

CSI Index Monthly Report

March 2015 Issue

CSI Express

- Mainland stock market turned down in the first week of March but then rallied to a seven-year high. CSI 300 Index was up by 13.39% to 4051.20 points. Shanghai Composite Index climbed 13.22% to 3747.90 points. Shenzhen Component Index gained by 11.93% to 13160.66 points. Small cap indices again led the size indices group. CSI 500, CSI 1000 and ChiNext all made historical high. Airlines, retailing and dividend led the sector and thematic group. Average daily turnover of A-share market nearly doubled to 943.1 billion CNY. CSI Universal Bond Index decreased by 0.72% to 153.30 points.
- CSI and Shanghai Stock Exchange adjusted the free float treatment in index methodology. The adjustment was originally scheduled to take effect on the next periodical review (June 15, 2015) but has been brought forward to March 11th due to market circumstances. There are 2 changes: 1), the lowest bracket of Negotiable Market Cap Ratio extends from [0, 10%] to [0, 15%] while the 2nd lowest bracket shrinks from (10%, 20%] to (15%, 20%], and 2), if a stock's Negotiable Market Cap Ratio is below 15%, the inclusion factor will be taken as the nearest higher percentage point.
- SWS Securities Index will be renamed as CSI SWS Securities Index in April. It symbolizes the deepened index collaboration between CSI and SWS Research. The Index will be published, managed and maintained by CSI after the rename.
- Index Launch in March
 - CSI Bond Fund Index Series. The first two indices of the series are CSI Pure Bond Fund Index and CSI Ordinary Bond Fund Index. The former include those funds investing only in bonds while the latter include all bond funds as long as they can not trade stocks on secondary market. The Index is weighted by fund AUM. The weight cap on each fund is 15%. The AUMs of the Indices are CNY 66 billion and 120 billion, respectively.
 - CSI Steel Index. The Index consists of up to 50 companies in steel industry. The weight cap on each stock is 10%. The market cap of the Index is CNY 680 billion.
 - CSI Automobiles Index. The Index selects up to 100 stocks in the automobiles-related industry. The weight cap on each stock is 10%. The market cap of the Index is CNY 1.34 trillion.
 - CSI Infrastructure Index. The Index consists of 100 companies from Infrastructure, Specialized Engineering, Engineering Machinery, Transportation Equipment industries. The weight cap on each stock is 10%. The market cap of the Index is CNY 1.43 trillion.
- Index Launch in April
 - CSI Mixed-Ownership Reform Index. The Index selects up to 100 state owned enterprises (SOEs) which are undertaking or set to undertake mixed-ownership reforms. Especially, those pilot SOEs, SOEs which have released restructuring plans or shares transferring plans and SOEs which have completed the reforms have the priority to enter the index. The weight cap on each stock is 3%. The Index is reviewed quarterly. The market cap of the Index is CNY 1.9 trillion.
 - CSI Small & Medium SOE's Reform Index. The Index is similar to the CSI Mixed-Ownership Reform Index except that constituents of CSI 300 Index are out of the universe. The market cap of the Index is CNY 1.3

trillion.

