

CSI Express

- In December, mainland stock market followed a downward trend and returned to the end October level. CSI 300 Index was down by 6.44% to 3310.08 points. Shanghai Composite Index dropped 4.50% to 3103.64 points. Mid cap leads the size index group. Energy and Consumer Staples led the sector and thematic group. Average daily turnover of A-share market contracted 1/4 to CNY 442 billion. CSI Universal Bond Index further dropped 1.23% to 167.39 points.

- Index Launch in December
 - CSI Caixin New Economic Engine Index. The Index selects 300 stocks from new economy industries by financial health score and the non-fixed assets score. The market cap of the Index is CNY 6.51 trillion.
 - CSI Caixin Bedrock Economy Index. The Index selects 300 stocks from listed companies by size score, financial health score and low risk score. The index is to measure the price performance of companies with efficient size and low risk. The market cap of the Index is CNY 19.33 trillion.
 - CSI SH-HK-SZ High Dividend Yield Index. The Index selects 100 stocks which are characterized by good liquidity, continuous dividend-paying record, high dividend yield as constituents. The Index is weighted by dividend yield. It aims to reflect the performance of high dividend yield companies in Shanghai, Shenzhen and Hong Kong market. The market cap of the Index is CNY 10.26 trillion.
 - CSI China Mainland Enterprises 400 Momentum Index. The Index uses risk adjusted price momentum over the previous 12 months as momentum indicator, and selects the stocks that rank top 200 as constituents. The market cap of the Index is CNY 21.31 trillion.
 - CSI China Mainland Enterprises 400 Equal Risk Contribution Weighted Index. The philosophy is to allocate the weight and make each constituent with equal risk contribution to portfolio risk. Compared to market cap weighted index, the equal risk weighted index aims to achieve higher Sharpe ratio and maximum risk diversification. The market cap of the Index is CNY 31.53 trillion.

- Index Launch in January
 - CSI Multi Asset Risk Parity Index. This Index is composed of Equity, Bond and Gold asset, and each asset has equal risk contribution to portfolio. The index provides asset allocation tools for institutional investors.
 - CSI HK Connect Composite Index. This Index selects eligible common equity securities listed on SEHK under Hong Kong Stock Connect as the index constituents, weighted by free float market cap.
 - CSI HK Connect 50 Index. The Index selects the biggest 50 eligible common equity securities listed on SEHK under Hong Kong Stock Connect as the index constituents.
 - CSI HK Connect Mainland Investment Banking & Brokerage Thematic Index. The Index selects the Mainland Investment Banking & Brokerage companies among eligible common equity securities listed on SEHK under Hong Kong Stock Connect as the index constituents.
 - CSI CITIC Sustaining Growth Index. The Index is customized for CITIC Securities, which seeks to find stocks with both growth potential and valuation advantage.
 - CSI GuoKai Growth 50 Index. The Index is composed of stocks which have publicly disclosed financial service cooperation with China Development Bank (CDB) and its affiliates and of good theme score, operating revenue growth rate, gross profit margin growth rate, return on net assets and asset turnover rate performance. The

market cap of the Index is CNY 1.7 trillion.

- In December, 10 index products which track CSI-licensed indices were incepted in China mainland market.
 - Yinhua launched 1 index fund tracking SSE 5-Year China Treasury Note (Futures Deliverables) Index, which raised CNY 200 million.
 - Yinhua launched 1 index fund tracking SSE 10-Year China Treasury Note (Futures Deliverables) Index, which raised CNY 200 million.
 - Fortune SG launched 1 enhanced index fund tracking CSI 300 Index, which raised CNY 10 million.
 - Changxin launched 1 index fund tracking SSE HK Equities Index, which raised CNY 17 million.
 - Zheshang Securities Asset Management launched 1 index fund tracking CSI Transforming Growth Index, which raised CNY 225 million.
 - China Universal launched 1 index fund(LOF) tracking CSI Biotechnology Thematic Index, which raised CNY 235 million.
 - China Universal launched 1 index fund(LOF) tracking CSI Internet Health Care Index, which raised CNY 226 million.
 - China Universal launched 1 index fund(LOF) tracking CSI Environmental Governance Index, which raised CNY 348 million.
 - China Universal launched 1 index fund(LOF) tracking CSI Traditional Chinese Medicine Index, which raised CNY 276 million.
 - TruValue 1 enhanced index fund tracking CSI 1000 Index, which raised CNY 10 million.

- By end 2016, there are 466 mutual fund products tracking CSI-licensed indices globally with total AUM CNY 483 billion.

CSI&SSE Major Indices Performance

Index	Close	1M	3M	12M	YTD	12M Volatility	P/E	P/B	Dividend Yield
CSI 300	3,310.08	-6.44%	1.75%	-11.28%	-11.28%	21.78%	13.60	1.54	2.25%
CSI 100	3,134.45	-6.49%	3.02%	-7.50%	-7.50%	19.57%	11.57	1.33	2.72%
CSI 200	4,079.56	-6.39%	-0.43%	-17.39%	-17.39%	26.94%	25.32	2.53	1.08%
CSI 500	6,263.63	-4.89%	-1.02%	-17.78%	-17.78%	29.69%	37.23	2.86	0.65%
CSI 800	3,826.47	-5.98%	0.91%	-13.27%	-13.27%	23.69%	16.00	1.74	1.86%
CSI 1000	8,490.86	-5.81%	-1.96%	-20.01%	-20.01%	32.32%	53.01	3.84	0.38%
CSI Dividend	4,040.73	-4.93%	2.94%	-7.64%	-7.64%	22.22%	9.74	1.13	3.52%
SSE Composite	3,103.64	-4.50%	3.29%	-12.31%	-12.31%	22.61%	15.59	1.68	1.82%
SSE 50	2,286.90	-5.48%	5.03%	-5.53%	-5.53%	19.80%	10.33	1.16	2.96%
SSE 180	7,224.60	-5.39%	3.82%	-9.64%	-9.64%	21.16%	12.08	1.34	2.50%
SSE 380	5,542.39	-4.03%	0.66%	-17.43%	-17.43%	29.07%	28.77	2.64	1.05%
SSE MidCap	3,250.95	-5.23%	1.95%	-15.87%	-15.87%	24.79%	20.01	2.03	1.48%
SSE SmallCap	4,662.49	-4.38%	0.45%	-18.15%	-18.15%	29.13%	30.76	2.50	0.96%
SSE Dividend	2,574.13	-4.70%	3.90%	-7.57%	-7.57%	21.18%	7.88	1.00	4.08%

