



10 February 2017

## Hang Seng Indexes Announces Index Review Results

Hang Seng Indexes Company Limited (“Hang Seng Indexes”) today announced the results of its review of the Hang Seng Family of Indexes for the quarter ended 30 December 2016. All changes will be effective on 6 March 2017 (Monday).

### 1. Hang Seng Index

The following constituent changes will be made to the Hang Seng Index. The total number of constituents is fixed at 50.

#### Inclusion:

Code	Company
175	Geely Automobile Holdings Ltd.

#### Removal:

Code	Company
494	Li & Fung Ltd.

The list of constituents is provided in Appendix 1.

### 2. Hang Seng China Enterprises Index

The following constituent changes will be made to the Hang Seng China Enterprises Index. The total number of constituents is fixed at 40.

#### Inclusion:

Code	Company
1658	Postal Savings Bank of China Co., Ltd. - H Shares

#### Removal:

Code	Company
168	Tsingtao Brewery Co. Ltd. - H Shares

The list of constituents is provided in Appendix 2.

Changes in constituent companies of the HSCEI will also be applied to the Hang Seng China Enterprises Smart Index.

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### Hang Seng China Enterprises Index Enhancement Proposal

In response to requests from various market participants for a ‘China index of the Hong Kong market’ that reflects the entire mainland China sector in the Hong Kong market and can serve both as a market benchmark and an underlying index for index funds and derivative products, Hang Seng Indexes has completed an internal study on how best to achieve these objectives.

While the Hang Seng China Enterprises Index (“HSCEI”) is partly fulfilling such a role with very active futures, options, listed and OTC derivatives, and ETFs, for historical reasons the HSCEI only includes H-shares of Mainland equities as constituents. Hang Seng Indexes proposes to gradually expand the constituency of the HSCEI to add both Red-chips and private enterprises (P-chips) to enhance the index as regards providing a representative ‘China index of the Hong Kong market’.

Hang Seng Indexes plans to consult market participants and various stakeholders on this proposal to gather their input on issues such as the number of index constituents and the method of implementation. Hang Seng Indexes intends to make further announcement on the proposal in August 2017. If implemented, Hang Seng Indexes will ensure that changes to the HSCEI will be gradual to minimise any potential impact on the market.

(Please note that this proposal may or may not lead to any changes to the HSCEI.)

### **3. Hang Seng Composite LargeCap & MidCap Index**

The following constituent changes will be made to the Hang Seng Composite LargeCap & MidCap Index. The total number of constituents will decrease from 297 to 294.

#### **Inclusion:**

<b>Code</b>	<b>Company</b>
658	China High Speed Transmission Equipment Group Co., Ltd.
777	NetDragon Websoft Holdings Ltd.
1315	Vision Fame International Holding Ltd.
1357	Meitu, Inc.
1458	Zhou Hei Ya International Holdings Co. Ltd.
3320	China Resources Pharmaceutical Group Ltd.
6099	China Merchants Securities Co., Ltd. - H Shares
87001	Hui Xian Real Estate Investment Trust

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### Removal:

Code	Company
86	Sun Hung Kai & Co. Ltd.
109	Good Resources Holdings Ltd.
136	HengTen Networks Group Ltd.
412	China Innovative Finance Group Ltd.
715	China Oceanwide Holdings Ltd.
911	Qianhai Health Holdings Ltd.
1071	Huadian Power International Corporation Ltd. - H Shares
1205	CITIC Resources Holdings Ltd.
1728	China ZhengTong Auto Services Holdings Ltd.
2066	Shengjing Bank Co., Ltd. - H Shares
2326	BEP International Holdings Ltd.

The complete review results of the Hang Seng Composite Index and its sub-indexes have been released in a separate index notice.

### 4. Hang Seng China AH Index Series

The following company changes will be made to the Hang Seng China AH Index Series. The total number of company will decrease from 63 to 60.

### Inclusion:

Code		Company
HK Share	A Share	
3958	600958	DFZQ
6099	600999	China Merchants Securities Co., Ltd.
6178	601788	Everbright Securities Co. Ltd.

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### Removal:

Code		Company
HK Share	A Share	
168	600600	Tsingtao Brewery Co. Ltd.
991	601991	Datang International Power Generation Co., Ltd.
1072	600875	Dongfang Electric Corporation Ltd.
2039	000039	China Int'l Marine Containers (Group) Co., Ltd.
2238	601238	Guangzhou Automobile Group Co., Ltd.
2883	601808	China Oilfield Services Ltd.

### 5. Hang Seng China 50 Index

The following constituent changes will be made to the Hang Seng China 50 Index. The total number of constituents is fixed at 50.

