



/你好，欢迎来到伊什卡简报：/中国，我的名字叫 Eddy Pianazek。/我是 Ishka 的顾问负责人，我的同事 Siddharth Narkhede /是我们的高级分析师兼航空信用专家。我们将快速地/概述 Ishka 的观点，关于金属和市场、关于航空公司和飞机。/我们就闲话少说，Sid，我们能开始简报了吗？/是的 Eddy，你好。/因此，我们从一些总体市场评论开始/，然后转向对中国市场的一些具体观察。/因此，首先乐观地说，自从危机以来，显然有复苏的迹象，/自去年爆发的第一波疫情以来/，特别是在国内市场，市场复苏，/中国的国内市场再次成为了这方面的重要推动力。/右边的图表显示... 相当乐观。/即使是美国的国内市场也被疫情/的变化所影响，该国的航空交通量已恢复到将近 60-70%。/所以这是相当乐观的。/但是我的意思是其他一些/地区的复苏非常不稳定。/如果可以的话，你看，在国际的国内领域，/在某一段时间里，它在去年复苏最多的时候，/然后天哪!复苏很快地就被破坏了。/随着旅游法规的变化，现在情况有些乐观/，以及/欧盟委员会宣布允许接种疫苗的旅行者/能自由旅行，因此这些都是相当乐观的。/但基本上，/第一季度的航空交通量几乎不到 10% 至 15%/大约是疫情前的水平/因此，这对那里的航空公司的业绩有一定影响。/因此，就其他一些市场而言/像是拉丁美洲的市场，起因仍然/是疫情/在当地肆虐。/实际上，航空交通量恢复也一直不稳定/巴西直到去年年底才出现强劲复苏，/在 2021 年大部分时期也很明显地受到干扰。/但那里也是。/看来有一些改善的迹象，/但形势依然如此/，而且那里更不稳定。/最后，除了中国国内以外的亚太地区，/甚至是该市场在今年初也存在一些干扰。/例如，最近几个月在印度其他地方受到相当的干扰，/对那里的人们也产生了重大影响，/以及最近在东南亚也是一样的问题。/噢，你会看到病例进一步增加或出现新的群聚案例/，这已经干扰了/有限航空交通量，且人们在那里早已看到此情况/很明显，这一切都将对财务业绩产生重大影响。/所以这显然是一个季度业绩，显示了大约 60 家/全球最大航空公司，这是第一季度的业绩刚出来，/因此之后数据会进一步更新。/但这显示了，/在去年第二季度大幅下跌之后，/亏损已经下降，但最终仍是些微亏损。/噢，该行业或这些全球最大的 60 家航空公司当中，/其中至少有 40% 公司在第一季度仍保持负值，/但再一次强调那里仍有一些乐观存在。/如果你看美国国内市场的表现/是因为航空交通量积极恢复。/航空公司报告说从 3 月和之后市场正在复苏是因为有一些正现金流。/其他地方的低成本航空公司，/尤其是亚太地区的联合承运人也有乐观的一年，/与大多数行业形成鲜明对比，/所以有乐观的一面，/但最终航空公司仍然处于亏损状态，在资产负债表方面，/就在右手边的图表中。/再次。/这些损失导致了资本的大幅下降/结构和股权头寸情况因亏损而恶化，/并且由于航空公司

