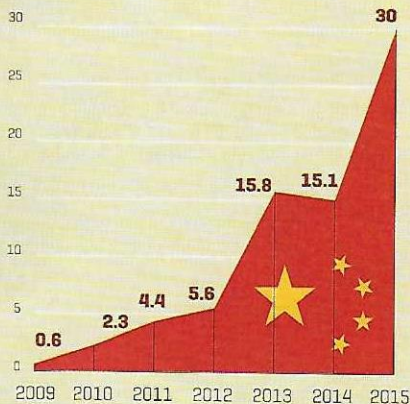


CHASING THE DRAGON

As Chinese money flows into the world's real estate markets, the global balance of power shifts. Are we ready... and will it last?

Research Roxane McMeeken Illustration Laura Cattaneo

China's total outbound investment in real estate, 2009-2015: sustainable... or a bubble in the making?
[\$bn]

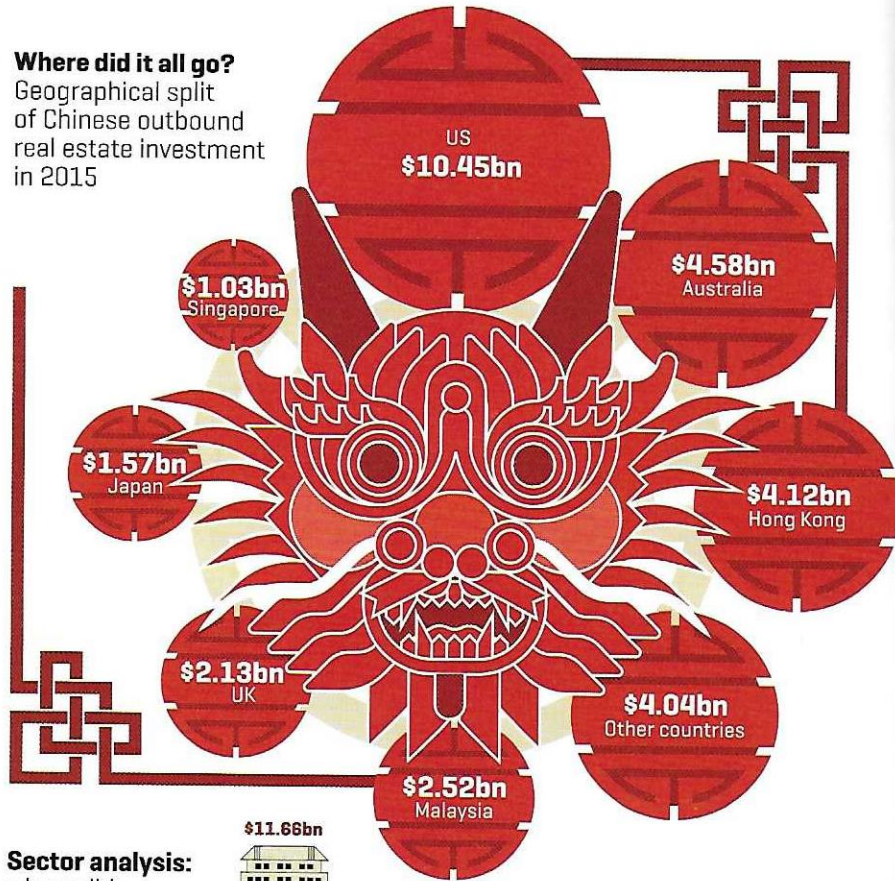


“
In 2016, there has already been \$10bn in outbound Chinese transactions, putting the market on track to exceed last year's record total”

Harvey Coe
Real estate advisory leader, transaction advisory services, Greater China, EY

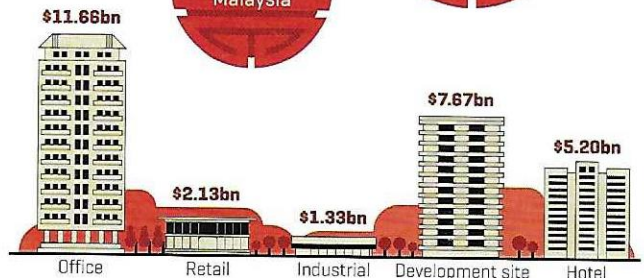


Where did it all go?
Geographical split of Chinese outbound real estate investment in 2015



Sector analysis:
where did the money go in 2015?