- CSI Non-Cyclical Private-Owned Enterprises Index. The Index consists of 100 private enterprises from non-cyclical industries while each CICS sector has no more than 20 constituents. The weight cap on each stock is 5%. The market cap of the Index is CNY 3.3 trillion.
- CSI Environmental Protection Industry 50 Index. The Index is composed of the largest 50 stocks which have half of revenue from resource management, clean technology & product or pollution management business. The weight cap on each stock is 5%. The market cap of the Index is CNY 1.2 trillion.
- CSI Small & Mid Cap Health Care Index. The Index universe excludes all the stocks that make up top 75% of the accumulative A-share market cap. The Index then selects health care companies which make up top 95% of the remaining sector market cap. The weight cap on each stock is 5%. The market cap of the Index is CNY 555 billion.
- CSI Defense Information Security 150 Index. The defense theme covers the stocks in aviation, aerospace, shipping, weapons, military electronics and satellite industries. The information security theme includes security technology developers, product manufacturers and services providers. The market cap of the Index is CNY 2.6 trillion.
- CSI Insurance Thematic Index. The Index stepwisely intakes insurance companies, internet insurance related companies and shareholders of insurance companies as constituents until the total number reaches 20. A layered weighting method is adopted as well. The market cap of the Index is CNY 4.1 trillion.
- CSI Gold Miners Index. The Index consists of up to 50 companies from gold mining and smelting industries. The weight cap on each stock is 15%. The market cap of the Index is CNY 173 billion.
- SSE Automobiles Index. The Index selects up to 50 Shanghai-listed stocks in the automobiles-related industry. The weight cap on each stock is 15%. The market cap of the Index is CNY 748 billion.
- SSE Infrastructure Index. The Index consists of up to 50 companies from Infrastructure, Specialized Engineering, Engineering Machinery, Transportation Equipment industries. The weight cap on each stock is 15%. The market cap of the Index is CNY 1.2 trillion.
- CSI SH-SZ-HK Internet Index. The universe of the Index is composed of CSI Internet Index constituents and eligible securities of SH-HK Stock Connect Southbound Trading among CSI HK 300 index constituents. Those companies as internet technology and software providers, platform operators, Internet content and service providers are then selected as constituents. The weight cap on each stock is 15%. Tencent and Suning are on the constituents list.
- CSI SH-SZ-HK Mainland Insurance Index. The Index consists of all the mainland insurance companies among CSI SH-SZ-HK 1100 Index constituents. The weight cap on each stock is 20%.
- CSI SWS One Belt and One Road Index. The Index selects up to 100 stocks from mining, electrical equipment, real estate, chemicals, machinery equipment, construction & decoration and transportation industries that cover the One Belt and One Road region. The weight Cap of individual constituent is 10%. The market cap of the Index is CNY 2.3 trillion.
- CSI SWS High-Speed Railway Industry Index. The Index is composed of up to 100 stocks which are in the high-speed railway infrastructure, high-speed train manufacture, high-speed railway information equipment & electrical equipment or high-speed railway operation business. The weight Cap of individual constituent is 5%. The market cap of the Index is CNY 1.6 trillion.
- CSI SWS Liquor Index. The Index selects up to 50 stocks from liquor industry as constituents. The weight Cap of individual constituent is 15%. The market cap of the Index is CNY 0.5 trillion.

- In March, 13 index products were incepted in China mainland market, 9 of which track CSI-licensed indices.
 - ChinaAMC launched 1 feeder fund for its SSE 50 ETF, which raised CNY 899 million.
 - UBS SDIC launched 1 structured fund tracking CSI Innovative and Growing Enterprises Index, which raised CNY 219 million.
 - GF launched 1 ETF tracking CSI All Share Financials Index, which raised CNY 579 million.
 - GF launched 1 index seed fund tracking CSI Environmental Protection Industry Index, which raised CNY 2.79 billion.
 - China Universal launched 1 feeder fund for its CSI Consumer Staples ETF, which raised CNY 3.74 billion.
 - Franklin Templeton Sealand launched 1 enhanced index fund tracking CSI 100 Index, which raised CNY 675 million.
 - Fullgoal launched 1 structured fund tracking CSI All Share Investment Banking & Brokerage Index, which raised CNY 861 million.
 - Fullgoal launched 1 structured fund tracking CSI New Energy Vehicles Index, which raised CNY 6.02 billion.
 - QHKY launched 1 structured fund tracking CSI China Aviation Industry Aerospace Defence Index, which raised CNY 500 million.

