

FTSE VALUE-STOCKS INDICES

FTSE Value-Stocks China Index Review Changes Overview - April 2011

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Jamie Perrett
Director, Index Research
jamie.perrett@ftse.com
+852 2164 3221

Frank Kang, Ph.D., ASA
Associate Director, Index Research
frank.kang@ftse.com
+852 2164 3222

Betty Ma, CFA
Quantitative Research Manager
betty.ma@ftse.com
+852 2164 3223

Hoi Kit Leung
Research Associate
leung.hoikit@ftse.com
+852 2164 3224

Eddie Kwong Hei Ng
Research Associate
eddie.ngkwonghei@ftse.com
+852 2164 3225

Tony Yip
Research Associate
tony.yip@ftse.com
+852 2164 3232

China Overseas Land & Inv (Red Chip) (00688), China Coal Energy (H) (01898), Dongfeng Motor Group (H) (00489) will account for 5.54 per cent, 3.57 per cent and 2.75 per cent of the turnover of the FTSE Value-Stocks China Index respectively

Petrochina (H) (00857), China Communications Construction (H) (01800) and Shimao Property Holdings (00813) before the index rebalance accounted for 17.44 per cent, 2.35 per cent and 1.23 per cent of the FTSE Value-Stocks China Index respectively

Review Overview

The FTSE Value-Stocks China Index offers investors an exciting opportunity to access quality value stocks in the China market through a unique, transparent, and rules-based value strategy. This value-based equity index combines FTSE's globally recognised index expertise with Value Partners' proven track record in disciplined value investing. The value-based methodology is designed by Value Partners Index Services Limited and the index is calculated and maintained by FTSE Group, capturing the performance of 25 quality value stocks amongst liquid and tradable Chinese companies listed on the Stock Exchange of Hong Kong (SEHK) including H Shares, Red Chips and P Chips.

The following changes will be made to the FTSE Value-Stocks China Index after the April review. Effective on Monday 18th April 2011, China Overseas Land & Inv (Red Chip) (00688), China Coal Energy (H) (01898), Dongfeng Motor Group (H) (00489) and 5 other companies will be included in the FTSE Value-Stocks China Index, replacing 8 existing constituents, including Petrochina (H) (00857), China Communications Construction (H) (01800) and Shimao Property Holdings (00813). The total two-way index turnover is estimated to be 52.47 per cent.

Key changes are highlighted below:

Table One: FTSE Value-Stocks China Index Constituent Weightings

Rank	Local Code	Constituent Name	ICB Subsector	Weight in Index before change (%)	Weight in Index after change (%)	Change in Weight (%)	Turnover (2-Way) (%)
1	00883	CNOOC (Red Chip)	Exploration & Production	16.62	15.00	-1.62	1.62
2	03988	Bank of China (H)	Banks	14.52	15.00	0.48	0.48
3	00941	China Mobile (Red Chip)	Mobile Telecommunications	13.32	15.00	1.68	1.68
4	00386	China Petroleum & Chemical (H)	Integrated Oil & Gas	9.79	11.24	1.45	1.45
5	03328	Bank of Communications (H)	Banks	4.85	5.57	0.72	0.72
6	00688	China Overseas Land & Inv (Red Chip)	Real Estate Holding & Development	-	5.54	5.54	5.54
7	00998	China Citic Bank (H)	Banks	3.81	4.38	0.56	0.56
8	01898	China Coal Energy (H)	Coal	-	3.57	3.57	3.57
9	00489	Dongfeng Motor Group (H)	Automobiles	-	2.75	2.75	2.75
10	01988	China Minsheng Banking (H)	Banks	2.19	2.51	0.32	0.32
11	00148	Kingboard Chemical Holdings	Specialty Chemicals	2.01	2.31	0.30	0.30
12	02899	Zijin Mining Group (H)	Gold Mining	-	2.05	2.05	2.05
13	02238	Guangzhou Automobile Group (H)	Automobiles	-	1.86	1.86	1.86
14	02338	Weichai Power (H)	Industrial Machinery	-	1.80	1.80	1.80
15	03377	Sino-Ocean Land Holdings (Red Chip)	Real Estate Holding & Development	1.48	1.70	0.22	0.22
16	03383	Agile Property Holdings	Real Estate Holding & Development	1.25	1.44	0.19	0.19
17	00682	Chaoda Modern Agriculture (Holdings)	Farming & Fishing	1.16	1.33	0.17	0.17
18	00658	China High Speed Transmission Equipment	Renewable Energy Equipment	1.13	1.30	0.17	0.17
19	02333	Great Wall Motor Company (H)	Automobiles	-	1.24	1.24	1.24
20	02007	Country Garden Holdings	Real Estate Holding & Development	0.84	0.97	0.12	0.12
21	00656	Fosun International	Iron & Steel	0.83	0.95	0.12	0.12
22	00152	Shenzhen International Hdgs (Red Chip)	Transportation Services	-	0.68	0.68	0.68
23	03818	China Dongxiang Group	Apparel Retailers	0.54	0.61	0.08	0.08
24	01393	Hidili Industry International Development	Coal	0.53	0.61	0.08	0.08
25	00604	Shenzhen Investment (Red Chip)	Real Estate Holding & Development	0.50	0.57	0.07	0.07
-	00857	Petrochina (H)	Integrated Oil & Gas	17.44	-	-17.44	17.44
-	01800	China Communications Construction (H)	Heavy Construction	2.35	-	-2.35	2.35
-	00813	Shimao Property Holdings	Real Estate Holding & Development	1.23	-	-1.23	1.23
-	00410	Soho China Ltd.	Real Estate Holding & Development	1.03	-	-1.03	1.03
-	02009	BBMG Corp. (H)	Building Materials & Fixtures	1.02	-	-1.02	1.02
-	00552	China Communications Services (H)	Telecommunications Equipment	0.58	-	-0.58	0.58
-	01813	KWG Property Holding	Real Estate Holding & Development	0.51	-	-0.51	0.51
-	01888	Kingboard Laminates Holdings	Specialty Chemicals	0.46	-	-0.46	0.46
		Totals		100.00	100.00	-	52.47

