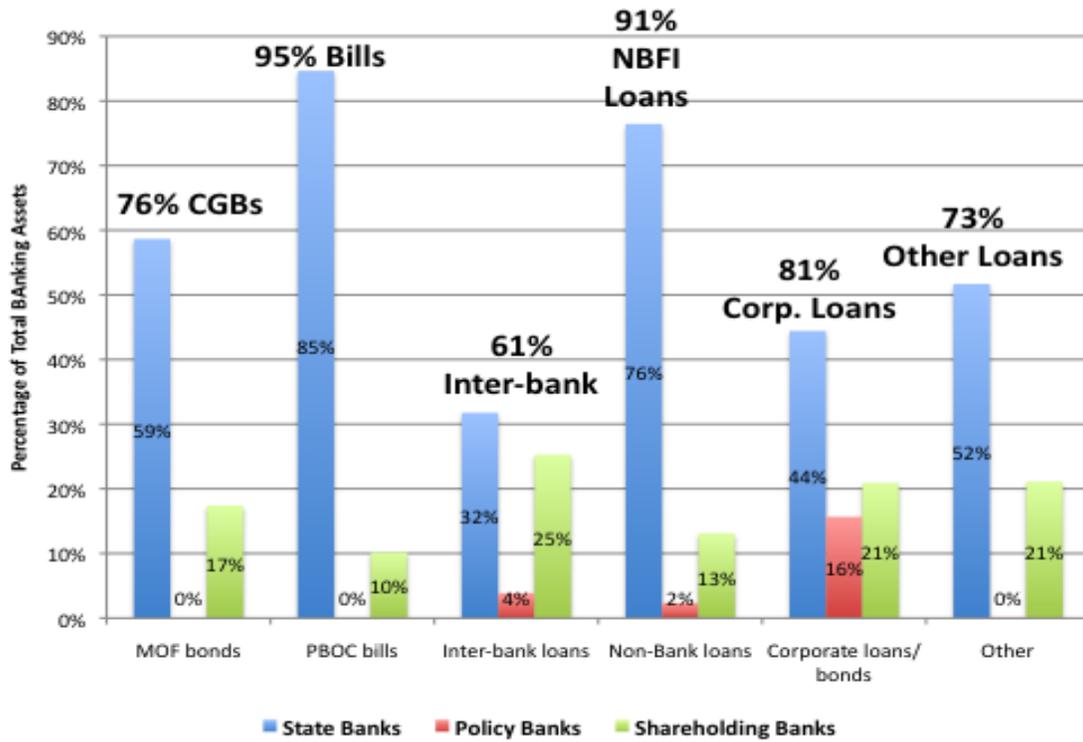


**Appendix: Testimony before the US-China Economic and Security Review Commission**  
**China's banking system and access to credit**  
**March 7, 2013**  
**Carl E. Walter**