### Inclusion:

Code		Company
HK Share	A Share	
1658	-	Postal Savings Bank of China Co., Ltd.
-	000333	Midea Group Co., Ltd.
-	601229	Bank of Shanghai Co., Ltd.

### Removal:

Code		Company
HK Share	A Share	
902	600011	Huaneng Power International, Inc.
-	601006	Daqin Railway Co., Ltd.
-	601985	China National Nuclear Power Co., Ltd.

### 6. Other Benchmark and Thematic Indexes

The Benchmark and Thematic Indexes in the Hang Seng Family of Indexes were also part of the index review.

The review results of the Benchmark indexes and Thematic Indexes have been released in a separate index notice.

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### **About Hang Seng Indexes Company Limited**

The Hang Seng Family of Indexes is managed and compiled by Hang Seng Indexes Company Limited (formerly HSI Services Limited), which is a wholly-owned subsidiary of Hang Seng Bank. The Hang Seng Family of Indexes comprises a wide range of Flagship, Benchmark, Thematic, Strategy and Bond indexes that cover stocks/bonds listed in Hong Kong/mainland China markets. For further information on the Hang Seng Family of Indexes, please visit the company's website at [www.hsi.com.hk](http://www.hsi.com.hk).

### **About HSI Advisory Committee**

Hang Seng Indexes Company Limited has appointed an independent advisory committee which meets regularly to discuss matters pertaining to the indexes, including changes of constituents and the launch of new indexes.

### **About Index Review**

Hang Seng Indexes Company Limited conducts regular reviews of indexes in the Hang Seng Family of Indexes. The review frequency of each index is on a quarterly, half-yearly or annual basis according to its index methodology. Reviews will usually be completed within eight weeks after each calendar quarter-end.

# End #

## Hang Seng Index

Constituent Change (Effective 6 March 2017)

ADD		REMOVE	
Code	Company Name	Code	Company Name
175	GEELY AUTO	494	LI & FUNG

## Index Information

Number of Constituents (Effective 6 March 2017)	50
Market Value Coverage Ratio* (As at 30 December 2016)	56.8%
Turnover Coverage Ratio* (Fourth Quarter of 2016)	53.4%

\* The universe comprises Main Board primary listings excluding foreign companies.

## Constituent List (Assuming the constituent changes had been effective on 8 February 2017)

Code	Company Name	FAF (%) <sup>^</sup>	Weighting (%) <sup>*</sup>	
			Before	After <sup>**</sup>
<b>Finance</b>			<b>47.20</b>	<b>46.88</b>
5	HSBC HOLDINGS	100	10.63	10.00
939	CCB (H)	45	8.25	8.31
1299	AIA	100	7.51	7.56
1398	ICBC (H)	85	4.64	4.67
3988	BANK OF CHINA (H)	95	3.76	3.79
388	HKEX	95	2.97	2.99
2318	PING AN (H)	70	2.79	2.81
2628	CHINA LIFE (H)	100	2.28	2.30
11	HANG SENG BANK	40	1.60	1.61
2388	BOC HONG KONG	35	1.53	1.54
3328	BANKCOMM (H)	25	0.66	0.67
23	BANK OF E ASIA	55 <sup>#</sup>	0.58	0.65
<b>Utilities</b>			<b>5.69</b>	<b>5.73</b>
2	CLP HOLDINGS	75	1.93	1.94
3	HK & CHINA GAS	60	1.49	1.50
6	POWER ASSETS	65	1.38	1.39
1038	CKI HOLDINGS	25	0.55	0.56
836	CHINA RES POWER	40	0.34	0.34
<b>Properties</b>			<b>10.57</b>	<b>10.54</b>
16	SHK PPT	45	1.84	1.85
1113	CK PROPERTY	70	1.82	1.82
823	LINK REIT	100	1.58	1.58
688	CHINA OVERSEAS	35	1.21	1.21
4	WHARF HOLDINGS	40 <sup>#</sup>	1.03	0.93
1109	CHINA RES LAND	40	0.75	0.76
17	NEW WORLD DEV	60	0.68	0.71
12	HENDERSON LAND	30	0.62	0.63
83	SINO LAND	50	0.52	0.53
101	HANG LUNG PPT	45	0.52	0.52
<b>Commerce &amp; Industry</b>			<b>36.54</b>	<b>36.85</b>
700	TENCENT	60	10.23	10.00
941	CHINA MOBILE	30	7.09	7.14
1	CKH HOLDINGS	70	3.22	3.24
883	CNOOC	40	2.22	2.23
386	SINOPEC CORP (H)	100	2.03	2.04
857	PETROCHINA (H)	100	1.66	1.67
27	GALAXY ENT	55	1.05	1.05
1928	SANDS CHINA LTD	30	1.00	1.00
267	CITIC	20	0.88	0.89
2018	AAC TECH	60	0.80	0.80
66	MTR CORPORATION	25	0.77	0.78
762	CHINA UNICOM	25	0.74	0.75
175	GEELY AUTO	60	-	0.71
1088	CHINA SHENHUA (H)	100	0.71	0.71
1044	HENGAN INT'L	60	0.61	0.61
2319	MENGNU DAIRY	70	0.53	0.53
19	SWIRE PACIFIC A	55	0.52	0.52
992	LENOVO GROUP	65	0.48	0.49
1880	BELLE INT'L	80	0.45	0.45
151	WANT WANT CHINA	50 <sup>#</sup>	0.49	0.45
144	CHINA MER PORT	50	0.36	0.36
135	KUNLUN ENERGY	40	0.27	0.27
293	CATHAY PAC AIR	25 <sup>#</sup>	0.17	0.14
494	LI & FUNG	-	0.26	-
<b>Total</b>			<b>100.00</b>	<b>100.00</b>