CSI&SSE Size Indices Representativeness

CSI Indices			
Large Cap	Mid Cap	Small Cap	Mini Cap
CSI 100 (32.9%, 14.6%)*	CSI 200 (13.0%, 12.6%)	CSI 500 (15.0%, 15.9%)	CSI 1000 (17.9%, 24.9%)
CSI 300 (46.0%, 27.2%)			
CSI 800 (61.0%, 43.1%)			

Shanghai + Shenzhen A-Share Mkt Cap 50.6 trillion CNY, Average Daily Turnover 442.0 billion CNY

[*] Index (% Mkt Cap of Shanghai+Shenzhen A-Share, % Turnover of Shanghai+Shenzhen A-Share)

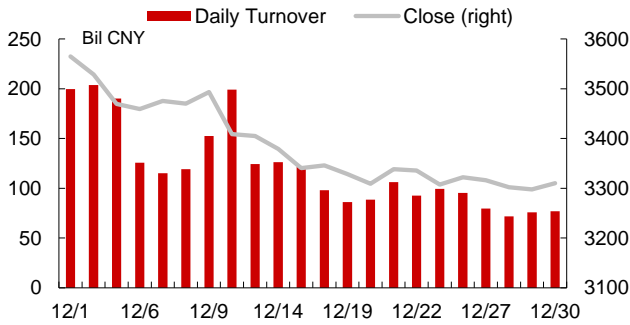
SSE Indices		
Large Cap	Mid Cap	Small Cap
SSE 50 (41.8%, 20.4%)**	SSE MidCap (18.9%, 19.5%)	SSE SmallCap (18.4%, 21.0%)
SSE 180 (60.7%, 39.9%)		SSE 380 (19.0%, 22.0%)

Shanghai A-Share Mkt Cap 28.4 trillion CNY, Average Daily Turnover 200.1 billion CNY

[**] Index (% Mkt Cap of Shanghai A-Share, % Turnover of Shanghai A-Share)

CSI 300 Index Analysis

Overview



Risk-Return Analysis

	1M	3M	6M	12M	YTD
Performance	-6.44%	1.75%	4.95%	-11.28%	-11.28%
Volatility	12.41%	11.04%	11.73%	21.75%	21.75%
	P/E	P/B	EPS	ROE	ROA
CSI 300	12.96	1.68	0.68	12.41%	13.35%
Energy	28.15	1.21	0.26	4.00%	5.05%
Materials	29.56	1.96	0.27	3.11%	3.29%
Industrials	20.44	2.11	0.46	9.29%	10.81%
Consumer Dis	16.82	2.68	0.86	15.29%	17.56%
Consumer Sta	23.67	3.97	1.04	16.28%	17.27%
Health Care	30.10	4.99	0.88	16.58%	17.44%
Financials	8.15	1.27	0.88	15.48%	15.96%
IT	36.13	4.79	0.39	12.91%	13.63%
Telecom Serv	29.49	2.32	0.33	7.86%	13.01%
Utilities	15.62	2.12	0.47	13.60%	18.00%

Summary

Close	3310.08	Change	-6.44%	# of Stocks	300
Open	3543.96	Average Daily Volume	115.30 Mil Lots	Advanced	45
High	3575.97	Average Daily Turnover	120.39 Bil CNY	Declined	252
Low	3267.05	Turnover Rate	9.69%	Unchanged	3

Top 5 Weighted Stocks

Name	Ticker	Mkt Cap (Bil CNY)	Adjusted Mkt Cap	Wgt	Chg
PING AN OF CHIN	601318	383.8	383.8	4.17%	-2.48%
INDUSTRIAL BAN	601166	307.5	215.3	2.34%	-4.16%
CMBC	600016	268.3	214.7	2.33%	-4.42%
CMB	600036	363.1	181.5	1.97%	-5.12%
KWEICHOW MOU	600519	419.8	167.9	1.82%	4.72%

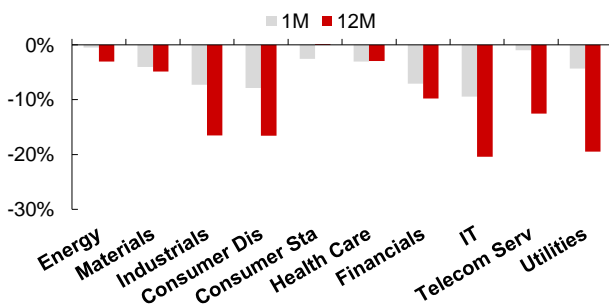
Sector Analysis

Sector	Names	Mkt Cap (Bil CNY)	Wgt	1M	Cont
Energy	11	2382	2.47%	-0.46%	-0.35
Materials	25	1125	5.79%	-4.04%	-8.27
Industrials	67	3563	16.38%	-7.27%	-41.93
Consumer Dis	44	2238	11.22%	-7.85%	-31.28
Consumer Sta	16	1141	5.91%	-2.56%	-4.94
Health Care	17	830	4.62%	-3.04%	-4.58
Financials	66	9503	40.59%	-7.07%	-102.16
IT	40	1482	8.61%	-9.44%	-29.01
Telecom Serv	5	303	1.68%	-0.96%	-0.56
Utilities	9	681	2.72%	-4.32%	-4.85