**Table 1: Bank Holdings of Financial Assets, FY2010**



Source: PBOC 2010

**Figure 2: Fixed asset investment as proportion of total national budget expenditures**

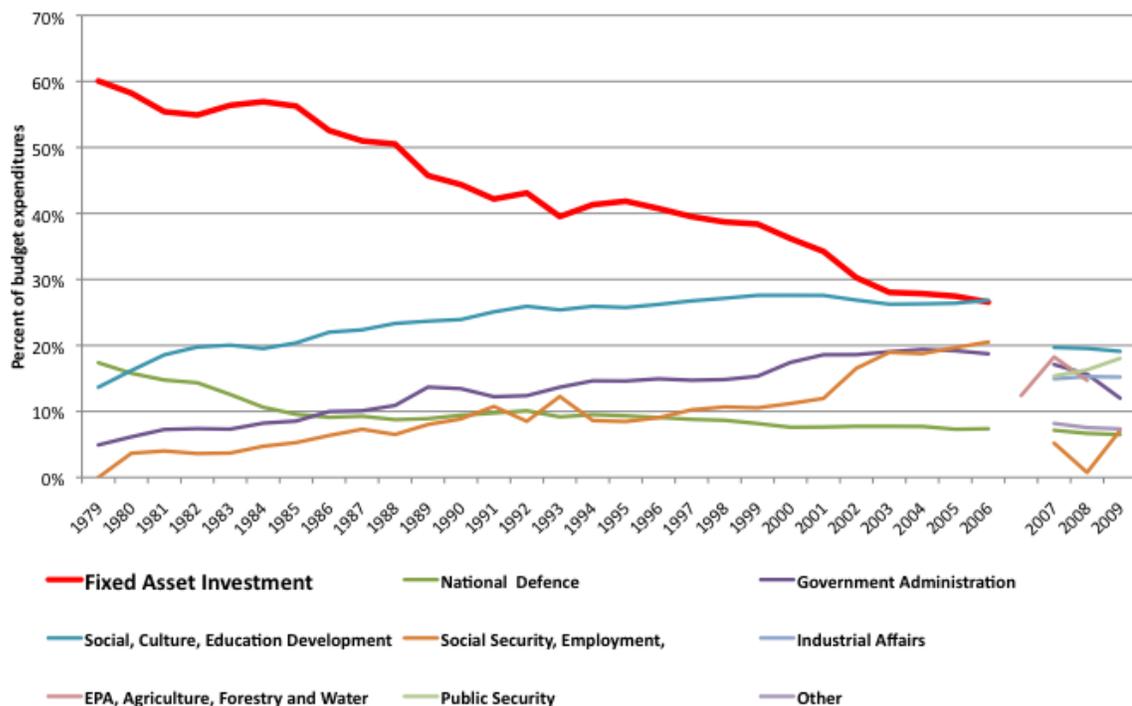
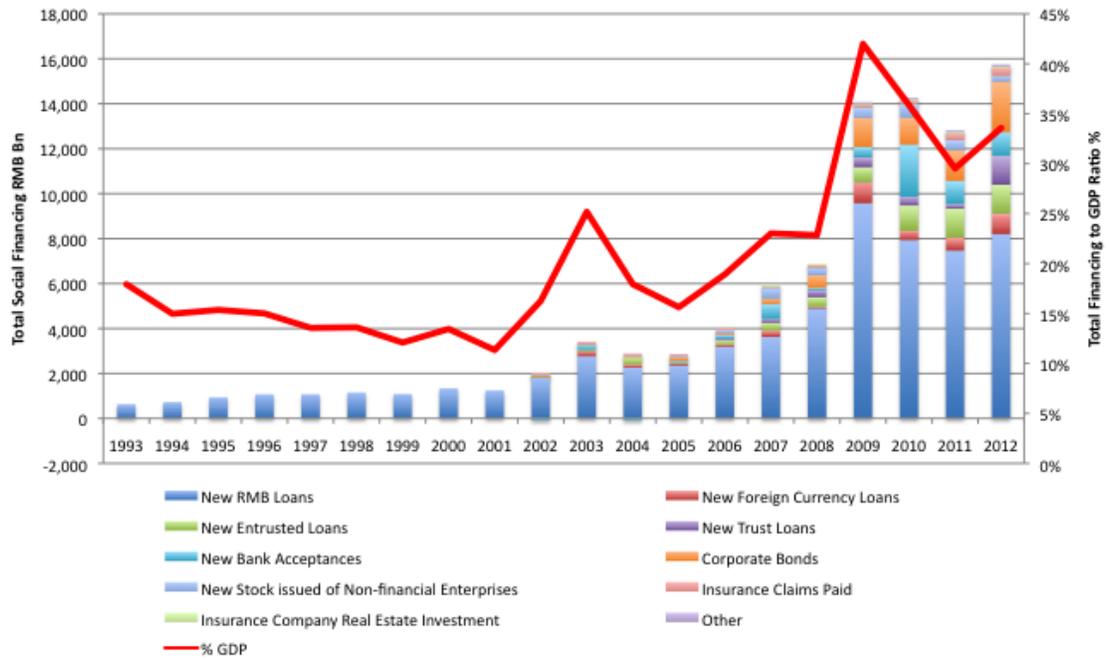
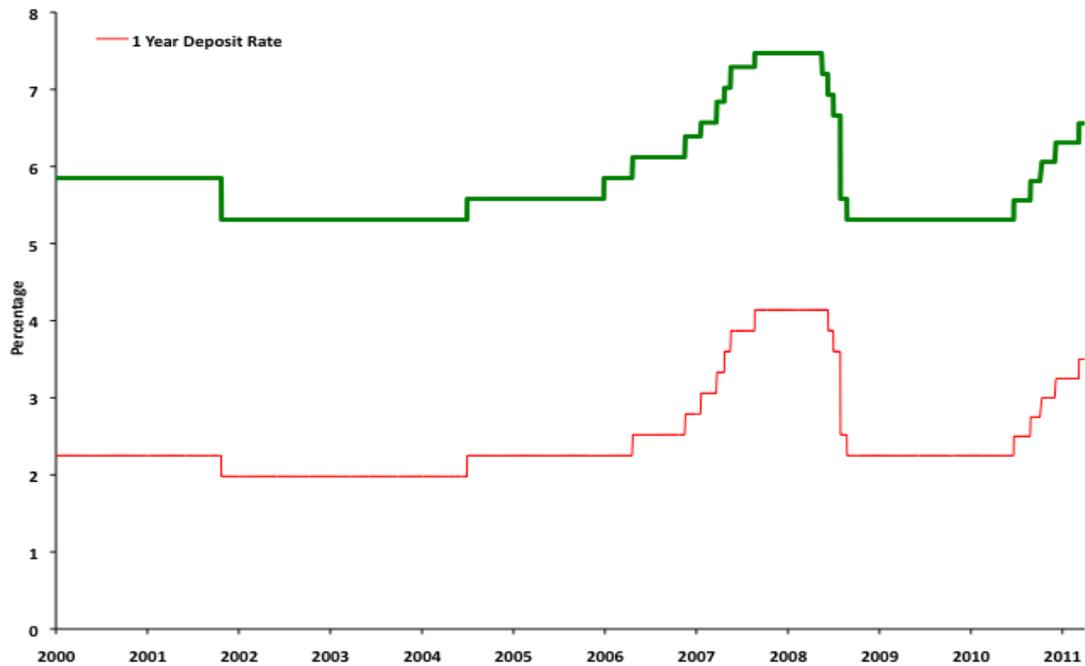