的流动性是最关键的因素，目前/航空公司正在寻求筹集现金/，而且已经筹集了大量资金，但主要是以债务形式。/因此，杠杆率显著上升，/同样，资本结构现在也更加疲软。/因此，修复这些是需要时间的，尤其是在有机增长的层面、/官方报告、持续盈利能力和自由现金流方面，/至少在 2021 年/和明年的大部分时间都将具有挑战性，/而这导致了流动性。/而且，如前所述，航空公司为提升流动性水平大举借债，/趋势还是非常看好的，/我们期待 2021 年。/同样，今年剩余的时间，/许多航空公司也设法重组了他们最早的债务承诺，/像是在发行更多长期债务/或通过短期债务再融资，例如循环贷款。/但是，在充满挑战的市场环境中，/航空公司将发现难以产生/有意义的自由现金流。/因此，现有的结果将不得不用来解决短期债务，/如图所示在左侧的航空公司。/北美航空公司和其他地区的其他航空公司的集中程度更大，这些航空公司/积累了可观的流动性储备。/但是，如果你再看一下新兴市场，可用流动性/的覆盖范围略低，/而且低于短期债务和租赁承诺。/所以这意味着新的债务/必须发行。/或者进行一些重组或者/一些延期可能是必要的。/在亚太地区的特定市场，/有一些政府拥有航空公司，资产负债表上可能没有大量现金。/但是也许有人能够从政府的持续支持中受益。/有几家航空公司，特别是中国的航空公司/拥有重要的信贷管理机制并建立了关系。/因此，我们认为这是令人欣慰的，并且有助于缓解此情形。/其中一些短期流动性清单可能存在。/那么对于那个情形，Eddy，你觉得怎么样？/是的。/所以我的意思是，由于市场在/产能过剩方面相当严重，因此有很多飞机能备用，/这显然会对市场价值和市场租赁率产生影响。/因此，在这张桌子上，我们只是在左侧看/自 2020 年 1 月以来我们记录的一些市场价值变化。/我们有许多不同的宽体飞机、不同的年份/5 年、10 年、15 年/以及在图表的中间。/我们也有窄体飞机。/我的意思是，只是作为参考，/中国机队/有超过 4000 架飞机。/正如你可能预期的那样，其中很大一部分是 737 800 和 A320/ 是一些比较受欢迎的窄体飞机。/但是，较大的宽体飞机也有增加的趋势，/而且在价值方面都受到了影响。/但从市场角度上，我们看到的一些关键事情是，/较年轻的飞机通常具有更高的价值、更好，并且受到的影响较小。/我的意思是，所有数据都下降了，/但它们往往比其他类型表现的更好，你可以在这里看到。/737 800 和 A321。/对于相对年轻的飞机而言，/在过去 15 至 18 个月中，它们损失了 17-20% 的市值。/年龄相仿的宽体飞机，则是失去了更多，失去了至少原本价值的三分之一。/我们再次看到，宽体越大，/由于产能过剩问题以及国际旅行尚未恢复的事实，影响就越大。/每个人都希望，随着飞机再次老化，/百分比下降也有所增长，许多飞机已经停飞，/再次因为产能过剩问题而贬值，/甚至连市场上有在飞的飞机也是如此，/并不是特别活跃，因为需求并不明显。/所以这些

窄体飞机，/由于 Sid 所提到的国内航空交通量，/它们的价值比宽体的价值要稍微好一点，/如果是在生产中的飞机，/飞机往后仍有经济寿命。已停产类型所受到的影响越来越大、越来越严重。/这就是市场价值。接下来讨论市场租赁费率。/再次，我们看到了一张非常相似的图片。/但是，由于租赁费率更能对市场状况作出反应，/几乎所有东西都受到影响。/从年龄角度来说并不重要，如果飞机可用且已经破产，/租赁飞机归还，提前归还租赁飞机一直是航空公司的失败例子，/这只是创造了更多的承载量，尤其是对于年轻的飞机而言/当然，我们遇到了波音 737 Max 的问题... /这可能实际上维持了或有助于支持 737 800 的价值。/但是，现在 Max 恢复运行，737 800 现在/也面临着同样的供需压力。/因此，我们再次看到年轻飞机的性能稍好一些，/而老旧飞机的性能略差。/很多老旧飞机，/现在它们可能已经达到了飞行年限寿命，特别是当飞机年满 15、20 岁的时候。/他们正在达到飞机拆解并出售零部件的阶段，/即使在今天也承受了压力，仅仅因为缺乏此需求。/因此，我们看到了一些主要的宽体类型，/比如 A380 在租金方面受到了相当严重的影响，/以及该飞机正在推出的/ 777 300 款主要版本。/二级市场非常稀薄。/这可能是好时机。/如果你是初创航空公司，或者希望对机队进行检修，/或许可以用年轻的飞机取代老旧飞机，/并进行一些机队规划，那么他们显然有很多选择。/而且我们看到许多新的初创航空公司正在进入市场。/一些年轻的飞机进入市场，尽管市场有一点供应过剩，/你知道的，试图在交通允许的时候开始创业。/所以，如果我们继续探讨，可能有一些相当明确的中国/市场问题值得一提。/ Sid，这里有什么特别引起你注意的吗？/有什么特别相关的？/是的。/我的意思是/我们都看到中国国内市场的快速复苏。/不仅是一次、现在是两次，去年/和甚至在被干扰的今年年初，/大多数航空公司的盈利持平，/如果我们将其与其他地区的表现/进行比较，这也是一个乐观的结果。/除了营运盈利能力之外。/事实上中国许多航空公司拥有年轻的机队/，所以市场被干扰并不那么严重。/终究啊，市场可能发生的基本变化不大/因此，在经历了 2020 年第一季度的显著负增长之后，/中国的航空公司不必像其他地区的航空公司那样/遭受巨大的重组和进口减值损失。/对于大多数航空公司来说，/随着各季度的营运现金流回归正值，/但重要的是要强调/它还没有达到疫情前的水平。/因此，航空公司仍在努力创造/有意义的自由现金流，以便影响融资需求，/正如我们去年所看到的那样，/这已对那里的所有主要航空公司来说都足够了。/又是重要的一点，/如上所述的国际部分，对宽体的价值影响，/国际市场绝对没有复苏，/并且今年复苏的前景有限。/今年，随着全球疫苗接种速度不均衡/以及新的新冠变种病毒的出现，/这将真正取决于主要市场的疫苗接种进展程度。/就那里的航空公司而言，/低成本航空公司的市场份额有所增加，/尤其是春秋航