Constituent Performance

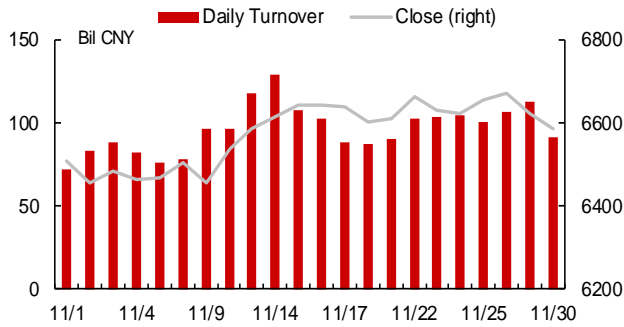
Name	Ticker	Close	1M	Cont	Turnover Rate
Top 5 Performers					
CSSC HOLDINGS	600150	27.61	15.81%	0.96	88.68%
GSRC	601333	5.07	12.17%	0.68	26.16%
YUNNAN BAIYAO	000538	76.15	10.00%	1.30	0.20%
CHINA UNICOM	600050	7.31	9.76%	2.01	48.43%
JIHUA GROUP	601718	9.21	9.64%	0.46	59.03%
Bottom 5 Performers					
SEARAINBOW	000503	42.05	-27.35%	-4.13	25.96%
VANKE-A	000002	20.55	-23.83%	-16.67	11.32%
EASTMONEY	300059	16.93	-21.91%	-3.69	38.79%
INFOGEM	300085	20.90	-21.10%	-0.56	30.70%
CSCEC	601668	8.86	-19.53%	-11.74	47.58%
Top 5 Contributors					
KWEICHOW MOU	600519	334.15	4.72%	2.82	5.52%
CHINA UNICOM	600050	7.31	9.76%	2.01	48.43%
YUNNAN BAIYAO	000538	76.15	10.00%	1.30	0.20%
SINOPEC CORP.	600028	5.41	5.66%	1.13	4.26%
KDX	002450	19.11	6.28%	1.07	37.22%
Bottom 5 Contributors					
VANKE-A	000002	20.55	-23.83%	-16.67	11.32%
CSCEC	601668	8.86	-19.53%	-11.74	47.58%
CRRC	601766	9.77	-18.45%	-7.42	15.18%
GREE	000651	24.62	-13.52%	-6.74	59.45%
CITIC SECURITIE	600030	16.06	-9.52%	-4.86	19.48%

Sector Performance



CSI 500 Index Analysis

Overview



Risk-Return Analysis

	1M	3M	6M	12M	YTD
Performance	2.07%	2.35%	10.73%	-11.11%	-13.55%
Volatility	8.88%	12.23%	16.85%	29.85%	30.69%
	P/E	P/B	EPS	ROE	ROA
CSI 500	36.15	3.08	0.34	7.34%	7.79%
Energy	48.18	1.78	0.18	0.21%	0.16%
Materials	33.50	2.30	0.30	3.95%	4.14%
Industrials	32.82	2.82	0.32	8.00%	8.33%
Consumer Dis	37.43	3.52	0.39	9.02%	9.19%
Consumer Sta	39.06	3.55	0.36	7.60%	7.89%
Health Care	36.70	4.05	0.45	10.67%	11.48%
Financials	25.60	2.50	0.31	9.59%	10.94%
IT	57.72	4.88	0.33	7.86%	7.99%
Telecom Serv	46.37	3.62	0.40	7.03%	7.82%
Utilities	25.93	3.16	0.36	12.19%	14.74%

Summary

Close	6585.58	Change	2.07%	# of Stocks	500
Open	6457.00	Average Daily Volume	87.84 Mil Lots	Advanced	295
High	6692.14	Average Daily Turnover	96.23 Bil CNY	Declined	185
Low	6380.57	Turnover Rate	23.77%	Unchanged	20

Top 5 Weighted Stocks

Name	Ticker	Mkt Cap (Bil CNY)	Adjusted Mkt Cap	Wgt	Chg
SJEP	300072	57.4	28.7	0.72%	11.25%
TIANQI LITHIUM	002466	37.5	22.5	0.56%	-4.98%
JINYUGROUP	600201	21.7	21.7	0.54%	15.68%
ZTT	600522	30.4	21.3	0.53%	7.69%
JCET	600584	18.9	18.9	0.47%	-6.83%

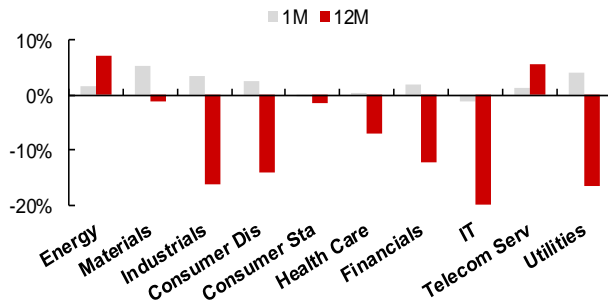
Sector Analysis

Sector	Names	Mkt Cap	Wgt	1M	Cont
Energy	16	271	3.07%	2.17%	3.45
Materials	71	1136	15.35%	6.25%	49.81
Industrials	113	1666	20.94%	4.09%	46.30
Consumer Dis	83	1356	15.90%	2.85%	25.38
Consumer Sta	35	552	6.12%	0.12%	-0.53
Health Care	47	727	10.71%	0.27%	0.25
Financials	37	582	7.34%	2.19%	9.77
IT	71	1139	14.74%	-0.93%	-11.57
Telecom Serv	10	190	2.77%	1.67%	2.54
Utilities	17	289	3.06%	4.33%	7.97

Constituent Performance

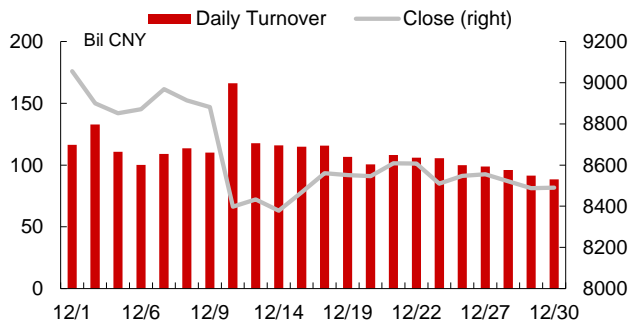
Name	Ticker	Close	1M	Cont	Turnover Rate
Top 5 Performers					
XUCC	600545	11.94	74.05%	4.51	48.82%
QIXIANG TENGDA	002408	11.39	70.25%	5.48	90.41%
CH ZN&GE	600497	8.51	43.27%	7.28	145.05%
CENTURY HUATON	002602	36.73	29.19%	2.80	31.73%
WANJIANG LOGISTI	600575	5.72	28.83%	3.29	32.43%
Bottom 5 Performers					
SUNNER	002299	22.82	-13.43%	-2.59	19.73%
DTCI	601001	6.72	-12.04%	-1.27	48.78%
SYTECH	600183	11.54	-11.84%	-1.83	33.74%
TAJI	002368	33.44	-11.25%	-1.45	24.38%
CINDA REAL ESTAT	600657	6.53	-9.56%	-0.86	86.82%
Top 5 Contributors					
CH ZN&GE	600497	8.51	43.27%	7.28	145.05%
QIXIANG TENGDA	002408	11.39	70.25%	5.48	90.41%
JINYUGROUP	600201	35.41	15.68%	4.84	24.09%
SJEP	300072	48.44	11.25%	4.77	30.42%
XUCC	600545	11.94	74.05%	4.51	48.82%
Bottom 5 Contributors					
WANFENG AUTO W	002085	20.43	-5.94%	-1.93	6.04%
TIANQI LITHIUM	002466	11.54	-11.84%	-1.83	33.74%
JCET	600584	23.46	-6.79%	-1.74	12.77%
VICTORY PRECISIC	002426	54.92	-6.20%	-1.58	6.93%
SUNNER	002299	18.70	-8.24%	-1.48	19.43%