CSI&SSE Main Indices Performance

Index	Close	1M	3M	12M	YTD	12M Volatility	P/E	P/B	Dividend Yield
CSI 300	4,051.20	13.39%	14.64%	88.75%	14.64%	21.37%	15.69	2.28	1.92%
CSI 100	3,725.18	11.73%	8.27%	88.34%	8.27%	24.08%	12.75	1.96	2.43%
CSI 200	5,234.87	16.32%	27.43%	89.40%	27.43%	19.24%	38.27	3.86	0.68%
CSI 500	7,253.10	20.51%	36.27%	88.86%	36.27%	19.07%	44.36	4.05	0.58%
CSI 700	6,141.48	18.44%	31.82%	89.16%	31.82%	18.74%	41.02	3.95	0.63%
CSI 800	4,606.90	15.30%	19.99%	88.80%	19.99%	19.59%	18.18	2.53	1.63%
CSI 1000	8,780.74	22.95%	45.68%	89.51%	45.68%	24.36%*	69.36	5.41	0.34%
CSI Dividend	4,167.37	18.31%	20.84%	85.69%	20.84%	20.02%	10.18	1.61	3.31%
SSE Composite	3,747.90	13.22%	15.87%	84.33%	15.87%	20.45%	17.00	2.39	1.72%
SSE 50	2,754.66	11.32%	6.70%	87.93%	6.70%	25.90%	11.73	1.84	2.70%
SSE 180	8,972.90	12.91%	11.54%	91.14%	11.54%	22.73%	13.67	2.05	2.27%
SSE 380	6,395.58	19.64%	31.41%	92.44%	31.41%	19.28%	37.38	3.16	0.91%
SSE MidCap	4,256.86	15.51%	20.18%	96.75%	20.18%	19.89%	19.97	2.63	1.46%
SSE SmallCap	5,530.63	20.01%	31.81%	93.41%	31.81%	19.58%	40.03	3.27	0.79%
SSE Dividend	2,942.06	17.39%	15.48%	82.04%	15.48%	21.70%	9.26	1.49	3.67%

[*] Source: WIND

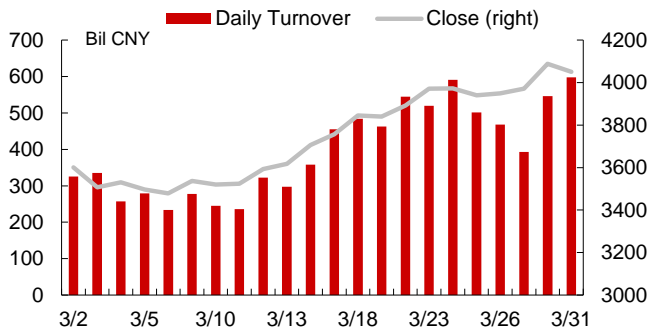
CSI&SSE Size Indices Representativeness

CSI Indices			
Large Cap	Mid Cap	Small Cap	Mini Cap
CSI 100 (38.8%, 24.2%)*	CSI 200 (15.7%, 17.9%)	CSI 500 (15.6%, 20.7%)	CSI 1000 (16.8%, 23.5%)
CSI 300 (54.5%, 42.1%)			
CSI 700 (31.3%, 38.6%)			
CSI 800 (70.1%, 62.8%)			
Shanghai + Shenzhen A-Share Mkt Cap 47.4 trillion CNY, Average Daily Turnover 943.1 billion CNY			

[*] Index (% Mkt Cap of Shanghai)

CSI 300 Index Analysis

Overview



Risk-Return Analysis

	1M	3M	6M	12M	YTD
Performance	13.39%	14.64%	65.29%	88.75%	14.64%
Volatility	20.73%	28.48%	26.98%	21.37%	28.48%
	P/E	P/B	EPS	ROE	ROA
CSI 300	15.67	2.28	0.69	14.23%	15.23%
Energy	15.54	1.70	0.66	10.96%	12.11%
Materials	33.80	2.40	0.31	6.37%	6.71%
Industrials	28.03	3.03	0.44	10.68%	12.00%
Consumer Dis	21.50	3.79	0.98	16.29%	19.31%
Consumer Sta	24.58	4.31	1.19	17.54%	18.56%
Health Care	38.76	5.53	0.87	14.26%	15.22%
Financials	10.49	1.78	0.81	16.98%	17.37%
IT	55.25	6.02	0.33	10.36%	11.26%
Telecom Serv	32.00	3.14	0.28	4.72%	12.05%
Utilities	15.92	2.33	0.51	14.66%	18.50%

Summary

Close	4051.20	Change	13.39%	# of Stocks	300
Open	3603.45	Average Daily Volume	311.07 Mil Lots	Advanced	290
High	4166.02	Average Daily Turnover	396.98 Bil CNY	Declined	7
Low	3417.49	Turnover Rate	30.89%	Unchanged	3

Top 5 Weighted Stocks

Name	Ticker	Mkt Cap (Bil CNY)	Adjusted Mkt Cap	Wgt	Chg
PING AN OF CHIN	601318	404.4	404.4	4.14%	11.33%
CMBC	600016	262.9	262.9	2.69%	5.09%
CITIC SECURITIE	600030	322.9	258.3	2.65%	11.14%
CMB	600036	321.2	257.0	2.63%	5.92%
INDUSTRIAL BAN	601166	349.8	209.9	2.15%	28.93%