Figure 3: Total Societal Financing, 1993 - 2012



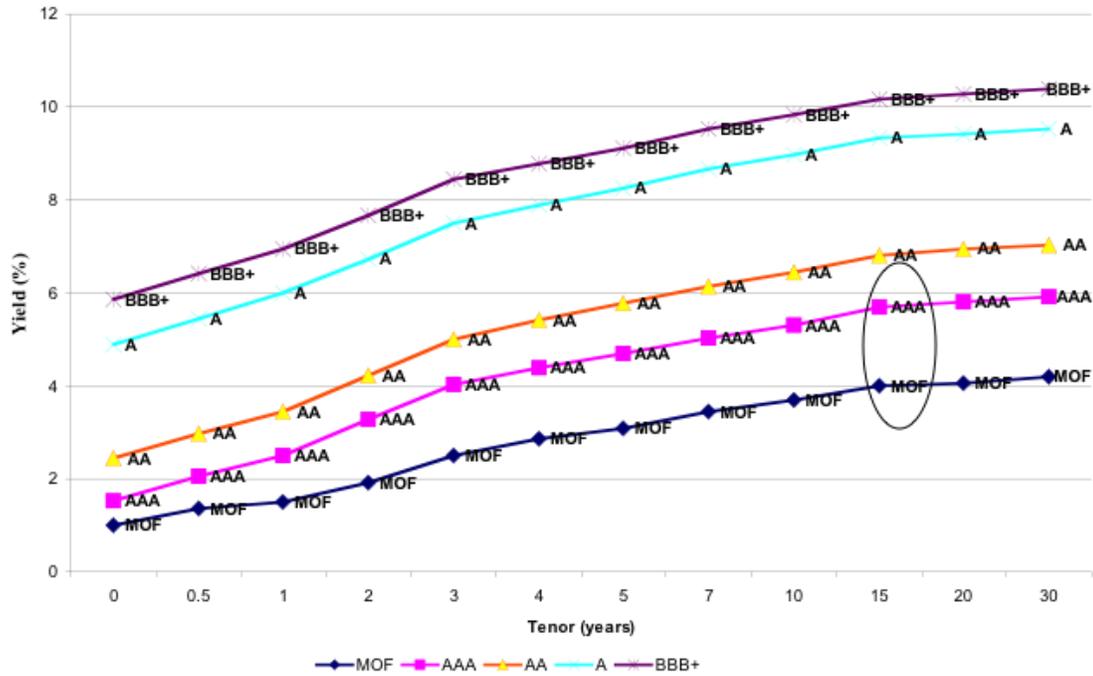
Source: People's Bank of China

Figure 4: One-year PBOC RMB deposit versus loan rates, 2002 - 2010



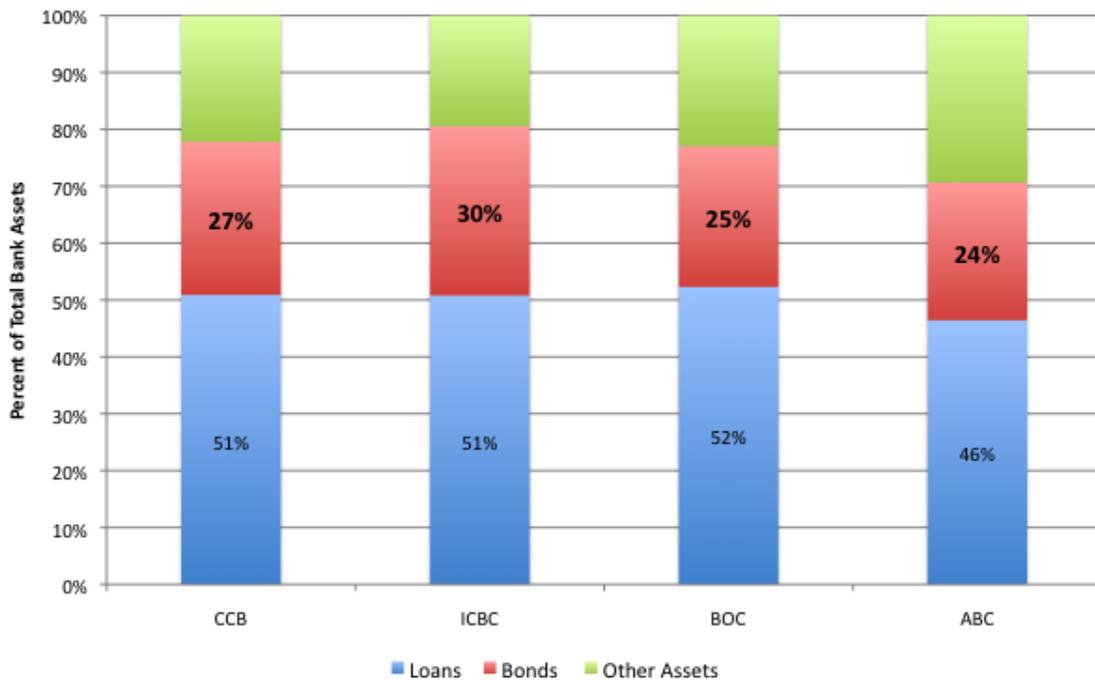
Source: China Bond

Figure 5: PBOC mandated minimum spreads over MOF by tenor and credit rating



