



Hang Seng China-Affiliated Corporations Index

This methodology document should be read in conjunction with the Index Methodology General Guide on HSIL's website.

Objective	To reflect overall performance of China-affiliated corporations that are listed in Hong Kong and classified as Red-chips
Universe	Constituents of the Hang Seng Composite Index that are classified as Red-chips under Mainland Securities
Eligibility Criteria	
<i>Types of Securities</i>	Foreign Companies and Stapled Securities are excluded
<i>Listing History Requirements</i>	At least one month listing history as data cutoff-date
<i>Turnover Requirements</i>	Velocity Test for Tradable Indexes
Constituent Selection	
<i>Selection Criteria</i>	The top 25 securities with the highest Combined MV Rank will be selected as constituents
<i>Combined MV Rank</i>	<p>MV refers to the average of daily market values of the past 12 months. FFMV refers to MV multiplied by freefloat-adjusted factor ("FAF").</p> <p>(a) $0.5 \text{ MV Rank} + 0.5 \text{ FFMV Rank} = \text{Combined MV Score}$ (b) Rank of the Combined MV Score = Combined MV Rank (c) In cases where two securities have the same Combined MV Score, a higher rank will be assigned to the security with the higher MV Rank</p>



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Number of Constituents	Fixed at 25	
Buffer Zone	<p>Existing constituents ranked lower than 30th will be removed from the index, while non-constituent securities ranked 20th or above will be included.</p> <p>Securities will be added or excluded according to their Combined MV Rank to maintain the number of constituents at 25.</p>	
Fully Eligible for Stock Connect Trading	No	
Review Frequency	Quarterly	
Rebalancing Frequency	Quarterly	
Fast Entry	No	
Replacement for Ad-hoc Removal	Yes, the outgoing constituent will be replaced by the highest ranked candidate in last regular review	
Weighting	Freefloat-adjusted market capitalisation weighted	
Capping	10% on individual securities	
Launch Date	16 June 1997	
Base Date	3 January 2000 (Rebased after launch; Backdated to 4 January 1993)	
Base Value	2,000	
Currency	Hong Kong Dollars	
Frequency	Real-time every two seconds	
Vendor Codes	Refinitiv	Bloomberg
PI Gross TRI	.HSCC .HSCCDV	HSCCI HSI 22

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	July 2020	First Issue
1.1	December 2024	Updated MV calculation in Combined MV Rank



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