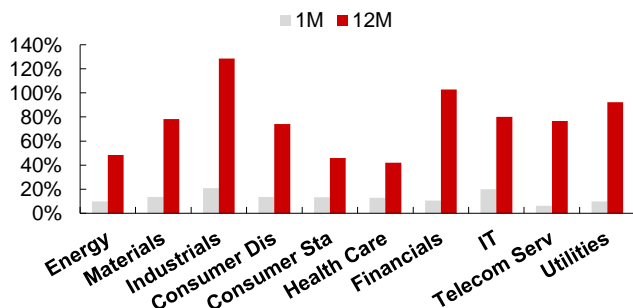
Sector Analysis

Sector	Names	Mkt Cap (Bil CNY)	Wgt	1M	Cont
Energy	17	3421	3.27%	9.83%	11.80
Materials	35	1481	6.98%	13.56%	33.90
Industrials	57	3985	16.42%	20.87%	114.87
Consumer Dis	46	2403	11.69%	13.56%	56.48
Consumer Sta	26	1287	6.28%	13.16%	29.61
Health Care	25	817	4.19%	12.76%	19.22
Financials	48	10029	40.42%	10.45%	156.15
IT	26	1184	6.21%	19.94%	41.79
Telecom Serv	5	364	1.33%	6.07%	3.08
Utilities	15	877	3.20%	9.73%	11.45

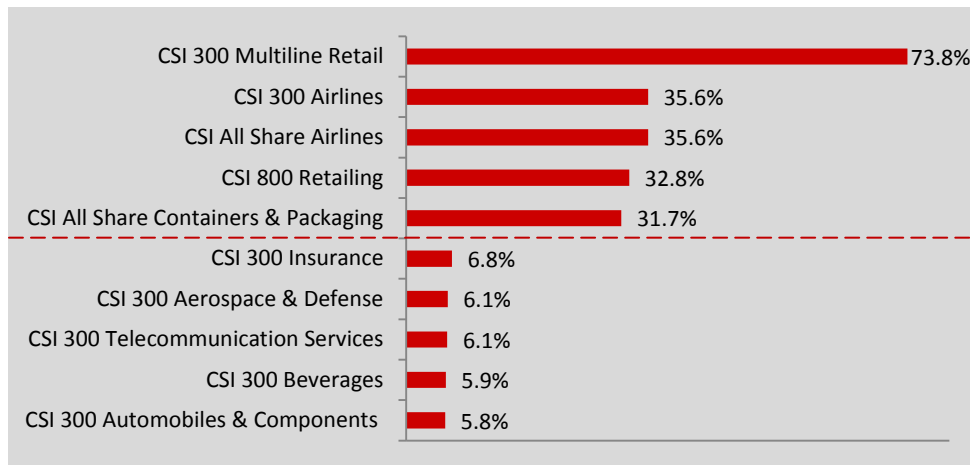
Constituent Performance

Name	Ticker	Close	1M	Cont	Turnover Rate
Top 5 Performers					
YIWU CCC	600415	25.74	73.80%	6.17	39.31%
CHINA SOUTH AIF	600029	7.92	52.60%	3.97	82.67%
YOUNGOR	600177	18.93	50.24%	4.10	80.74%
CHINA RAILWAY	601390	12.63	47.20%	11.48	67.61%
DONGXU OPTOEI	000413	11.80	44.25%	2.54	237.09%
Bottom 5 Performers					
CHANGAN AUTOM	000625	20.29	-5.72%	-1.16	6.79%
USISH	601231	37.44	-5.53%	-0.10	13.91%
CHINA UNICOM	600050	5.47	-3.19%	-0.64	38.55%
GLGF	000831	33.09	-2.01%	-0.17	101.74%
CPIC	601601	33.90	-1.48%	-0.68	34.86%
Top 5 Contributors					
INDUSTRIAL BAN	601166	18.36	28.93%	19.54	70.97%
PING AN OF CHIN	601318	78.24	11.33%	17.03	69.22%
CHINA RAILWAY	601390	12.63	47.20%	11.48	67.61%
CITIC SECURITIE	600030	32.82	11.14%	10.71	94.35%
CSR	601766	16.99	40.18%	9.53	55.95%
Bottom 5 Contributors					
CHINA LIFE	601628	37.05	-1.09%	-0.13	10.89%
GLGF	000831	33.09	-2.01%	-0.17	101.74%
CHINA UNICOM	600050	5.47	-3.19%	-0.64	38.55%
CPIC	601601	33.90	-1.48%	-0.68	34.86%
CHANGAN AUTOM	000625	20.29	-5.72%	-1.16	6.79%