<sup>^</sup> FAF is subject to change resulted from substantial capital change issues.<sup>\*</sup> Figures may not add up to totals due to rounding.<sup>\*\*</sup> The weighting changes reflect a re-capping of HSBC and TENCENT to 10%, and changes in FAF.<sup>#</sup> FAF changed in this review. New FAF will take effect on 6 March 2017.

(H): H-share company

## Hang Seng China Enterprises Index

### Constituent Change

(Effective 6 March 2017)

ADD		REMOVE	
Code	Company Name	Code	Company Name
1658	PSBC	168	TSINGTAO BREW

### Constituent List (Assuming the constituent changes had been effective on 8 February 2017)

Code	Company Name	FAF (%) <sup>^</sup>	Weighting (%) <sup>*</sup>	
			Before	After <sup>**</sup>
3988	BANK OF CHINA	95	10.24	10.00
1398	ICBC	85	9.98	10.00
939	CCB	45	9.93	10.00
2318	PING AN	70	8.06	7.97
2628	CHINA LIFE	100	6.58	6.51
386	SINOPEC CORP	100	5.86	5.79
857	PETROCHINA	100	4.80	4.74
1288	ABC	85 <sup>#</sup>	3.03	3.18
3968	CM BANK	85	2.86	2.83
2601	CPIC	90 <sup>#</sup>	2.57	2.69
2328	PICC P&C	100	2.11	2.09
1088	CHINA SHENHUA	100	2.04	2.02
1988	MINSHENG BANK	90	2.02	2.00
3328	BANKCOMM	25	1.91	1.89
728	CHINA TELECOM	95	1.85	1.83
6837	HAITONG SEC	95	1.72	1.70
998	CITIC BANK	60 <sup>#</sup>	1.57	1.69
1099	SINOPHARM	100	1.67	1.65
1800	CHINA COMM CONS	100	1.60	1.58
6030	CITIC SEC	90	1.25	1.24
1766	CRRC	100	1.21	1.20
914	ANHUI CONCH	95	1.20	1.18
1336	NCI	75	1.17	1.15
1211	BYD COMPANY	70	1.11	1.10
1658	PSBC	30	-	1.04
1776	GF SEC	95	1.03	1.02
390	CHINA RAILWAY	95	1.02	1.01
2333	GREATWALL MOTOR	100	1.01	1.00
2202	CHINA VANKE	100	1.00	0.99
6881	CGS	95	0.97	0.96
6886	HTSC	95	0.96	0.95
1359	CHINA CINDA	65 <sup>#</sup>	0.96	0.90
1339	PICC GROUP	85	0.88	0.87
489	DONGFENG GROUP	95	0.88	0.87
1816	CGN POWER	90	0.85	0.84
3898	CRRC TIMES ELEC	95 <sup>#</sup>	0.86	0.80
1186	CHINA RAIL CONS	95	0.80	0.79
902	HUANENG POWER	90	0.79	0.78
916	CHINA LONGYUAN	95	0.77	0.76
753	AIR CHINA	45	0.43	0.42
168	TSINGTAO BREW	-	0.46	-
<b>Total</b>			<b>100.00</b>	<b>100.00</b>

Total number of constituents: 40

<sup>^</sup> FAF is subject to change resulted from substantial capital change issues.<sup>\*</sup> Figures may not add up to totals due to rounding.<sup>\*\*</sup> The weighting changes reflect a re-capping of BANK OF CHINA ,ICBC and CCB to 10%, and changes in FAF.<sup>#</sup> FAF changed in this review. New FAF will take effect on 6 March 2017.