

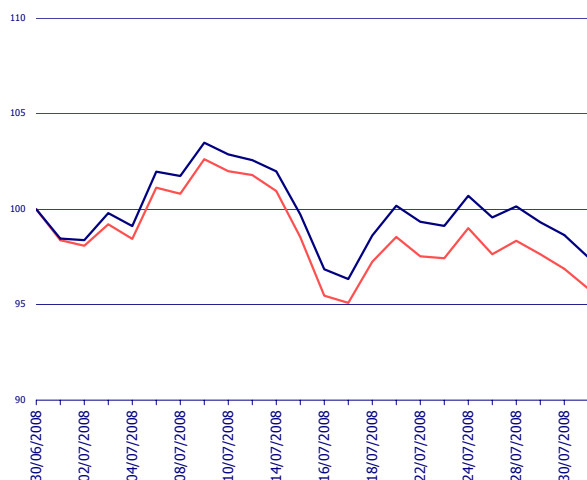
FTSE XINHUA CHINA B SHARE INDEX REVIEW - B SHARE SERIES
July 2008

(Market performance data provided by FTSE Research)

Index Commentary

In July, China's B-share market basically followed the trend in the A-share market but with less volatility.

On 9 July, both the FTSE Xinhua B All-Share Index and the FTSE Xinhua B35 Index reached their monthly high points of 5742.8 and 7740.5 points respectively, following the rise of the A Share market. Thereafter the FTSE Xinhua B All-Share Index dropped for six consecutive days to a 15 month low of 5347.1 points. The index has slumped 41.1% since the beginning of 2008.

Overall Market Performance (USD) (Capital Return, from 30.06.2008 to 31.07.2008)


5 Highest Weighted Constituents	% wgt China B 35	% wgt China B All-Share
Inner Mongolia Yitai Coal	13.79	10.19
Shenzhen Vanke	9.98	7.38
China International Marine Containers	9.60	7.09
Shanghai Zhenhua Port Machinery	8.63	6.38
Yantai Changyu Pioneer Wine	7.06	5.22

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

5 Highest Performers	Local Code	Price Return (%)
Chengde Dixian Textile	200160	35.92
Hubei Sanonda	200553	19.00
China Fangda Group	200055	18.88
Shanghai Dingli Technology Development	900907	11.67
Shanghai Baosight Software	900926	11.36

5 Lowest Performers	Local Code	Price Return (%)
Hainan Pearl River Holdings	200505	-23.49
Shenzhen Huafa Electronics	200020	-23.05
Shenzhen Chiwan Petroleum Supply Base	200053	-17.87
Bengang Steel Plates	200761	-15.19
China International Marine Containers	200039	-13.44

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.

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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 Jamie Perrett, FTSE Group at jamie.perrett@ftse.com.

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