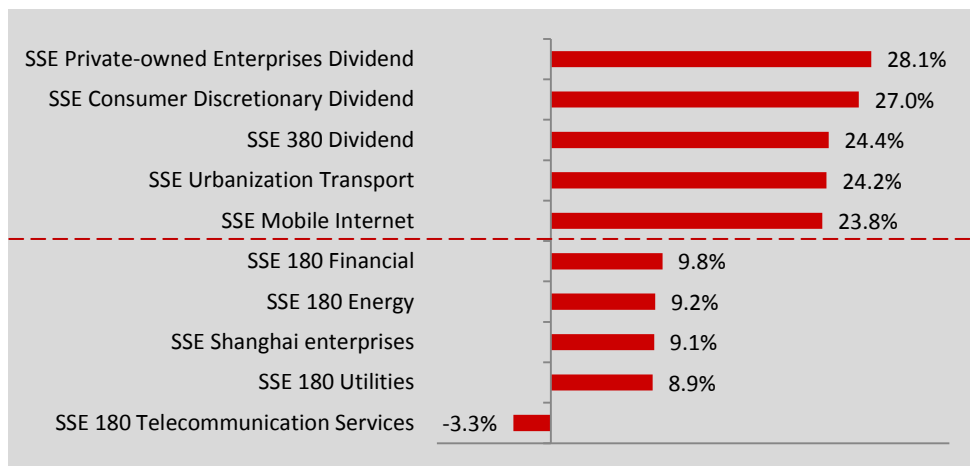
Sector Performance



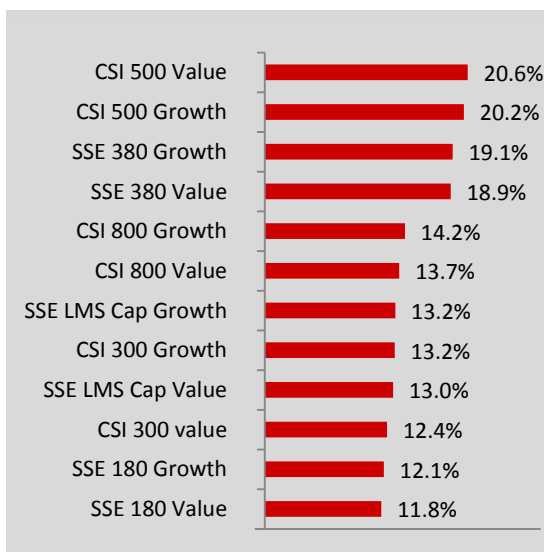
CSI Sector & Thematic Indices: Top & Bottom Performers



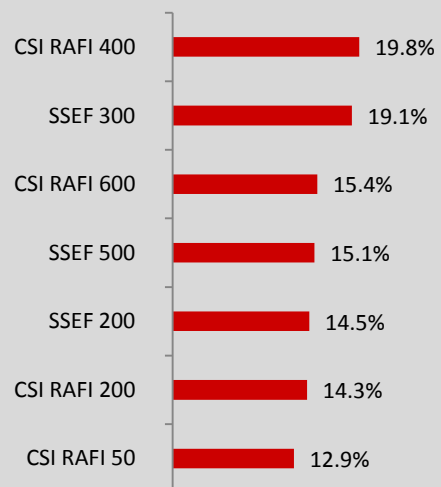
SSE Sector & Thematic Indices: Top & Bottom Performers