空公司的份额，去年在市场上大有斩获。/终究，中国的航空公司，/至少是大型航空公司，/他们可以使用重要的信贷管理机制。/正如我提到的那样，他们建立了关系。/但杠杆水平也仍然很高，在某种程度上/这是一个令人担忧的问题。/但是，也由于普遍可用的融资，/一般来说，我们认为这些航空公司的短期流动性风险有限，/即使已经有发生过，有很多都是在计划当中。/还考虑发行新的股票，/这也将有助于维持资本结构。/所以，你对中国的年轻机队/也有一点观点，Sid。/就国内网络而言，中国的市场干扰较低，/年轻的机队一直保持忙碌，/那里价值减损趋势也减少了。/当然，我认为另一件要提的事是，在整个疫情期间，仍保持市场势头强劲的一直是货运方面，/而且，如果有老旧飞机/即将结束其主要使用寿命，/那么客机转货机的市场就会是一个很好、很强劲的市场/，特别是对于 A321 和波音 737 800 飞机而言。/宽体飞机显然也有此市场机会。/当然，这个改装市场也对其中一些窄体类型有需求，/这种需求一直保持强劲。/因此，这将我们引向最后一项以及我们的要点/和我们的展望。/Eddy，/你对今年接下来的/六个月的/市场有什么看法？/好吧，我的意思是，就欧洲而言，我认为关键时期是现在。/我们正在到达那个旺季。/这就是以往需求最高的时期。/如果允许他们旅行，这就是人们期望旅行的时候。/因此，理解接下来几周的趋势可能非常关键。/下半场将如何发展，/所以我认为这至关重要。/看看亚太市场的国际航空交通量的比例较低，/这令人非常担忧，你知道，我们仍然处于过去 2020 年初 10-15% 的承载量水平。/所以这是一个问题。/而且我猜疫苗的推出计划，只要能跨越国界，/就能进一步讨论，以便航空公司能开始/国际旅行的航班。这仍会发生。所以，你知道，/我认为国内航线上有正面发展的迹象，但仍然需要看到/国际航线有一些进展。/是的，我同意。/我的意思是，航班预订趋势和民意调查都表明需求大幅上升，/而且正如我们所听说的那样，/人口众多，失业率也很高，/但那些幸运的人已经在个人储蓄上存了很多钱，等待着消费。/所以这将在很大程度上取决于/疫苗接种计划如何进展。/最终，旅行规定，尤其是像欧洲这样的市场，/尽管是一个单一的共同市场，/但其中很多都是国际性的/我认为考虑到波动性可能会持续下去，/尽管是单一的共同市场。/因此，尽管我们看到科学所带来一些乐观趋势，但当我们谈到东南亚疫情再度爆发时，也有一些令人担忧的迹象，/因为我们已经面临着具有挑战性的财务状况/且这个市场高度依赖区域内或国际旅游业。/因此，这将继续挑战那里的航空公司/自危机出现以来的最新发展，/我们已经看到特别是对于航空公司来说，/他们正在考虑新一波新冠病毒感染的所有可能性。/即使在疫情似乎受到控制的司法管辖区也很难计划，感染率也仍在上升。/因此，在我们展望今年余下时间之际，/短期内局势将是脆弱的。/为了增加一些积极的因素。/如果你看新兴市场，就有旅行需求和长期基本



