

# FTSE XINHUA CHINA INDEX

The FTSE Xinhua China Index has been designed to allow investors to gain exposure to the Hong Kong market. The new index is an expanded version of the highly successful FTSE Xinhua China 25 Index, enabling investors to invest in a broader basket of approximately 80 of the largest and most liquid Chinese stocks (Red Chips and H shares) listed and trading on the Hong Kong Stock Exchange. The index is specifically designed for international investors, combining the ease of trading on the Hong Kong Stock Exchange with a methodology to meet fund regulatory requirements worldwide.

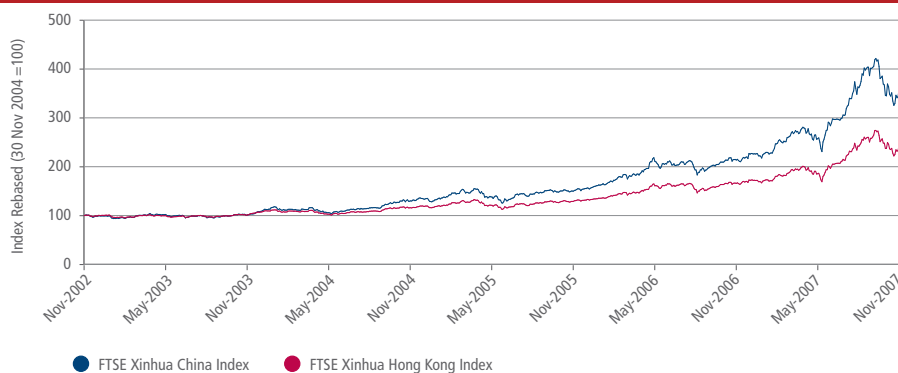
**H Shares** – H shares are securities of companies incorporated in mainland China and nominated by the Chinese Government for listing and trading on the Hong Kong Stock Exchange. They are quoted and traded in HKD. The only Chinese investors permitted to trade H shares are those who are approved by the Government (such as QDII's), however there are no such restrictions on international investors.

**Red Chip** – Red Chips are securities of companies incorporated outside the People's Republic of China that trade on the Hong Kong Stock Exchange and are quoted in HKD. The constituents are substantially owned, directly or indirectly, by Chinese state-owned enterprises. The only Chinese investors permitted to trade H shares are those who are approved by the Government (such as QDII's), however, there are no such restrictions on international investors.

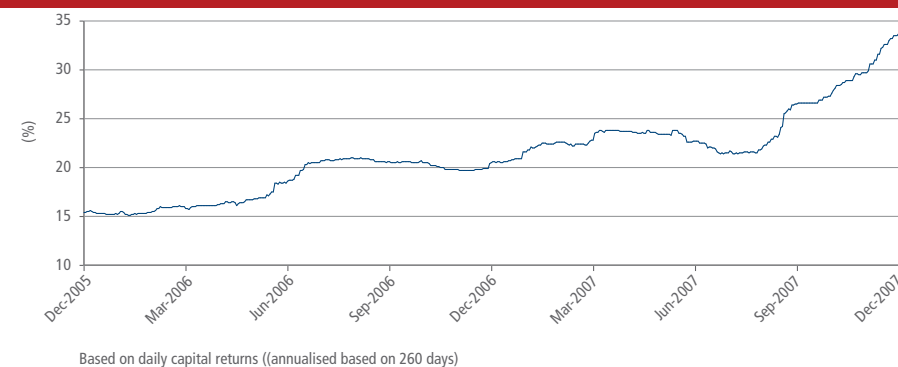
## FEATURES

- The FTSE Xinhua China Index comprises approximately 80 of the largest and most liquid Chinese stocks (Red Chip and H shares) listed and trading on the Hong Kong Stock Exchange. (Number of constituents is subject to slight variation)
- The index is designed for the creation of index tracking funds, ETFs and performance benchmarks
- The index is calculated in accordance with the Industry Classification Benchmark (ICB), a global standard developed in partnership with Dow Jones Indexes
- Stocks are free-float weighted to ensure that only the investable opportunity set is included within the indices
- Stocks are liquidity screened to ensure that the index is tradable
- Transparent, independently governed and freely available rules, overseen by an independent committee of leading marketing professionals

