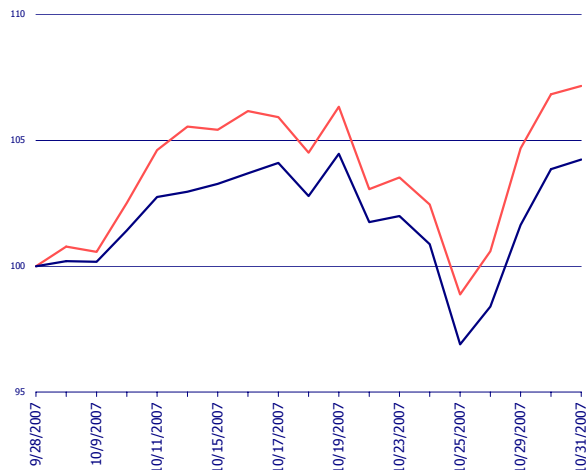


FTSE XINHUA CHINA B SHARE INDEX REVIEW - B SHARE SERIES
October 2007

(Market performance data provided by FTSE Research)

Index Commentary

In October, China's B-share market followed the trend in the A-share market although the decline in the middle of the month was limited compared with those in the A-share market. Until 25 October, both the A-share and B-share markets reached their lowest points in the month, with the FTSE Xinhua All-Share Index, which gauges China's A-share market, down 7.5% from the beginning of the month while the FTSE Xinhua B All-Share Index, the B-share market benchmark, down only by 3.1%. At the end of the month, the B-share market rebounded, following the trend in the A-share market, with the FTSE Xinhua B All-Share Index closing at 784.13 points, up 4.3%, and the FTSE Xinhua B35 Index at 13102.88 points, up 7.2%.

Overall Market Performance (USD) (Capital Return, from 28.09.2007 to 31.10.2007)


5 Highest Weighted Constituents	% wgt China B 35	% wgt China B All-Share
Inner Mongolia Yitai Coal	13.30	9.68
Shanghai Zhenhua Port Machinery	11.67	8.49
China International Marine Containers	10.75	7.82
Shenzhen Vanke	9.00	6.55
Yantai Changyu Pioneer Wine	4.80	3.49

— FTSE Xinhua China B35 Index
 — FTSE Xinhua China B All-Share Index

5 Highest Performers	Local Code	Price Return (%)
Shenzhen Shenbao Industrial	200019	89.57
Boe Technology Group	200725	46.58
Huaxin Cement	900933	38.58
Inner Mongolia Yitai Coal	900948	32.93
Shanghai Zhenhua Port Machinery	900947	23.91

5 Lowest Performers	Local Code	Price Return (%)
Wuhan Bolier	200770	-34.08
Chengde Dixian Textile	200160	-19.02
Dahua Group Dalian Chemical Industry	900951	-17.92
Guangdong Rieys	200168	-16.84
Jinshan Development & Construction	900916	-16.35

The FTSE Xinhua China B Share Index Series is designed to represent the performance of the Chinese market that is available to investors outside of the People's Republic of China and to Chinese nationals with appropriate foreign exchange dealing accounts. The FTSE Xinhua China B Share Indices cover shares listed on both Shanghai and Shenzhen Stock Exchanges, and provide an exciting opportunity to invest in one of the world's most exciting markets.

For further information about FTSE Xinhua Indices, please contact
Hong Kong +852 2230 5800 Beijing, China +86 10 5864 5277 info@ftsexinhua.com www.ftsexinhua.com

FTSE Market Reports are researched and produced on a monthly basis by FTSE Research. For more information about market analysis based on FTSE Xinhua indices, please contact Andy Harvell, FTSE Group at andy.harvell@ftse.com.

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