Sector Performance



CSI 1000 Index Analysis

Overview



Risk-Return Analysis

	1M	3M	6M	12M	YTD
Performance	-5.81%	-1.96%	-2.86%	-20.01%	-20.01%
Volatility	20.64%	15.47%	16.19%	32.30%	32.30%
	P/E	P/B	EPS	ROE	ROA
CSI 500	52.89	4.04	0.25	5.87%	6.25%
Energy	80.17	2.66	0.13	0.12%	0.26%
Materials	52.59	3.30	0.21	3.54%	3.60%
Industrials	49.25	3.98	0.26	6.82%	7.60%
Consumer Dis	51.37	4.03	0.27	6.63%	7.04%
Consumer Sta	60.56	4.55	0.19	4.48%	4.79%
Health Care	55.47	5.14	0.31	8.48%	8.85%
Financials	36.69	3.14	0.26	5.17%	5.33%
IT	75.21	5.52	0.24	6.28%	6.50%
Telecom Serv	75.27	4.74	0.21	3.74%	3.96%
Utilities	24.69	2.81	0.34	10.21%	10.61%

Summary

Close	8490.86	Change	-5.81%	# of Stocks	1000
Open	9021.97	Average Daily Volume	83.92 Mil Lots	Advanced	182
High	9060.63	Average Daily Turnover	110.26 Bil CNY	Declined	778
Low	8299.28	Turnover Rate	16.77%	Unchanged	40

Top 5 Weighted Stocks

Name	Ticker	Mkt Cap (Bil CNY)	Adjusted Mkt Cap	Wgt	Chg
IMIC	000516	15.6	12.5	0.27%	6.61%
BICON	002411	41.4	12.4	0.27%	5.79%
CHINA-KINWA	600110	12.3	12.3	0.27%	5.44%
WALVAX	300142	16.8	11.7	0.26%	-2.15%
MEI YAN	600868	11.4	11.4	0.25%	-8.77%

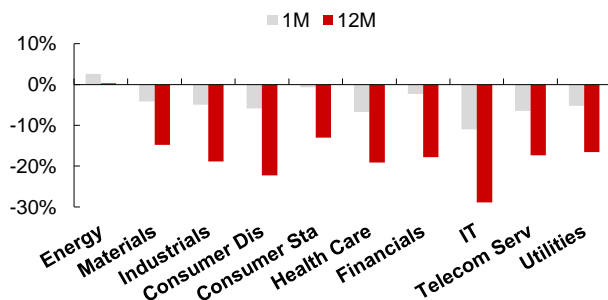
Sector Analysis

Sector	Names	Mkt Cap (Bil CNY)	Wgt	1M	Cont
Energy	20	177	2.20%	2.52%	4.36
Materials	141	1315	15.02%	-2.93%	-55.70
Industrials	277	2472	27.55%	-3.23%	-119.26
Consumer Dis	147	1367	13.50%	-4.53%	-71.98
Consumer Sta	46	396	4.61%	0.11%	-2.20
Health Care	87	794	8.60%	-5.16%	-51.85
Financials	52	504	5.15%	-0.37%	-10.37
IT	173	1514	17.33%	-9.13%	-183.69
Telecom Serv	33	316	3.77%	-5.59%	-22.03
Utilities	24	197	2.27%	-5.39%	-11.34

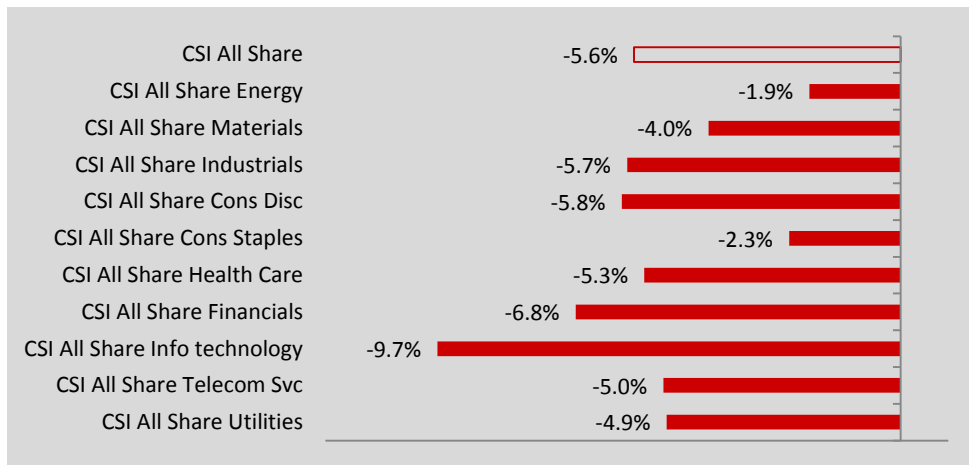
Constituent Performance

Name	Ticker	Close	1M	Cont	Turnover Rate
Top 5 Performers					
ZHEZHONG	002346	39.99	83.95%	2.99	515.14%
EAST	300376	47.92	50.60%	5.32	619.81%
WOLONG REAL E	600173	11.48	42.61%	2.81	48.70%
YUKAIFA	000514	11.68	39.05%	2.06	162.81%
ZRC	000506	10.98	32.45%	2.78	73.14%
Bottom 5 Performers					
KYLAND	300353	15.19	-31.24%	-2.71	105.81%
HUAMEI HOLDINC	000607	11.82	-31.16%	-4.07	100.79%
BANBAO	603398	33.52	-29.43%	-1.67	142.69%
CHAOHUA TECH	002288	8.13	-28.81%	-4.00	56.86%
HONGLIZHIHUI	300219	10.85	-28.76%	-2.73	39.01%
Top 5 Contributors					
EAST	300376	47.92	50.60%	5.32	619.81%
ZHEZHONG	002346	39.99	83.95%	2.99	515.14%
NANYANG TECH	002389	23.08	10.54%	2.93	184.18%
WOLONG REAL E	600173	11.48	42.61%	2.81	48.70%
ZRC	000506	10.98	32.45%	2.78	73.14%
Bottom 5 Contributors					
HUAMEI HOLDINC	000607	11.82	-31.16%	-4.07	100.79%
BAOFENG	300431	8.13	-28.81%	-4.00	56.86%
TIANRUN INC.	002283	21.02	-18.87%	-3.51	25.53%
GHXW	300383	19.79	-22.76%	-3.45	81.63%
BAUING DECORA	002047	16.25	-16.37%	-3.38	52.90%