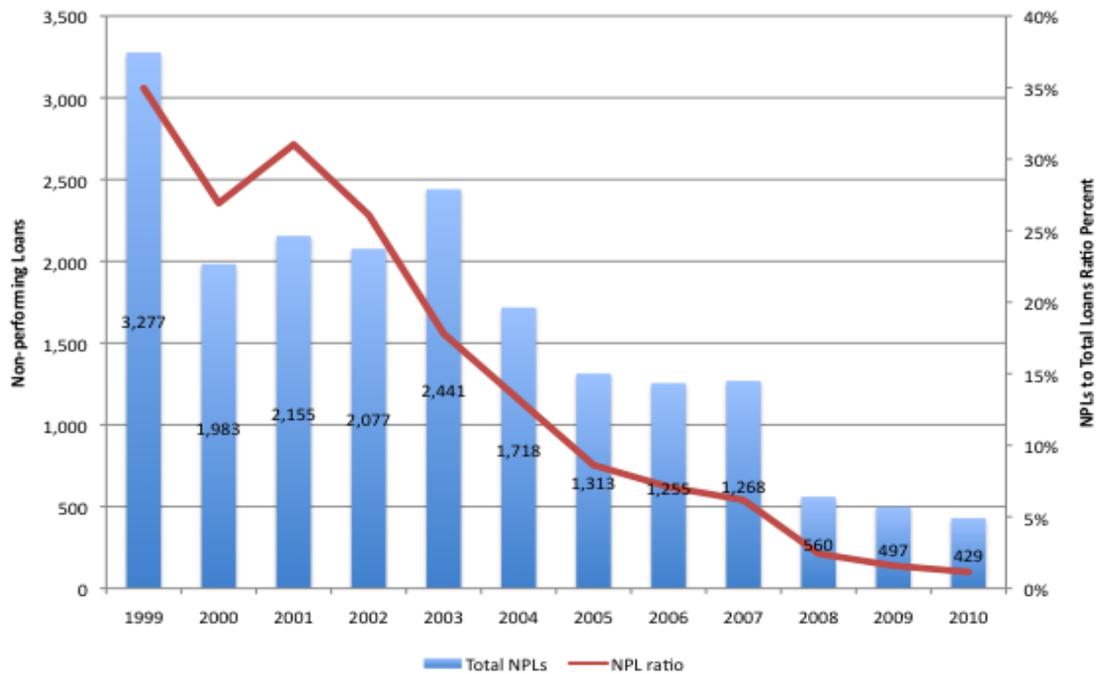
Source: China Bond, as of October 20, 2009

Figure 6: Big 4 bond portfolios as a percent of total assets



Source: Bank 2010 H-share financial statements

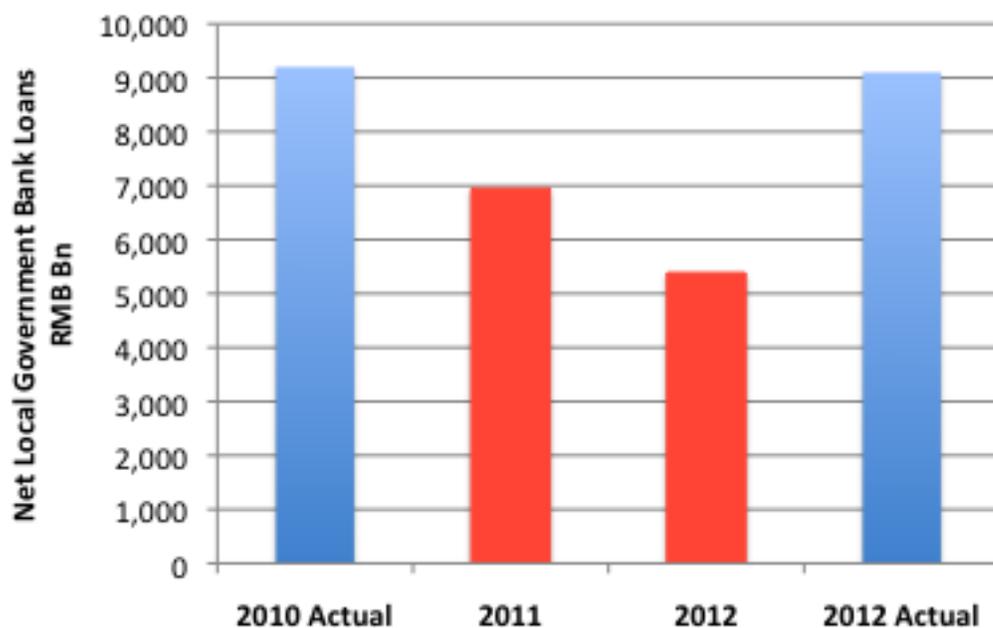
**Figure 7: Non-performing loan trends, top 17 Chinese banks, 1999-2010**