Note: New additions after April 2011 review are highlighted in blue, and deletions are highlighted in red

Source: FTSE Group, data as at 8th April 2011

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Table Two: FTSE Value-Stocks China Index Sector Breakdown

ICB Industry / Sector	Number of Constituents after inclusion	Change in Constituents	Weight in Index before inclusion (%)	Weight in Index after inclusion (%)	Change in Weight (%)	Turnover (2-Way) (%)
Oil & Gas	3	-1	44.99	27.54	-17.45	20.68
Oil & Gas Producers	2	-1	43.86	26.24	-17.61	20.51
Alternative Energy	1	0	1.13	1.30	0.17	0.17
Basic Materials	5	1	3.83	9.50	5.67	6.58
Chemicals	1	-1	2.47	2.31	-0.16	0.75
Industrial Metals & Mining	1	0	0.83	0.95	0.12	0.12
Mining	3	2	0.53	6.23	5.70	5.70
Industrials	2	0	3.36	2.48	-0.88	5.84
Construction & Materials	0	-2	3.36	0.00	-3.36	3.36
Industrial Engineering	1	1	0.00	1.80	1.80	1.80
Industrial Transportation	1	1	0.00	0.68	0.68	0.68
Consumer Goods	4	3	1.16	7.19	6.03	6.03
Automobiles & Parts	3	3	0.00	5.85	5.85	5.85
Food Producers	1	0	1.16	1.33	0.17	0.17
Consumer Services	1	0	0.54	0.61	0.08	0.08
General Retailers	1	0	0.54	0.61	0.08	0.08
Telecommunications	1	0	13.32	15.00	1.68	1.68
Mobile Telecommunications	1	0	13.32	15.00	1.68	1.68
Financials	9	-2	32.22	37.68	5.46	11.00
Banks	4	0	25.38	27.46	2.08	2.08
Real Estate Investment & Services	5	-2	6.84	10.22	3.38	8.91
Technology	0	-1	0.58	0.00	-0.58	0.58
Technology Hardware & Equipment	0	-1	0.58	0.00	-0.58	0.58
Totals	25	16	100.00	100.00	-	52.47

Source: FTSE Group, data as at 8th April 2011

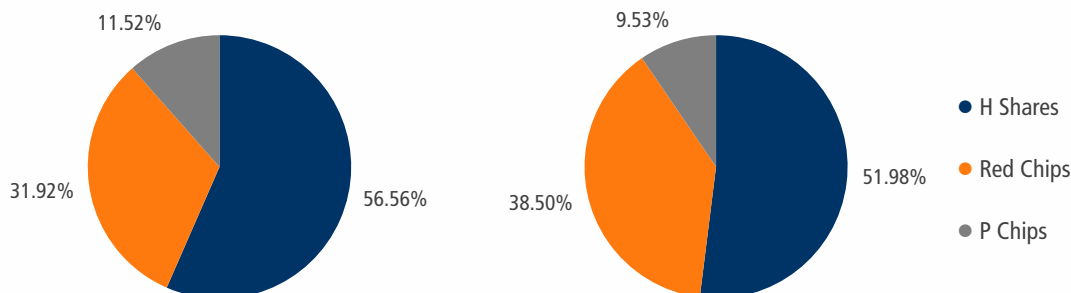
Automobiles & Parts will see the largest change in Index weighting, up 5.85 per cent

Oil & Gas Producers will see the largest fall in Index weighting, down 17.61 per cent to 26.24 per cent

Chart One: FTSE Value-Stocks China Index Share Class Breakdown

Before review

After review



Source: FTSE Group, data as at 8th April 2011

Red Chips will see the largest rise in index weighting, up 6.58 per cent to 38.50 per cent

H Shares will see the largest fall in index weighting, down 4.58 per cent to 51.98 per cent

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