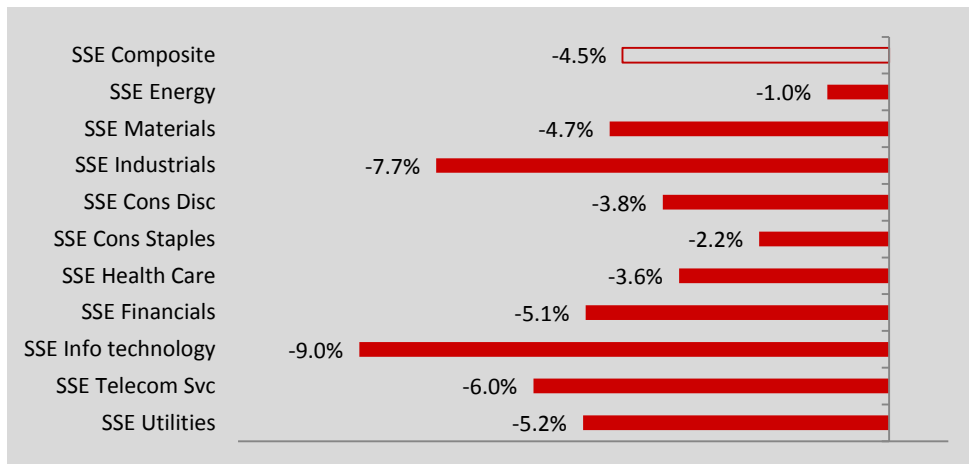
Sector Performance



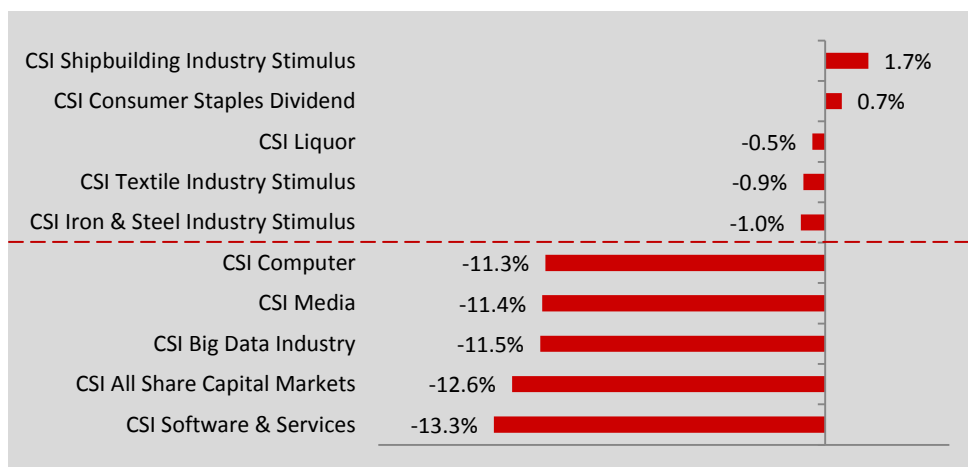
A Share Sector Performance



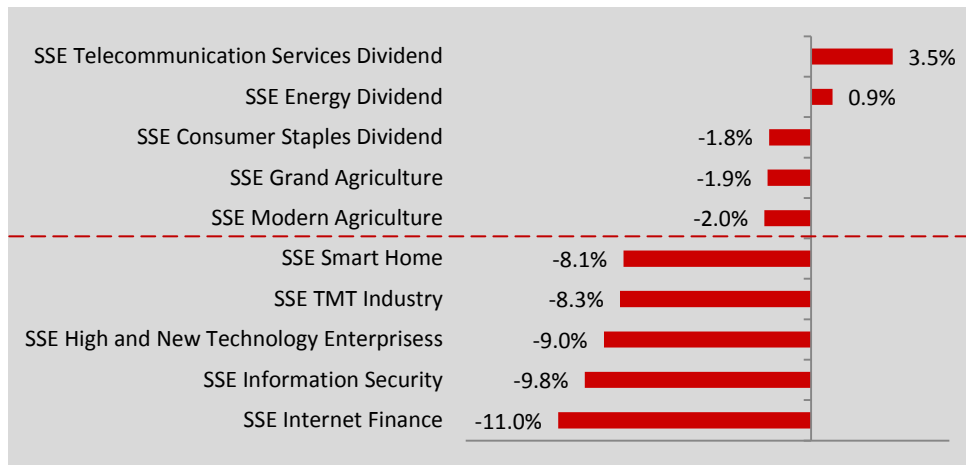
SSE Sector Performance



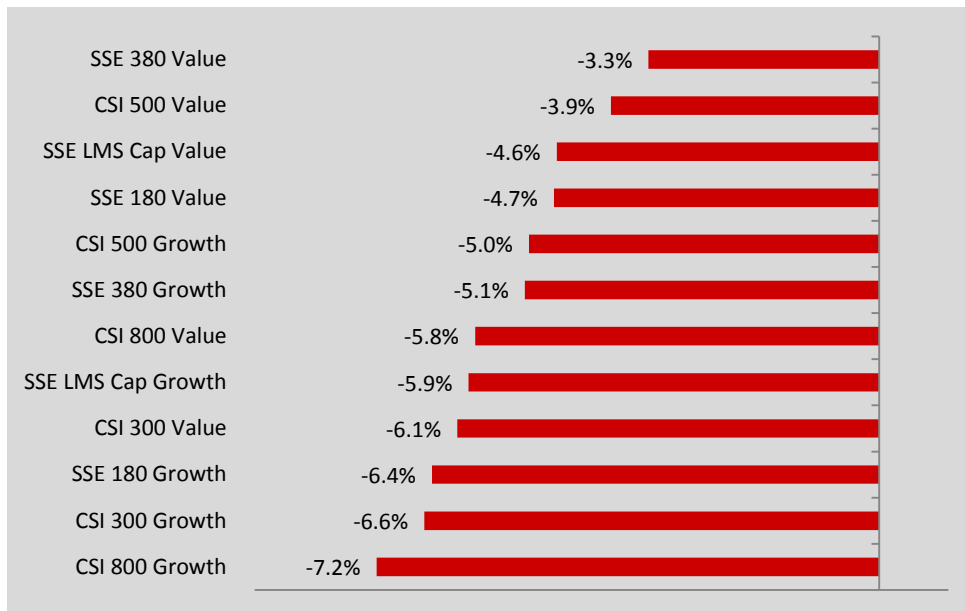
CSI Thematic Indices: Top & Bottom Performers