*Note:* Data for 1999–2002 based on Chinese classification system; from 2003 on based on international classification system.

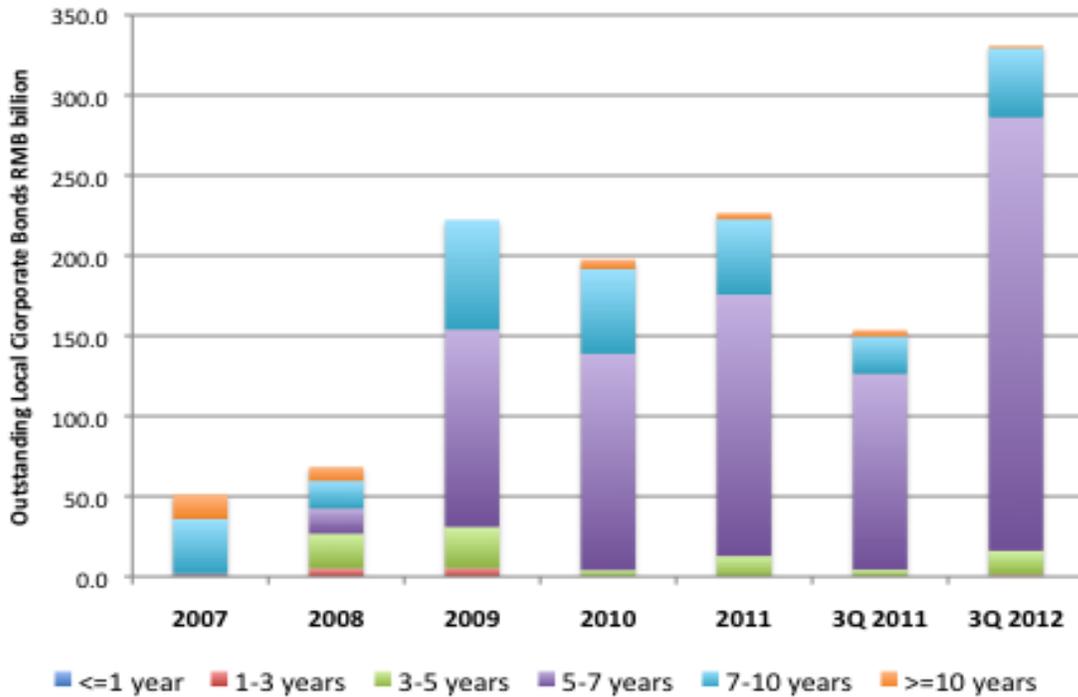
*Source:* 1999–2002, Li Liming: 195; 2003–2010, Chinese Banking Regulatory Commission.