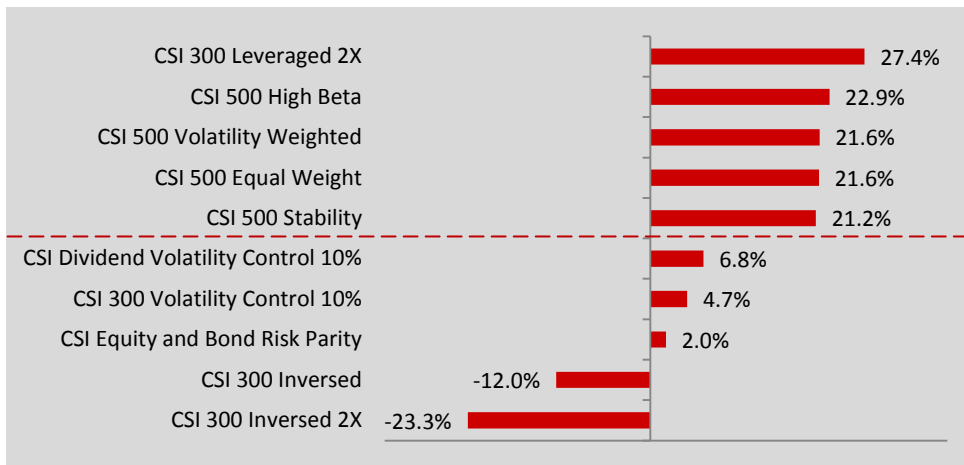
CSI&SSE Style Indices



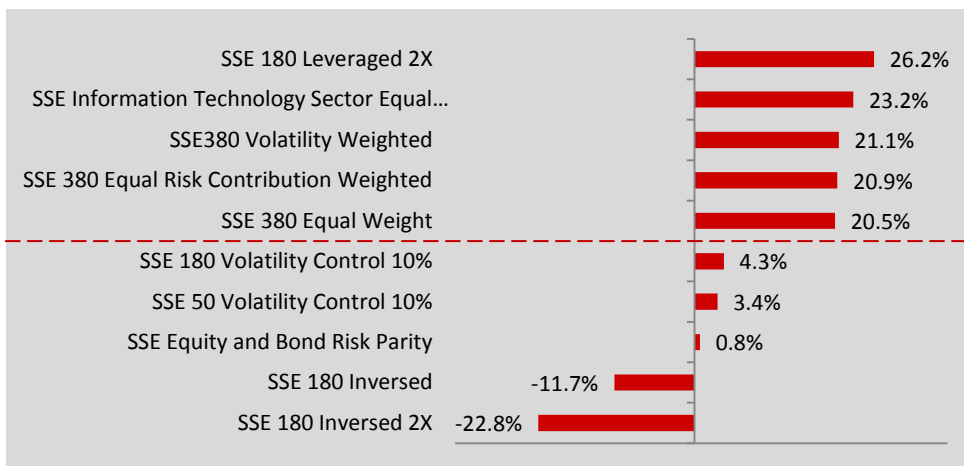
CSI&SSE Fundamental Indices



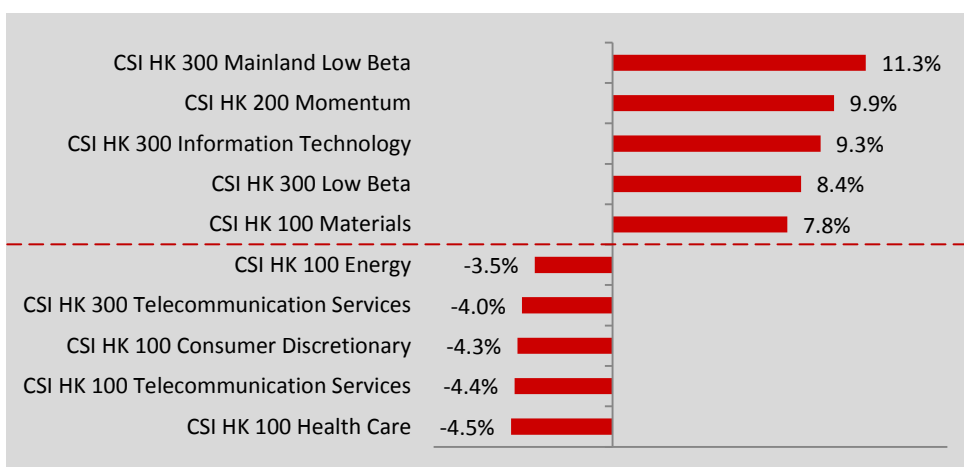
CSI Strategy Indices: Top & Bottom Performers