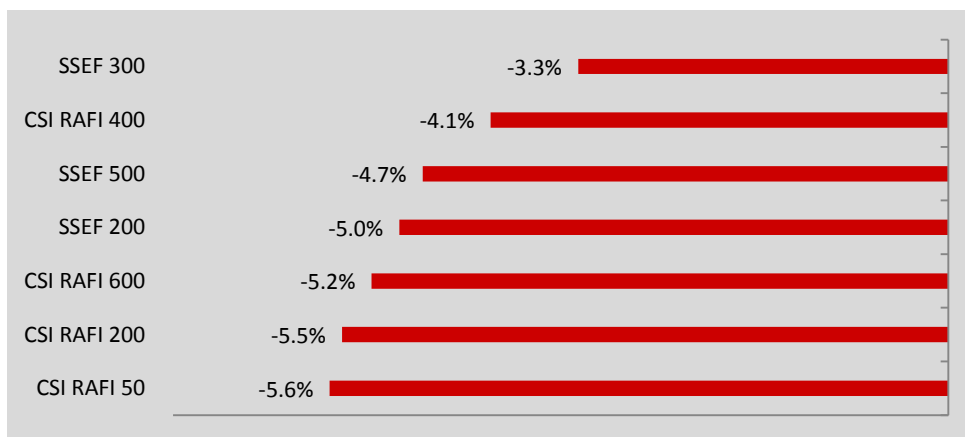
SSE Thematic Indices: Top & Bottom Performers