**Figure 8: Local government net loan and bond outstandings**



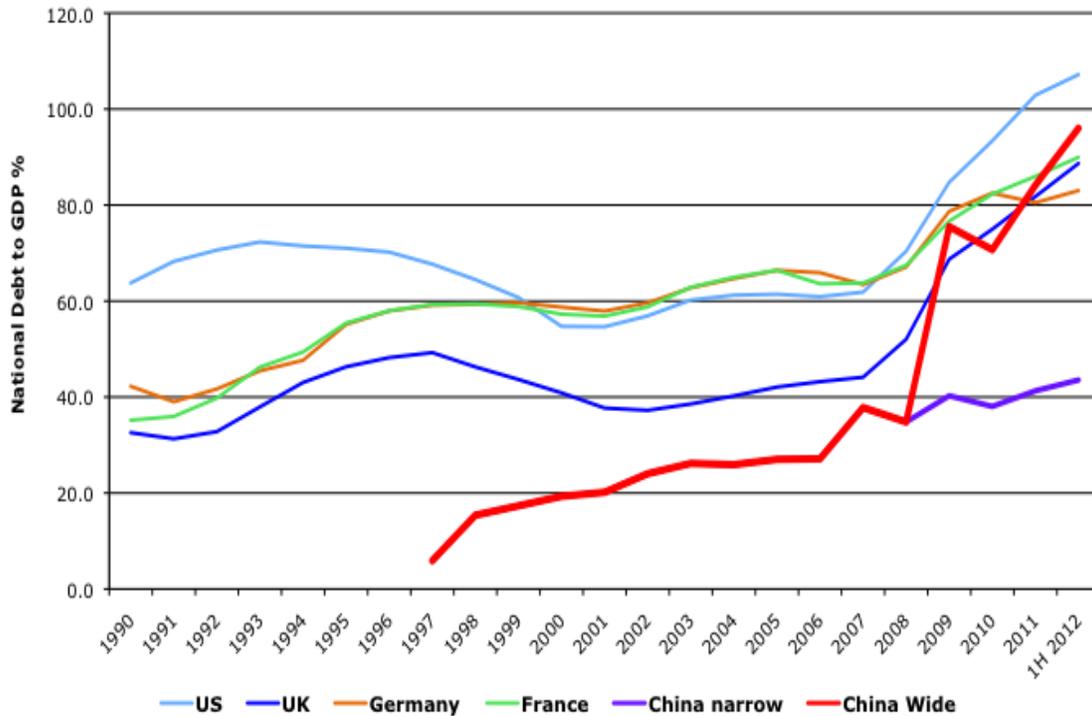
*Source:* National Audit Office; author's calculations

**Figure 9: Trends in outstanding local corporate bonds by maturity, 2007-3Q 2012**



Source: Wind Information; does not include MTNs as breakdown by issuer is not available

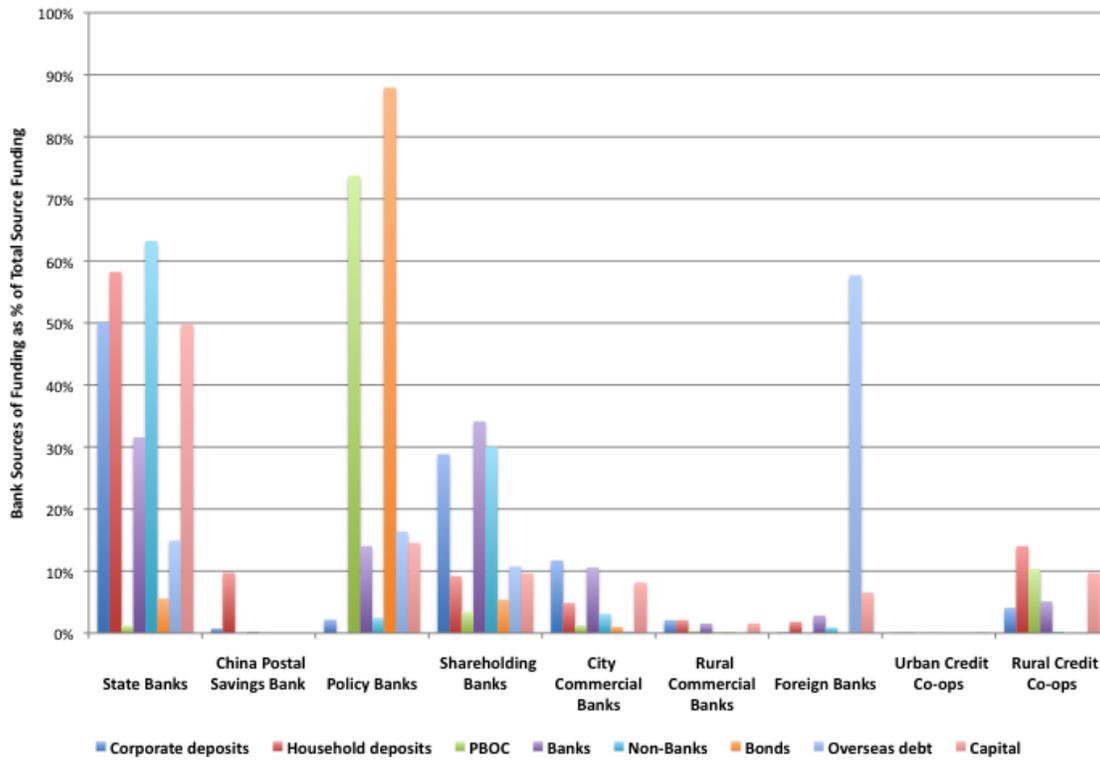
**Figure 10: Trends in outstanding public debt: US, Europe and China, 1990-3Q 2012**



