



Hang Seng Shipping Index

This methodology document should be read in conjunction with the Index Methodology General Guide on Hang Seng Indexes Co Limited (“HSIL”)’s website.

Readers are reminded that there might be exceptions in the index handling to the below general approach in some special situations and HSIL reserves the right to determine the most appropriate handling.

Objective	To reflect the performance of the companies that are engaged in the value chain of shipping, and are listed in Hong Kong																																			
Universe	Securities listed on the Mainboard of the HKEX; excluding Foreign Companies																																			
Eligibility Criteria																																				
Turnover Requirements	6-month Average Daily Turnover >= HKD 5 million																																			
Sector Requirements	Classified in one of the following subsectors in the Hang Seng Industry Classification System (“HSICS”): <table><tr><th>Category</th><th>Code</th><th>Subsector</th></tr><tr><td rowspan="2">Core Subsectors</td><td>102010</td><td>Shipping & Port Operation</td></tr><tr><td>102030</td><td>Air Freight & Logistics*</td></tr><tr><td rowspan="12">Non-core Subsectors[#]</td><td>101010</td><td>Commercial Vehicles & Trucks*</td></tr><tr><td>101040</td><td>Heavy Industrial Machinery*</td></tr><tr><td>001010</td><td>Oil & Gas Producers</td></tr><tr><td>001020</td><td>Oil & Gas Equipment & Services</td></tr><tr><td>002010</td><td>Coal</td></tr><tr><td>052010</td><td>Iron & Steel</td></tr><tr><td>052020</td><td>Copper</td></tr><tr><td>052030</td><td>Aluminum</td></tr><tr><td>052040</td><td>Other Metals & Minerals</td></tr><tr><td>053040</td><td>Specialty Chemicals*</td></tr><tr><td>252020</td><td>Agricultural Products</td></tr><tr><td>602030</td><td>Heavy Construction & Engineering*</td></tr></table>			Category	Code	Subsector	Core Subsectors	102010	Shipping & Port Operation	102030	Air Freight & Logistics*	Non-core Subsectors [#]	101010	Commercial Vehicles & Trucks*	101040	Heavy Industrial Machinery*	001010	Oil & Gas Producers	001020	Oil & Gas Equipment & Services	002010	Coal	052010	Iron & Steel	052020	Copper	052030	Aluminum	052040	Other Metals & Minerals	053040	Specialty Chemicals*	252020	Agricultural Products	602030	Heavy Construction & Engineering*
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Constituent Selection	
Selection Criteria	<p>Candidates from the Core Subsectors will have priority in ranking and first to be selected as constituents according to their MV Rank;</p> <p>If the number of constituents is less than 40, candidates from the Non-core Subsectors will be subsequently ranked and selected according to the MV Rank until the total number of constituents reaches 40</p>
Number of Constituents	Fixed at 40
Buffer Zone	<p>Existing constituents ranked lower than 48th will be removed from the index, while non-constituents ranked 32nd or above will be included</p> <p>Securities will be added or excluded according to the MV Rank to maintain the number of constituents at 40</p>
Eligibility for Stock Connect Trading	Not applicable
Review Frequency	Half-yearly (Data cutoff in June & December)
Rebalancing Frequency	Quarterly
Fast Entry	Not applicable
Replacement for Ad-hoc Removal	Nil
Weighting	Freefloat-adjusted market capitalisation weighted [#]
Capping	<p>Constituent from Core Subsectors: 15%</p> <p>Constituent from Non-core Subsectors: 1%</p> <p>Top 5 securities aggregate weighting: 60%</p>



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Launch Date	16 Jan 2023	
Base Date	31 December 2017	
Base Value	3,000	
Currency	Hong Kong Dollars	
Dissemination Frequency	Real-time at every two seconds	
Vendor Codes	Refinitiv	Bloomberg
PI	.HSSH	-
Gross TRI	.HSSHT	-
Net TRI	.HSSHN	-

* Companies from these subsectors are eligible to the index only if their business activities are related to shipping

Freefloat-adjusted market capitalisation of constituents from Non-core Subsectors will be multiplied by a discount factor of 0.2 in the weighting calculation

For more information on the terms used in this document and calculation details, please refer to the Index Methodology General Guide on HSIL's website.



Amendment History

	Date	Description
1.0	Jan 2023	First Issue
1.1	Jun 2023	Updated Sector Requirements to reflect changes in the Hang Seng Industry Classification System (Chinese version only)
1.2	Feb 2025	Updated the individual constituent weight cap level and added capping on top 5 constituent aggregate weighting (Effective starting from the index review for the period ended 31 December 2024)



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