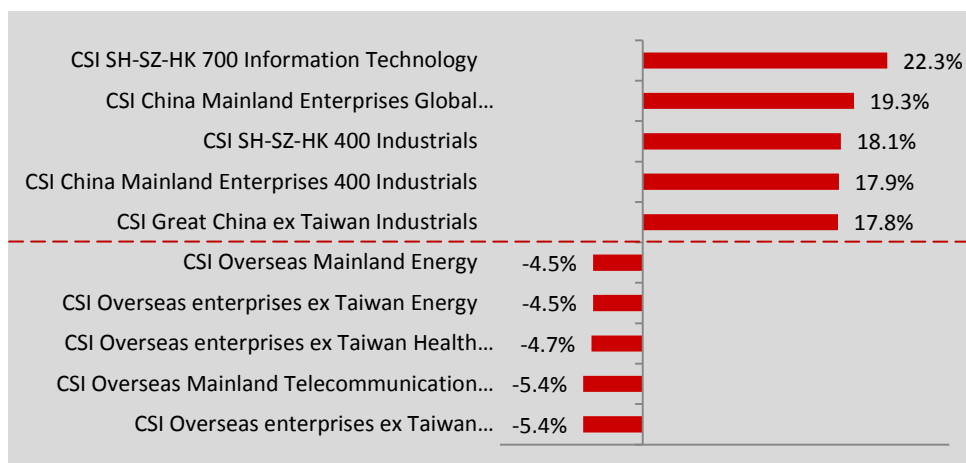
SSE Strategy Indices: Top & Bottom Performers



CSI Overseas Indices (HK Series, in HKD): Top & Bottom Performers



CSI Overseas Indices (Other Series, in CNY): Top & Bottom Performers



CSI&SSE Bond Indices (Selected)

Index	Close	1M	YTD	Duration	Modified Duration	Convexity	YTM
CSI Universal Bond	153.30	-0.72%	0.96%	4.10	3.96	19.91	4.38
CSI Aggregate Bond	159.81	-0.92%	0.94%	4.83	4.66	23.83	4.37
CSI 1 Bond	139.48	0.26%	1.00%	0.43	0.41	0.32	4.07
CSI Aggregate Bond (1-3)	155.69	-0.10%	1.04%	1.89	1.82	2.65	4.19
CSI Aggregate Bond (3-7)	161.48	-0.53%	0.98%	4.00	3.84	10.27	4.54
CSI Aggregate Bond (7-10)	160.34	-1.57%	0.80%	6.78	6.58	26.91	4.08
CSI Aggregate Bond (10+)	158.96	-3.64%	0.67%	13.31	12.93	129.41	4.63
CSI Treasury Bond	155.12	-1.41%	0.90%	6.60	6.44	42.68	3.68
CSI Financial Bond	157.02	-1.56%	0.21%	4.22	4.06	17.46	4.28
CSI Corporate Bond	174.22	0.23%	1.70%	3.58	3.41	10.60	5.18
CSI Central Bank Note	130.27	-0.09%	0.55%	1.34	1.30	1.48	3.60
CSI Short Term Note	139.50	0.38%	1.28%	0.34	0.32	0.23	5.22
CSI 50 Bond	135.12	-0.90%	0.77%	4.10	3.96	13.12	3.88
CSI Medium Term Note 50	126.12	-0.07%	2.02%	3.18	3.03	7.15	4.91
CSI Short Term Note 50	126.76	0.31%	1.03%	0.21	0.20	0.12	4.97
SSE Corporate Bond 30	133.34	0.11%	1.54%	-	-	-	-
SSE Convertible Bond	425.85	2.28%	-1.80%	-	-	-	-

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CSI Index Family*

[*] A short version. For the complete version please contact CSI.