面。/市场增长仍然存在，/所以我认为这并没有改变。/因此，从短期来看，尽管可能存在一些挑战/可能会推动市场变化，/而且正如已经发生的那样，/长期基本面依然强劲，/尤其是在明年初冬奥会的中国市场，/到目前为止，在控制疫情/和经济立即复苏的经验非常令人鼓舞，/这是从我们的角度来看。/因此，未来的道路上仍然存在一些挑战。/所以我认为这是为自己总结的。/非常感谢你。/以上是提供给各位的“Ishka的观点”。/我们希望你喜欢 Ishka 中国简报的其余部分。/谢谢你。/谢谢 Sid，谢谢你。/

English

/Hello and welcome to the Ishka briefing:China, my name's Eddy Pieniasek./I'm the head of advisory at Ishka and with me is my colleague Siddharth Narkhede, who's our/senior analyst and Airline credit specialist. We'll be providing a very quick/overview ,the Ishka view, on the metal and the market, on the airlines on the aircraft./So without further ado Sid, can we start the show?/Yes Eddy and hello./So what we will do is start off with some general market commentary and then, then/move to some specific observations on the Chinese market./So to begin with on a positive note, obviously there has been /a recovery since the crisis , since the initial/wave that hit last year, and especially in/the domestic sector, the recovery, again Domestic/China has been a big driver off that as the charts on the/right shows..... and positively./Even the domestic US market has has been responding/ to the changes there on the pandemic front, where traffic levels have recovered/to almost 60 - 70%./So that's positive./And but I mean in terms of some of the other/regions The recovery has been very volatile./and if you can, look, on the international domestic segment./at one point it recovered the most in somewhat last/year and then quickly the recovery God destructed./There is some optimism now with the changes in travel regulations/and ,/the announcement by the EU Commission to allow vaccinated travellers to/travel freely So those are all positive./But fundamentally./In the first quarter, traffic levels were hardly 10 to 15%/about its pre pandemic levels./So that has had an impact on the performance off airlines there./So, , in terms of some of the other markets in/Latin America, for example, then the reason remains/a pandemic/ hot spot./And as it is , traffic recovery has also been volatile/Brazil which saw strong recovery until end of last year./saw significant disruption for the most part/of 2021./But there too./It appears that there is some sign/of improvement, but the situation remains but a/bit more volatile there. and finally in Asian Pacific other/than domestic China there, /even that market has

seen some disruption early on this year. Elsewhere in India, for example, the recent months have been quite disruptive, and there's been significant impact on a human level there and more recently in Southeast Asia. Ah, you see further increase or new clusters of cases which have disrupted the limited traffic people really have seen there. So obviously that all this will be the impact that has been a significant impact on financial performance. So this is obviously a quarterly results, and it looks at around 60 of the world's largest airlines, and it's the Q1 results coming out so the numbers will get updated. But what it shows is that after a significant decline in the second quarter last year, there has been a loss, but ultimately even a tiny bit level. Ah, the industry or these top 60 airlines remain at least 40% in the negative in the first quarter but again to highlight some positives there. If you look at the performance of the domestic US market because of the positive traffic recovery. Airlines have reported recovering having some positive cash from March onwards and elsewhere the LCCs and especially combination carriers in Asia-Pacific have also had a positive year in complete contrast to most of the industry, so there are some positives, but ultimately airlines remain loss making and on the balance sheet side, just the right hand chart there has been. Again. These losses have contributed to significant declines in capital structure and equity positions have deteriorated because of the losses and as airlines from liquidity being the most critical factor airlines are now looking to raise cash and a lot has been raised, but it mostly has been in the form of debt. So as a result, leverage levels are up significantly and likewise capital structures are much more weaker now. So repairing this will take time, especially on an organic level. Official report, sustained profitability and free cash flows, which, which will be challenging at least definitely in 2021 and for the most part of the next year, and that leads to the liquidity. And, as mentioned, airlines have raised a lot of debt to improve their liquidity levels and that's a big positive. As we look forward in to 2021 and remainder of the year likewise many airlines have also managed to restructure their earliest debt commitments. So, in terms of issuing more long term debt, or by refinancing short term debt, such as the revolving facilities. But in a challenging market environment, the airlines will find it difficult to generate meaningful free cash flows. And, as a result existing results, will have to be utilised to corner on the short term obligations. As the chart shows the airlines on the left. There is a greater concentration of, north American Airlines and other Airlines from other regions, which have built up sizable liquidity reserves. But if you look at the emerging markets again, the coverage in terms of the available liquidity is slightly less and is less than their short terms debt and lease commitments. So that means new debt/It

