



Hang Seng Indexes Company Launches Hang Seng New Consumption Index and Hang Seng Shanghai-Shenzhen-Hong Kong New Consumption Index

*Investable Indexes to Reflect Performances of Stocks in
Traditional and Online Consumption Sectors*

(Hong Kong, 26 July 2021) Hang Seng Indexes Company today launched the Hang Seng New Consumption Index and Hang Seng Shanghai-Shenzhen-Hong Kong New Consumption Index.

With a series of policies put forward by mainland China recently to focus on facilitating Internet+ and e-commerce, China will likely see a new growth in the consumption sector driven by these policies in the coming years. Meanwhile, the two new indexes are designed by Hang Seng Indexes Company to capture the full picture of listed companies in traditional consumption sectors (i.e., consumer discretionary and consumer staples) as well as online consumption sectors such as e-commerce, online/mobile gaming, media streaming and healthcare retail amid the shifting megatrends in consumption patterns in China.

The Hang Seng New Consumption Index covers Hong Kong-listed Greater China companies; while the Hang Seng Shanghai-Shenzhen-Hong Kong New Consumption Index is a cross-market index, covering Mainland-listed A shares and Hong Kong-listed shares that are eligible for southbound trading under the Stock Connect Scheme.

Daniel Wong, Director & Chief Index Officer at Hang Seng Indexes Company, said: “According to China’s National Bureau of Statistics, online retail sales amounted to RMB11.76 trillion in 2020, representing an increase of 10.9% compared with 2019¹, indicating that the rise of China’s technology-driven consumption brands and development of e-commerce are catalysing the transformation of China’s consumption model to weigh more on online consumption. Our two new consumption indexes offer onshore and offshore investors an investable way to capture opportunities arising from China’s consumption upgrade and make informed decisions about the cross-market allocation of their assets.”

The new indexes are calculated and in real-time at two-second intervals. More details about the new indexes are provided in the appendices that accompany this release.

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¹ http://www.stats.gov.cn/tjsj/zxfb/202101/t20210118_1812428.html



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About Hang Seng Indexes Company Limited

Hang Seng Indexes Company Limited ('Hang Seng Indexes Company') manages and compiles the Hang Seng Family of Indexes, which cover stocks listed in Hong Kong and Mainland China. Our index series includes the Hang Seng Index, the Hang Seng China Enterprises Index and the Hang Seng TECH Index, as well as Stock Connect, Greater Bay Area and sector-related indexes. As at the end of 2020, assets under management in products passively tracking indexes in the Hang Seng Family of Indexes had reached a total of about US\$38 billion. Hang Seng Indexes Company is a wholly owned subsidiary of Hang Seng Bank. For further information on the Hang Seng Family of Indexes, please visit www.hsi.com.hk.

Appendix 1

Hang Seng New Consumption Index

Universe	<ul style="list-style-type: none"> Hang Seng Composite Index (HSCI) constituents, excluding Foreign Companies 		
Selection Criteria	<p><u>Eligibility Criteria</u></p> <ul style="list-style-type: none"> Pass Velocity Test for Tradable Index; and Classified in Consumer Discretionary, Consumer Staples, Healthcare* or Information Technology* under the Hang Seng Industry Classification System <p><u>Constituent Selection</u></p> <ul style="list-style-type: none"> Largest 50 eligible securities in terms of 12-month-average market value will be selected as constituents 		
Number of Constituents	Fixed at 50 companies		
Launch Date	26 July 2021		
Base Date	31 December 2015		
Base Value	3,000		
Review Frequency	Half-yearly		
Weighting	Free-float market-capitalisation-weighted with a 10% weight cap for individual constituents		
Currency [#]	Hong Kong Dollars		
Dissemination	Real-time at two-second intervals		
Vendor Code	<u>Price Index</u>	<u>Total Return Index</u>	<u>Net Return Index</u>
Bloomberg	HSNCON	HSNCONT	HSNCONN
Refinitiv	.HSNCON	.HSNCONT	.HSNCONN

* Only online consumption companies engaged in e-commerce, online or mobile gaming, streaming media and healthcare retail are eligible

[#] Day-end closing index values in RMB, HKD and USD are available

Note: Please refer to the index methodology for details

Appendix 2

Hang Seng New Consumption Index

Top 10 constituent weightings as at 23 July 2021

Code	Company Name	Weightings (%)
9988	Alibaba Group Holding Limited	13.80%
3690	Meituan	8.87%
669	Techtronic Industries Co. Ltd.	5.02%
1211	BYD Company Limited	4.88%
2331	Li Ning Co. Ltd.	4.81%
2020	ANTA Sports Products Limited	4.71%
175	Geely Automobile Holdings Limited	3.58%
2313	Shenzhou International Group Holdings Ltd.	3.57%
9618	JD.com, Inc.	3.44%
27	Galaxy Entertainment Group Limited	3.18%

Appendix 3

Hang Seng Shanghai-Shenzhen-Hong Kong New Consumption Index

Universe	<ul style="list-style-type: none"> Hang Seng China A (Investable) Index constituents; or HSCI constituents that are eligible for southbound trading under the Stock Connect Scheme 		
Selection Criteria	<p><u>Eligibility Criteria</u></p> <ul style="list-style-type: none"> Average daily turnover in the past six months must be at least HKD20 million for Hong Kong-listed securities, or at least RMB 20 million for A-shares; and Classified in Consumer Discretionary, Consumer Staples, Healthcare* or Information Technology* under the Hang Seng Industry Classification System <p><u>Constituent Selection</u></p> <ul style="list-style-type: none"> Largest 50 eligible companies in terms of 12-month-average company market value will be selected as constituents 		
Number of Constituents	Fixed at 50 companies		
Launch Date	26 July 2021		
Base Date	31 December 2015		
Base Value	3,000		
Review Frequency	Half-yearly		
Weighting	Free-float market-capitalisation-weighted with a 10% weight cap for individual constituents		
Currency [#]	Renminbi		
Dissemination	Real-time at two-second intervals		
Vendor Code	<u>Price Index</u>	<u>Total Return Index</u>	<u>Net Return Index</u>
Bloomberg	HSSNCON	HSSNCONT	HSSNCONN
Refinitiv	.HSSNCON	.HSSNCONT	.HSSNCONN

* Only online consumption companies engaged in e-commerce, online or mobile gaming, streaming media and healthcare retail are eligible

[#] Day-end closing index values in RMB, HKD and USD are available

Note: Please refer to the index methodology for details

Appendix 4

Hang Seng Shanghai-Shenzhen-Hong Kong New Consumption Index

Top 10 constituent company weightings as at 23 July 2021

Code		Company Name	Weightings (%)	
A-shares	HK Shares		A-shares	HK Shares
	3690	Meituan		9.88%
600519		Kweichow Moutai Co.,Ltd.	9.46%	
000858		Wuliangye Yibin Co.,Ltd	7.50%	
002594	1211	BYD Company Limited	3.34%	2.51%
000333		Midea Group Co.,Ltd.	5.23%	
000651		Gree Electric Appliances,Inc. of Zhuhai	4.44%	
601888		China Tourism Group Duty Free Corporation Limited	3.86%	
600887		Inner Mongolia Yili Industrial Group Co.,Ltd.	2.96%	
603288		Foshan Haitian Flavouring and Food Company Ltd.	2.76%	
	669	Techtronic Industries Co. Ltd.		2.58%