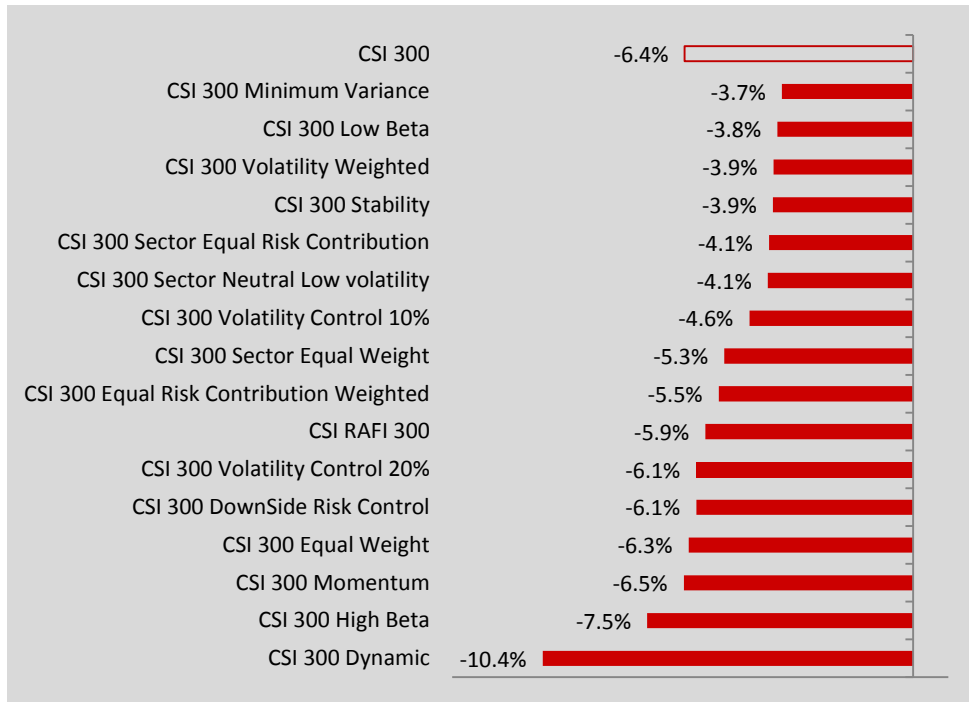
CSI&SSE Style Indices



CSI&SSE Fundamental Indices

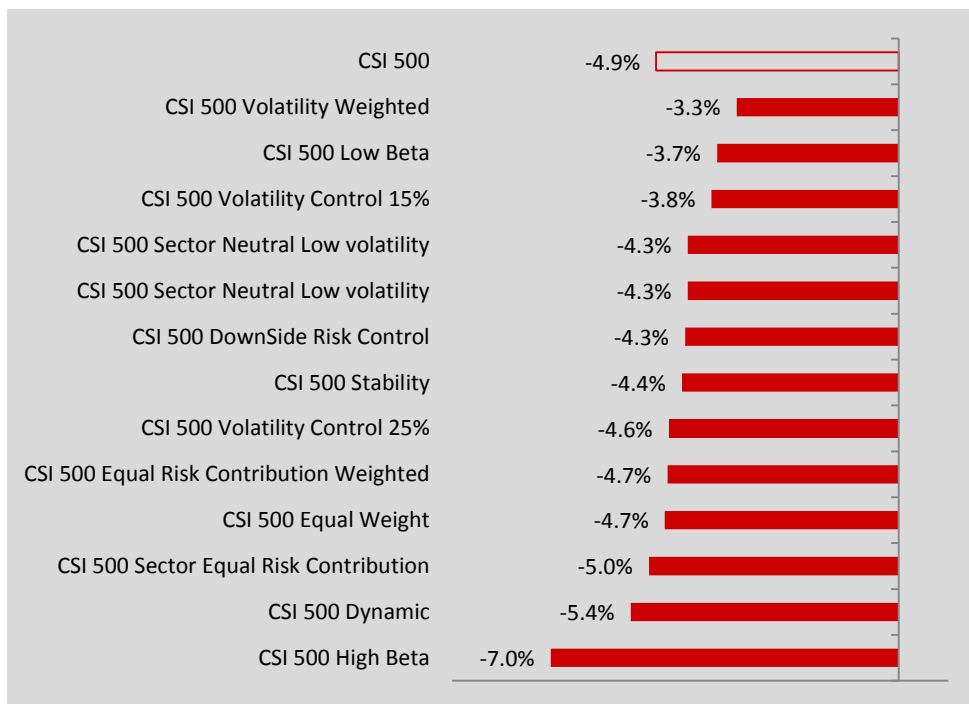


CSI 300 vs. Smart Beta Indices*



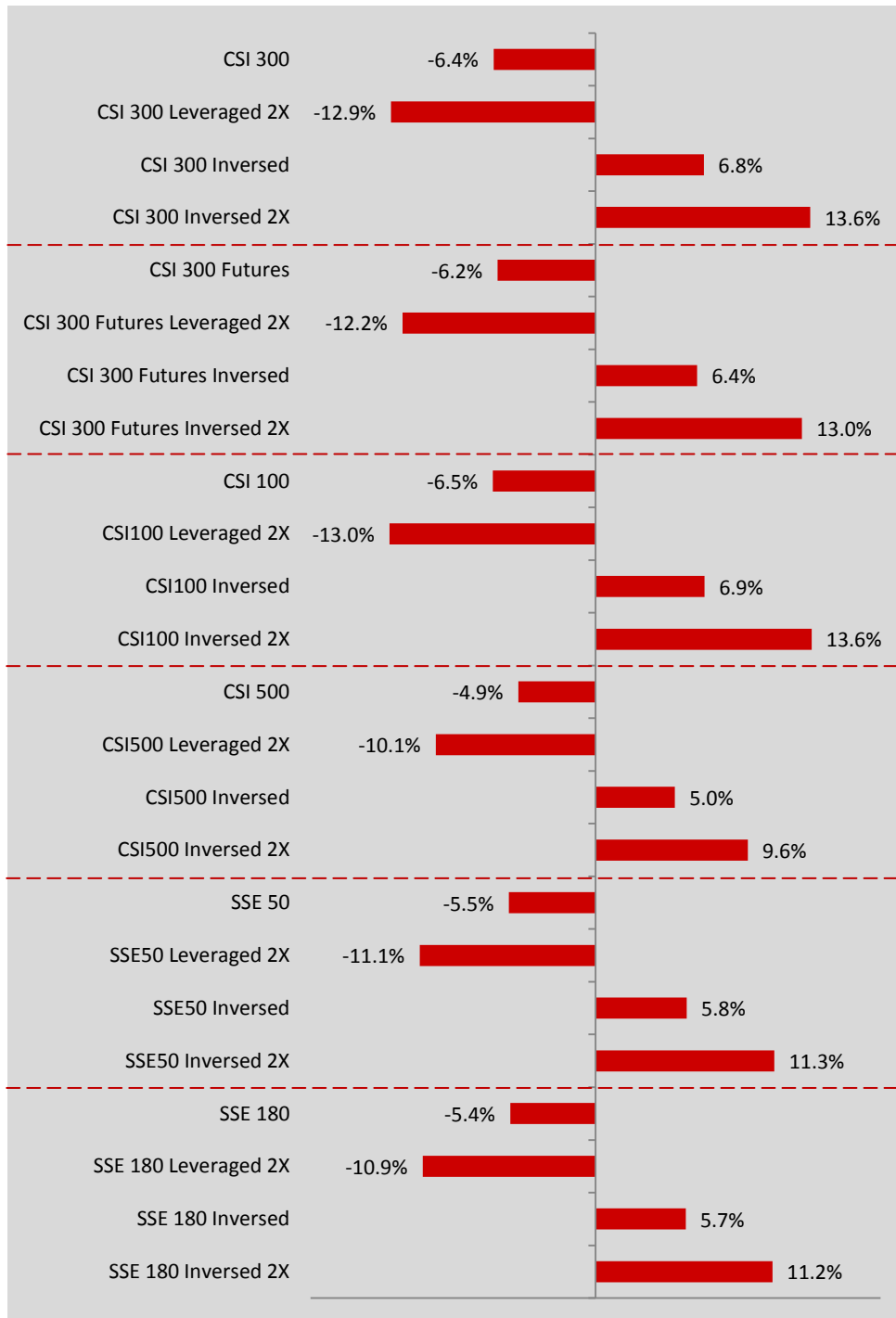
[*] The smart beta indices are not necessarily based on the CSI 300 universe.

CSI 500 vs. Smart Beta Indices

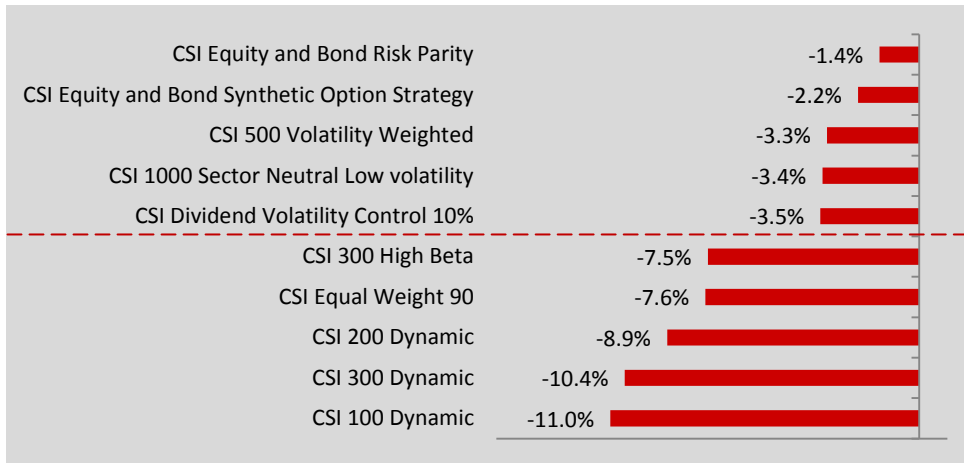


[*] The smart beta indices are not necessarily based on the CSI 500 universe.