Total
\$27.99bn



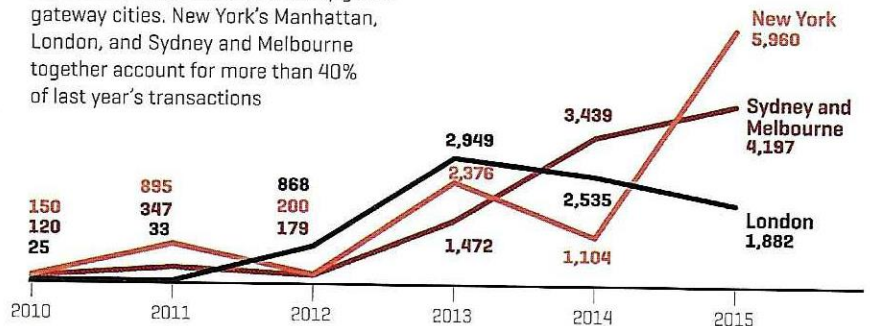
The long-term beneficiaries: who's received the most Chinese real estate investment since 2006?

SOURCE EY/REAL CAPITAL ANALYTICS



City focus: which are attracting the most Chinese real estate investment? [\$m]

Chinese investors are attracted by global gateway cities. New York's Manhattan, London, and Sydney and Melbourne together account for more than 40% of last year's transactions



The big players: top Chinese developers investing overseas

Based on total property sales in 2014



Greenland Group	\$37.7bn
Vanke Group	\$33.7bn
Wanda Group	\$25.1bn
Poly Real Estate	\$21.4bn
Evergrande Group	\$20.6bn

China's insurance policy: top insurers investing overseas

Based on total premium income 2014



China Life Insurance	\$58.2bn
Ping An Insurance	\$49.6bn
China Taiping	\$12.3bn
Taikang Life	\$10.6bn
Anbang Insurance	\$9.1bn

Chinese contractors in Western markets: where are they breaking ground?

SOURCE PUBLIC DOMAIN

Royal Albert Docks financial centre

\$2.4bn
London, UK

CITIC Construction

One Nine Elms

\$1.3bn
London, UK

China State Construction Engineering Corporation

Airport City Enterprise Zone

\$1.5bn
Manchester, UK

Beijing Construction Engineering Group International

Revamp of the Alexander Hamilton Bridge

(with local contractor Halmar International)

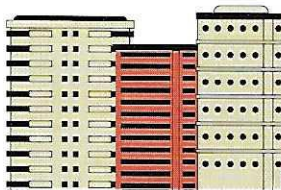
\$407m
New York City, US

China Construction America

Canberra Metro light-rail
First stage, comprising 12km of track (contract won through Australian subsidiary John Holland as part of consortium)

\$545.3m
Canberra, Australia

China Communications Construction Company



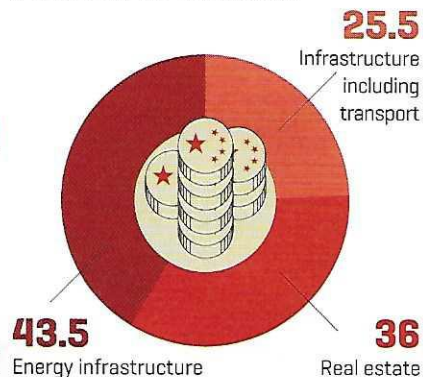
Sized up: top 10 Chinese overseas property deals in 2015



Sterling work: predictions for Chinese money in the UK (£bn)

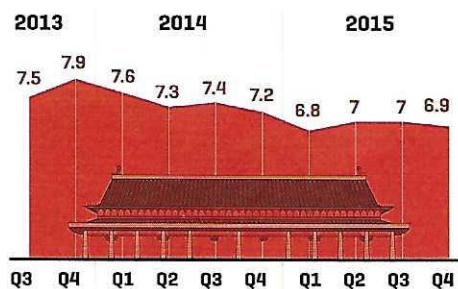
SOURCE GLOBAL CONSTRUCTION PERSPECTIVES

Over the next 10 years, more than £100bn of Chinese money is forecast to be invested in UK property and infrastructure



China GDP annual growth rate: a downward trajectory? (%)

SOURCE TRADINGECONOMICS.COM



China's slowdown is double edged: it may mean Chinese companies have less money to spend overseas, but it could also spur them to invest abroad, because there are fewer domestic investment opportunities.