will have to be issued./or some restructuring or again /Some deferrals might be necessary.//In the Asia-Pacific specific market./There are some government owned airlines, which might not have a lot of cash on the balance sheet././But who might be able to benefit from ongoing government support./There are several airlines which have, especially the Chinese airlines/which have significant credit facilities and established relations./So we see that as comforting, and it helps to alleviate./Some of these short term liquidity lists that might exist./So with that Eddie, what do you think?/Yes./So I mean, with the market being pretty heavily involved in terms of/overcapacity, there's a lot of aircraft going spare that's obviously having an/impact on market values and market lease rates./So here on this table, we're just looking at some of the changes in market/values that we've been recording since January 2020 on the left hand side./we have a number of different wide bodies, different vintages/ 5, 10, 15 year old and down /the middle of the chart./ we have the narrow bodies as well./I mean, just as a reference point./The Chinese fleet./It's over 4000 aircraft./A large proportion of them, as you might expect are, are some of the more popular narrow bodies that/737 800s and A320s ./But there's also a spread of the larger wide bodies as well, and they've/all been impacted in terms of value terms./But some of the key things we've seen in a market sense has been /The younger aircraft have generally held a value, better and they've been less impacted./I mean, everything's declined, but they've tended to do far better/than the other types, and you can see here./the 737 800 and A321./For relatively young aircraft, they've lost 17-20% of market value in the/past 15 -18 months./Similar age wide bodies, They've lost more, a 3rd of their value, if not more./And again we've seen the larger the wide body, the more the impact has been/because of the overcapacity issue and the fact that international travel just has not returned in the way,/everybody would have hoped, as the aircraft get older again, the/percentage declines have grown as well, a lot of aircraft /have been stood down and again because of the over/capacity values of depreciated and again, even in terms of the party at/market./That's not being particularly active because there hasn't been mean that the demand./So the narrow bodies./Because of that domestic traffic that Sid has mentioned,/their values have held up a little bit better than on the wide body side, and again,/if it's in production./there's still an economic life ahead of the aircraft The out-of-production types have been being/impacted more, more heavily./That's in terms of market values. moving onto market lease rates./Again, we're seeing a very similar picture./But because the lease rates are more responsive to market conditions,/pretty much everything is being impacted./It doesn't really matter in terms of age wise, if the aircraft are available and there have been/bankruptcies there have

been lease returns, early lease returns have been airline failures, and that's just created more capacity, especially in the younger side of things and, of course, we've had issues with the Boeing 737 Max.... that has probably actually held up or help to support the 737 800 values. But now that the Max is back in service the 737 800 is now subject to the same kind of supply and demand pressures as well. So again we've seen younger aircraft performing slightly better and the older aircraft performing slightly worse than nothing. A lot of the older aircraft. Now they're probably reaching points, especially when you get to 15, 20 years of age. They're getting to that part-out value and even that is under pressure today, just because of the lack of demand. So we're seeing some of the major widebody types, like the A380 being impacted quite heavily in terms of rental amounts and also the 777 300 the aircraft are coming off their prime releases. The secondary market is very thin. These are probably good times. If you're a start up airline or looking to overhaul fleets to step in and perhaps replace older aircraft, with younger aircraft and do some fleet planning, they're obviously plenty of options out there. And we are seeing a lot of new start up airlines coming onboard. Taking onboard some of these aircraft where there is a little bit of excess supply and you know, trying to start a business as and when the traffic allows. So if we move on to the next step, there's some fairly China market specific issues that are probably worth mentioning. Is there anything here that that leaps out for you Sid? anything of particular relevance? Yeah. I mean we've all seen how quickly the Chinese domestic market has recovered. not just once, twice now, last year and even this year after that disruption early on, most airlines have been profitable at an even level, which is again, a positive outcome if we compare it with the performance across other regions. And beyond the operating profitability. The fact that many of the Chinese airlines have a younger fleet the market disruption has not been as significant. Ultimately, ah, there are less fundamental changes that are likely in the market. So, Airlines have not had to incurred as big restructuring and import impairment losses as airlines in other regions and in terms performance over the quarters, after a significantly negative Q1 of 2020. There was a return to positive Cash flow from operations in subsequent quarters for most airlines, but it's important to highlight that it hasn't reached pre-pandemic levels yet. So airlines still struggle to make meaningful free cash flows so that will have an impact on the financing needs, which as we saw last year, was quite sufficient for all the major airlines there. And Again the important bit. the international segment as mentioned, the impact on wide body values. There has been absolutely no recovery on the international segment and there are, limited prospects for it to recover this year as well with the uneven