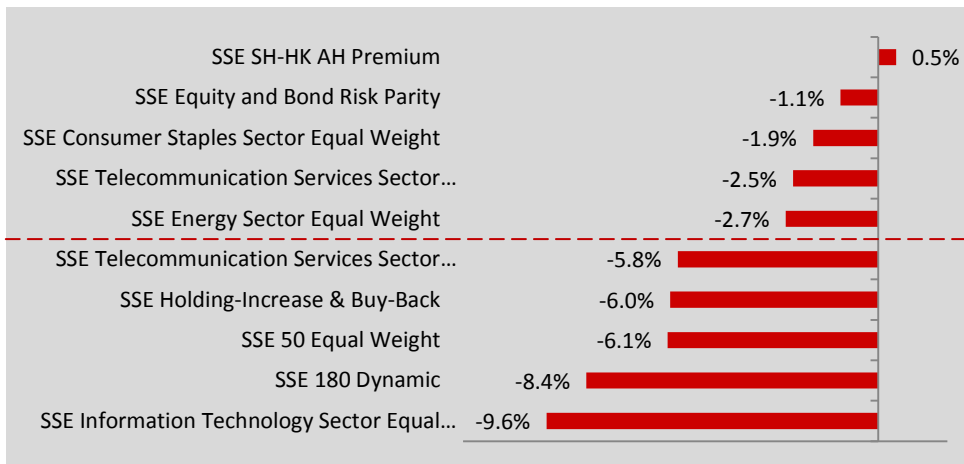
CSI & SSE Leveraged/Inversed Indices



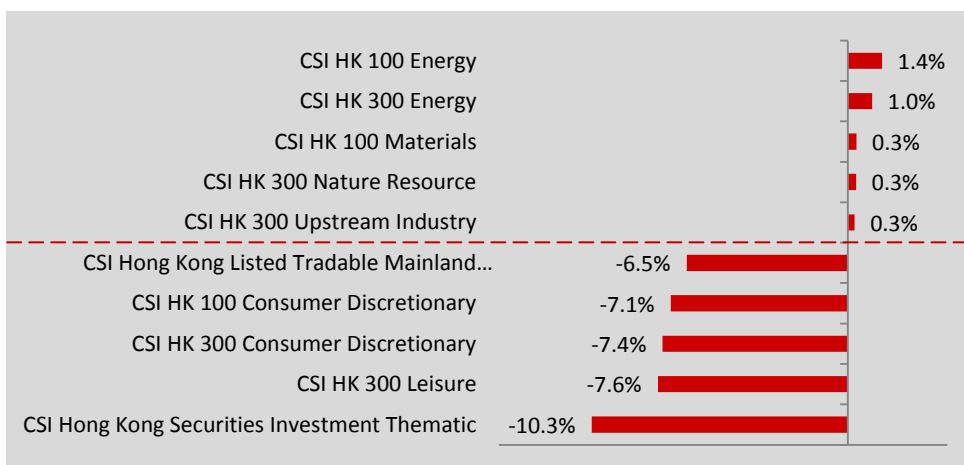
CSI Strategy Indices: Top & Bottom Performers



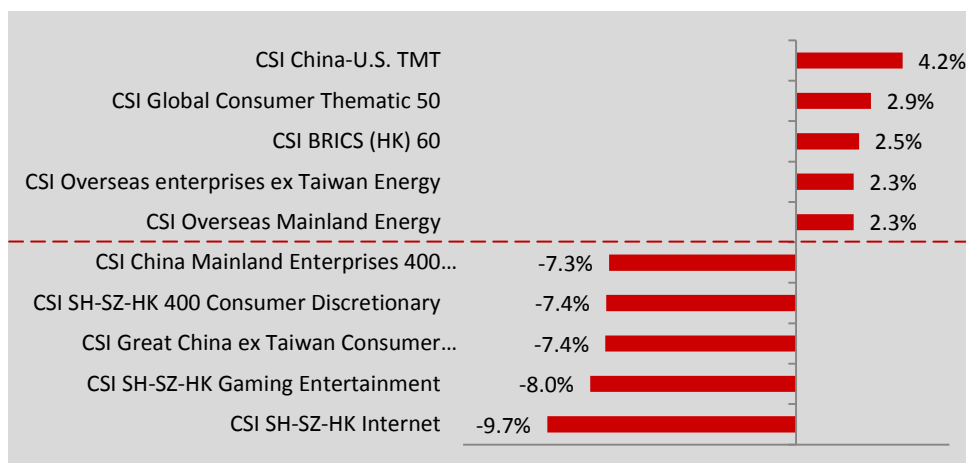
SSE Strategy Indices: Top & Bottom Performers



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



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



CSI&SSE Major Bond Indices

Index	Close	1M	YTD	Duration	Modified Duration	Convexity	YTM
CSI Universal Bond	167.39	-1.23%	2.12%	4.10	3.98	20.84	3.72
CSI Aggregate Bond	175.59	-1.51%	2.00%	4.93	4.78	25.45	3.77
CSI 1 Bond	146.95	0.02%	2.38%	0.47	0.46	0.33	3.18
CSI Aggregate Bond (1-3)	167.18	-0.62%	2.15%	1.88	1.81	2.68	3.73
CSI Aggregate Bond (3-7)	177.82	-1.27%	2.17%	4.09	3.96	10.66	3.78
CSI Aggregate Bond (7-10)	176.25	-2.22%	0.36%	7.28	7.06	30.89	3.65
CSI Aggregate Bond (10+)	184.30	-4.10%	2.94%	14.15	13.80	145.32	4.00
CSI Treasury Bond	170.07	-1.28%	2.55%	6.79	6.65	48.18	3.11
CSI Financial Bond	170.95	-1.75%	0.55%	4.64	4.48	20.26	3.71
CSI Corporate Bond	193.66	-1.49%	2.90%	3.58	3.43	10.64	4.40
CSI Central Bank Note	137.38	0.00%	1.92%				
CSI Short Term Note	148.94	0.06%	3.03%	0.37	0.36	0.26	4.23
CSI 50 Bond	145.77	-1.29%	0.83%	4.68	4.54	17.08	3.38
CSI Medium Term Note 50	136.33	-1.39%	1.75%	3.23	3.10	7.00	4.32
CSI Short Term Note 50	133.74	0.14%	2.58%	0.19	0.18	0.11	3.95
SSE Corporate Bond 30	142.21	-1.11%	1.48%	-	-	-	-
SSE Convertible Bond	264.20	-4.74%	-11.36%	-	-	-	-

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Contacts

Sales & Marketing Department
China Securities Index Co., Ltd.

Tel: +86-21-50185500

Fax: +86-21-50186368

Address: 13F, Bldg. 6, Lujiazui Century Financial Plaza, 308 Jinkang Road
Pudong, Shanghai 200127

PR China

Email: csindex@sse.com.cn

Website: www.csindex.com.cn