### FTSE XINHUA CHINA INDEX 3 YEAR PERFORMANCE (RMB)



### FTSE XINHUA CHINA INDEX 3 YEAR PERFORMANCE (RMB)



## FAMILY TREE



● Benchmark Indices      ● Tradable Indices

## FTSE XINHUA CHINA INDEX TOP 10 CONSTITUENTS

Rank	Constituent	ICB Sector	Full Market Cap (HKDm)	Investable Market Cap (HKDm)	Weight in index (%)
1	China Mobile (Red Chip)	Mobile Telecommunications	2,810,721	843,216	18.06
2	Petrochina (H)	Oil & Gas Producers	316,905	316,905	6.79
3	China Life Insurance (H)	Life Insurance	315,506	315,506	6.76
4	Industrial and Commercial Bank of China (H)	Banks	511,628	255,814	5.48
5	China Construction Bank (H)	Banks	438,678	219,339	4.70
6	China Petroleum & Chemical (H)	Oil & Gas Producers	196,667	196,667	4.21
7	CNOOC (Red Chip)	Oil & Gas Producers	622,181	186,654	4.00
8	Ping An of China (H)	Life Insurance	219,915	164,937	3.53
9	China Shenhua Energy (H)	Mining	156,845	156,845	3.36
10	Bank of China (H)	Banks	307,882	123,153	2.64
	<b>Total</b>		<b>5,896,929</b>	<b>2,779,036</b>	<b>59.52</b>

Source: FTSE Group, data as at 31 November 2007

## FTSE XINHUA CHINA INDEX ICB SECTOR BREAKDOWN

Industry	No. of Stocks	Investable Market Cap (HKDm)	% of Investable Market Cap (%)
Oil & Gas	5	741,539	15.88
Basic Materials	11	483,144	10.35
Industrials	21	563,370	12.07
Consumer Goods	6	70,637	1.51
Health Care	1	1,544	0.03
Consumer Services	5	66,304	1.42
Telecommunications	4	1,045,212	22.39
Utilities	6	93,084	1.99
Financials	18	1,568,889	33.60
Technology	3	35,480	0.76
<b>Total</b>	<b>80</b>	<b>4,669,202</b>	<b>100.00</b>

Source: FTSE Group, data as at 31 November 2007

## FTSE XINHUA CHINA INDEX INVESTABLE MARKET CAP SPLIT BY SHARE

Share Type	Investable Market Cap (HKDm)	Weight (%)
H Shares	2,993,158	64.10
Red Chip Shares	1,676,044	35.90
<b>Total</b>	<b>4,669,202</b>	<b>100.00</b>

Source: FTSE Group, data as at 31 November 2007

## PORTFOLIO CHARACTERISTICS

	FTSE Xinhua China Index
Number of Constituents	80
Investable Market Cap (HKD mn)	4,669,202
Company Size: (Adjusted HKD mn)	
Average	58,365
Largest	843,216
Smallest	1,374
Median	22,811
Weight Largest Company (%)	18.06
Top 10 Holdings (% Index Market Cap Share)	59.52

## INFORMATION

### Index Universe

FTSE Global Equity Index Series

### Index Launch

10 December 2007

### Base Date

18 November 2004

### Base Value

5000

### Investability Screen

Free float adjusted and liquidity screened

### Index Calculation

Real-time index calculated every 15 seconds. Also available on an end-of-day basis

### End-of-Day Distribution

Index available at 20:00 Local time (12:00 hours London time GMT or 13:00 hours British Summertime) via FTP and email

### Currency

Euro, Sterling, USD, Yen, HKD and RMB

### Review Dates

Annually in March

### Index Rules

Available at [www.ftsexinhua.com](http://www.ftsexinhua.com)

### Vendor Codes

Available at [www.ftsexinhua.com](http://www.ftsexinhua.com)

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