pace of vaccinations globally and with new Covid variants emerging, that would be really depend on how the vaccinations progress Across the main markets and. In terms of the airline's there has been an increase in share by LCCs, especially Spring Airlines, which has made quite an In-road into the market. Last year. Ultimately, the Chinese airlines, at least the big ones. They have access to significant facilities. As I mentioned, they have established relations. But the leverage levels also remain high and that is a point of concern to some extent. But again because of the available financing generally, we see limited kind of short term liquidity risks with these airlines and even as has already happened, more is planned. There are new equity issuances also be considered, so that will also help in maintaining the capital structures. So, there's a point you made about the younger, fleet in China's as well, Sid. China has had a lower market disruption in terms of its domestic network, younger fleet have stayed busy, and there's been less need for any value impairments there as well. And of course, I think the other thing to mention is that one part of the market, which has continued strongly throughout this whole pandemic, has been the freighter side of things. And if there are older aircraft that are coming to the end of their primary life, there's a good strong market for aircraft conversions into the freight mode, especially for A321s and the Boeing 737 800. There's obviously space as well in the wide body sector too. Certainly there's demand for some of those narrow body types in that conversion market as well, which has stayed strong. So that leads us on to the final side and our take-away points and our outlook. Eddy, what's your view on the market in the next six months of the year? Well, I mean, as far as Europe is concerned, I think the critical period is now. We're hitting that peak season. This is where demand is is traditionally as its highest. This is where people are expecting to travel if they're allowed to. And so the next few weeks are probably gonna be quite critical to understanding. How have the second half is going to start to play out, so I think that's critical. It's quite a concern to see how little traffic there is in terms of international traffic in Asia- Pacific markets generally, you know, we're still at what, 10- 15% off what the loads used to be at the start of 2020. So that's a concern. And I guess that the vaccination rollout programmes and just getting that cross border conversations going so that airlines can travel internationally. it's still got to play out. So, you know, I think positive signs on the domestic front, but still need to see some activity on the international side. Yeah, I agree. I mean, the booking trends and surveys all point to a significant pent up demand and, as we've heard, with a lot of the population. There has been significant unemployment as well, but those who were fortunate enough have built up sizable reserves at an individual level which is waiting to be spent. so it will



depend quite a lot on the/vaccination programme/How that progresses and./Ultimately, travel regulations, especially looking at/markets like Europe, a lot of it is international, despite being a/single common market /I think considering that the volatility/is likely to continue./So even though we're seeing some science of optimism, there are also some/signs of concern as we talked about outbreaks in Southeast Asia/are already/ facing challenging financial/positions/And that market depends a great deal on the intra regional/or international tourism./So that will continue/to challenge the airlines there/ Recent developments since the crisis emerged, we have seen that/it's very difficult to plan especially for airlines/who are considering the prospects off new/waves of Covid infections rising even in jurisdictions where/the pandemic appears to be under control./So the situation will be /fragile in the short term, as we look ahead to the/remainder of the year./To add to some positives./If you look at the emerging markets there is desire to travel and the long/term fundamentals./Of market growth still remain in place, so I don't/think that has changed./So in the short term, even though there might be some challenges that/might drive/Market changes and as has already happened, the long term fundamentals /remain strong and /especially in the Chinese market with the winter/Olympics early next year and the experience so far/of the control in terms of/ the pandemic and the immediate recovery is quite/encouraging./From our point of view./ So still some challenges on the on the road ahead./So I think that sums it up for ourselves./ Thank you very much./That was the "Ishka View" for you./We hope you enjoy the rest of the Ishka China briefing./Thank you./Thank you to Sid, hank you./