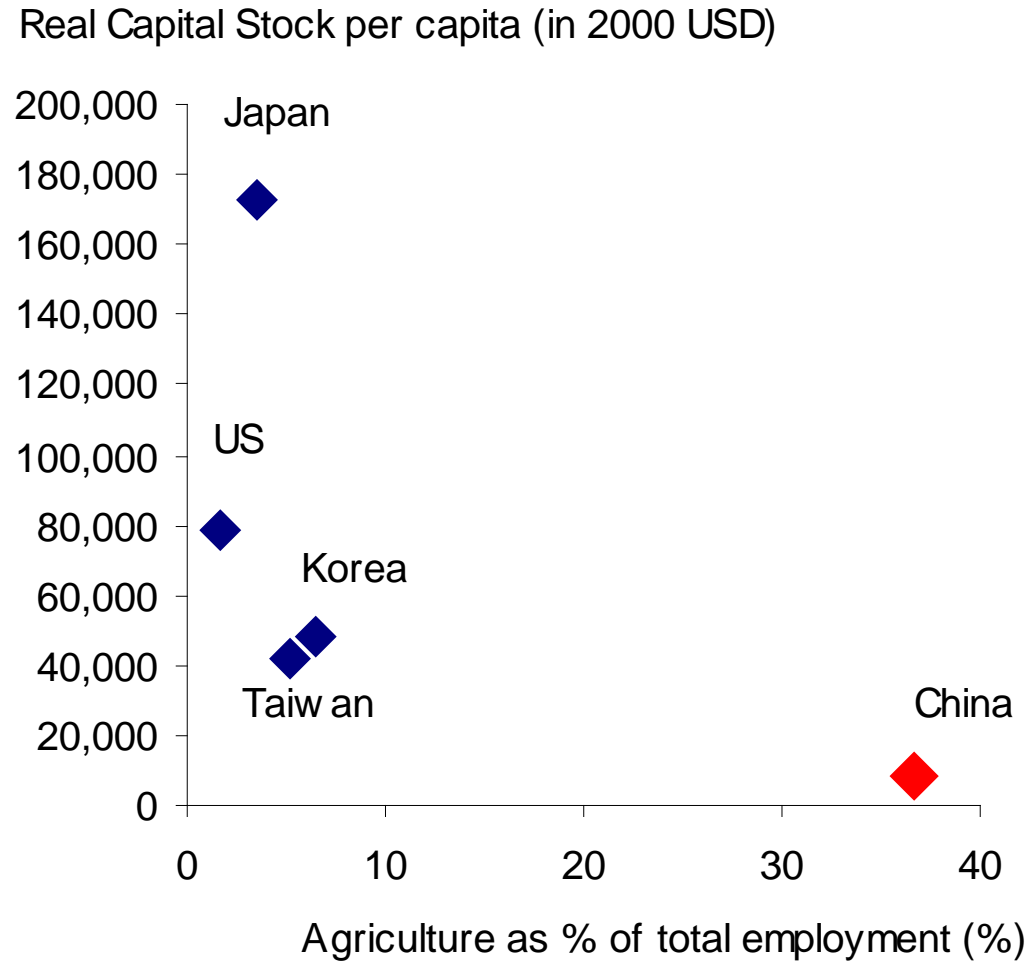
Source: CEIC, UBS estimates

China's next decade: labor transfer incomplete



Source: CEIC, UBS estimates

China's potential for capital deepening



Source: CEIC, Haver, UBS estimates