Note: China Narrow = MOF + policy banks + Ministry of Railways + bank sub debt; China Wide adds local gov't debt + estimated NPLs; China 2012 projected.

Source: EuroStat; IMF; China Bond; Wind Information; see Walter and Howie, Table 8.1

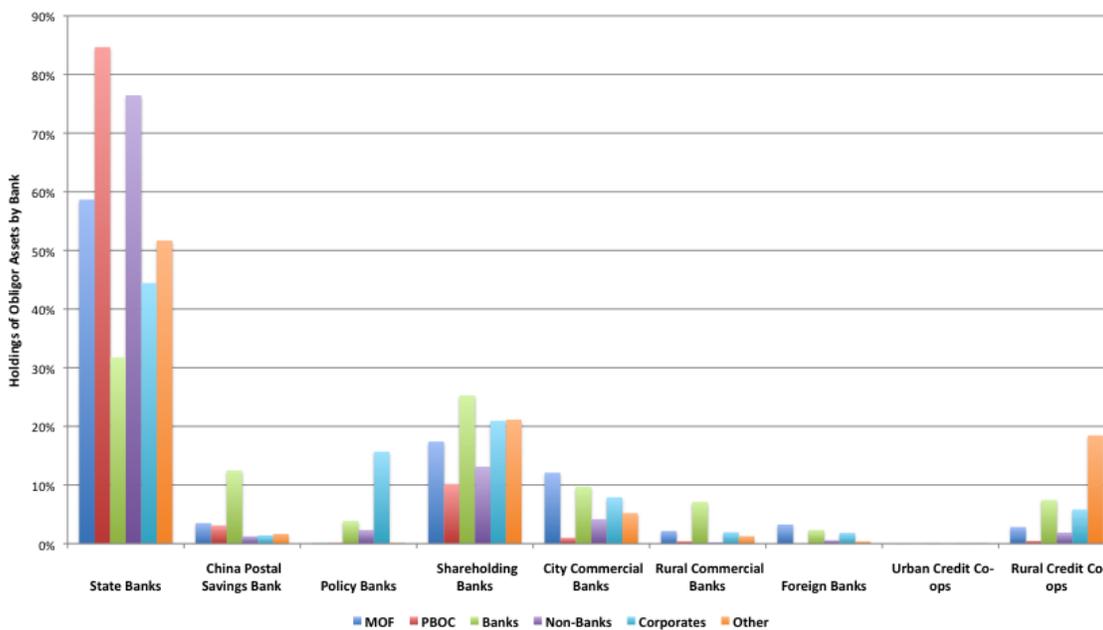
**Figure 11: Sources of Financial Institution Funding, FY2010**



Note: Each funding source totals 100% so, for example, rural credit co-ops have approximately 12 percent of total household deposits.

Source: PBOC, Financial Stability Report 2011

**Figure 12: Financial Institution Composition of Assets, FY2010**



Source: PBOC Financial Stability Report, 2011