CSI Index Family		
CSI Size Indices	CSI Sector Indices	CSI Overseas Indices
CSI 300	CSI 300 Sector Series	CSI Great China Series
CSI 100	CSI 300 Industry Group Series	CSI Great China Sector Series
CSI 200	CSI 500 Sector Series	CSI RAFI HK 50
CSI 500	CSI (800) Sector Series	CSI HK 100/200/300
CSI 700	CSI 800 Industry Group Series	CSI HK 100/300 Sector Series
CSI 800	CSI 1000 Sector Series	CSI HK 300 Style Series
CSI 1000	CSI All Share Sector Series	CSI HK Middle Cap Select
CSI Free Float	CSI All Share Industry Group Series	CSI HK Dividend
CSI Mega-Cap	AMAC Industry Series	CSI HK SOEs/POEs Series
CSI All Share		CSI HK Strategy Series
CSI Thematic Indices	CSI Strategy Indices	CSI Cross-Straits 500
CSI SOEs/POEs Series	CSI RAFI Fundamental Series	CSI Overseas China Brand 80
CSI Dividend Series	CSI 300/500/800 Equal Weight	CSI Overseas China Internet
CSI Industry Leader Series	CSI 300/500 High/Low Beta Series	CSI Overseas China Five-Year Plan
CSI Industry Chain Series	CSI 300/100/200 Dynamic/Stability	CSI Overseas China Consumer Series
CSI Urbanization Series	CSI 300 Leveraged Series	CSI Overseas China Urbanization
CSI Culture & Sport Leisure	CSI 300 Smart-Beta Series	CSI China Mainland Companies Global Series
CSI Environmental Governance	CSI Volatility Weighted/Control Series	CSI China Mainland Enterprises 400 Series
CSI Mobile Internet	CSI Synthetic Option Strategy	CSI ASEAN Series
CSI Old-Age Industry	CSI Style Indices	CSI BRICS Series
CSI National Defence	CSI 300/500/800 Style Series	CSI Overseas High Yield Bond ETFs
CSI Bond Indices		
CSI Credit Bond Series	CSI Government Bond Series	CSI Convertible Bond
CSI Fund Indices		
CSI Open-end Fund Series	CSI Listed Structured Fund Series	CSI Jinniu Fund Series
CSI Commodity Indices		
CSI Commodity Futures Series	CSI Commodity Futures Sector Series	CSI Optimum Yield Commodity Futures
CSI Special Indices		
CSI Baifa 100	CSI Tencent&Ji'an Value 100	CSI 300 Fullgoal 130/30 Long-Short

Exchange Owned Index Family ^{**}

[*] A short version. For the complete version please contact CSI.

[**] This family of indices is managed by CSI.

SSE Composite Indices		
SSE Composite	SSE Size Indices	SSE Strategy Indices
SSE A Share	SSE 180	SSE 50/180/380 Equal Weight
SSE B Share	SSE 50	SSE 180 Sector Equal Weight
SSE New Composite	SSE 380	SSE Sector Equal Weight Series
SSE Sector Classification Series	SSE Mega-Cap	SSE Fundamental Series
SSE Free Float	SSE Large/Mid/Small Cap Series	SSE 180/380 High/Low Beta Series
SSE Medium Enterprise Composite	SSE Market Value Top 100	SSE Volatility Weighted Series
SSE Sector Indices	SSE Style Indices	SSE 180/380 Dynamic and Stability Indices
SSE Sector Series	SSE Large & Mid & Small Cap Style Series	SSE 180 Leverage/Inverse Series
SSE 180/380 Sector Series	SSE 180/380 Style Series	SSE 50/180 Volatility Control Series
SSE Thematic Indices		
SSE 180 Thematic Series	SSE Agriculture Theme	SSE /180 Corporate Governance
SSE 50/180/380 Dividend	SSE Health Care Theme	SSE Social Responsibility
SSE TMT	SSE Commodity Equity Series	SSE Environmental Protection Industry
SSE Old-Age Industry	SSE Emerging Industries	SSE Sustainable Development Industry
SSE SOEs/POEs Series	SSE Culture Industries	SSE Industry Top
SSE Consumer 80	SSE Strategic Information Industry	SSE Shanghai Enterprises
SSE Urbanization Series	SSE TMT Industry	SSE Regional Industry Top Series
SSE Industry Chain Series	SSE National Defense Industry	SSE Oversea-listing A shares
SSE Government Bond		
SSE Government Bond	SSE 5/10-year China Treasury Note	SSE 5-year Credit Bond
SSE Enterprise Bond	SSE Convertible Bond	SSE Detachable Convertible Bond
SSE Corporate Bond 30	SSE Urban Construction Investment Bond	SSE Medium Term Medium-High Yield Cross Market Credit Bond
SSE Fund		
SZSE Strategy Indices		
SZSE Strategy Indices	SZSE Thematic Indices	
SZFI 60/120/200	SZSE Industry Chain Series	