

# China New Economic Engine Index

January, 2019



## Design

- Apply Smart Beta investment strategy
- Select strongest, fastest-growing emerging listed companies as measured by R&D investment and financial health
- Distribute weights based on their growth and liquidity

## Features

- Exposure to light asset, high growth, high R&D investment and high quality risk factors
- High investment capacity, high liquidity and low turnover
- Overweight on high-tech, light-asset and high R&D firms
- Capture the technology-led economic growth in China

## Basic Information<sup>1</sup> (As of Jan. 31, 2019)

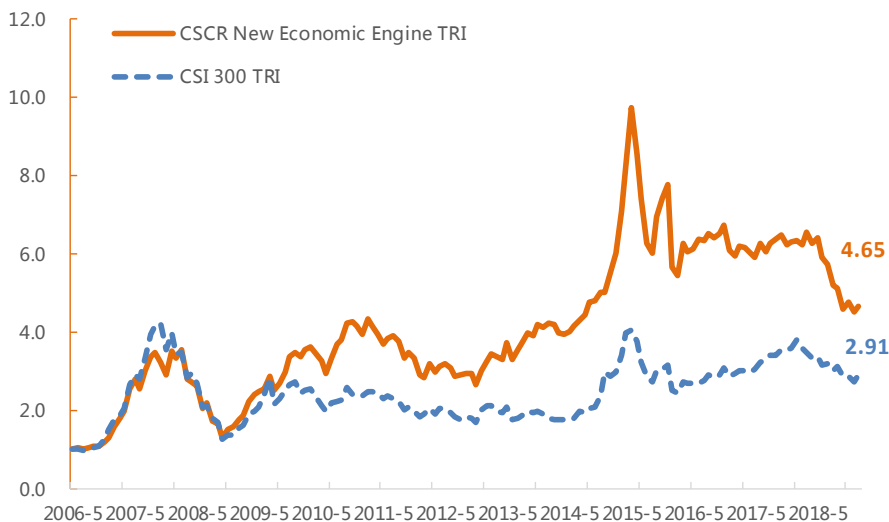
### BASIC INFORMATION

| Index Name                                    | Short                    | PRI Ticker       | Constituents     | SSE Stocks       | SZSE Stocks   |               |
|-----------------------------------------------|--------------------------|------------------|------------------|------------------|---------------|---------------|
| CSI Caixin Rayliant New Economic Engine Index | CSCR New Economic Engine | 930928.CSI       | 300              | 108              | 192           |               |
| Constituents                                  | Index Universe           | Currency         | TRI Ticker       | Market Cap Stats | Total (B RMB) | Float (B RMB) |
| Max 300                                       | China A Share Market     | RMB              | H20928.CSI       | Maximum          | 310.78        | 183.54        |
| Launch                                        | Review                   | Last Review      | Next Review      | Minimum          | 2.07          | 0.57          |
| 2016/12/23                                    | Annually                 | 2018/6/11        | 2019/6/10        | Mean             | 18.90         | 8.32          |
| Base Date                                     | Base Point               | Last Month Close | This Month Close | Median           | 9.98          | 4.05          |
| 2013/6/30                                     | 1000                     | 1369.57          | 1407.61          | Cap Weighted     | 78.63         | 50.04         |

## Index Performance, Risk and Return Characteristics<sup>2</sup> (As of Jan. 31, 2019)

### CUMULATIVE INDEX PERFORMANCE - TOTAL RETURN

2006.06-2019.1 (RMB)



### ANNUAL TOTAL RETURN

| YEAR | CSI 300 | CSCR NEEI |
|------|---------|-----------|
| 2018 | -23.64% | -28.16%   |
| 2017 | 24.25%  | 3.09%     |
| 2016 | -9.26%  | -21.41%   |
| 2015 | 7.22%   | 54.73%    |
| 2014 | 55.85%  | 21.92%    |
| 2013 | -5.33%  | 35.82%    |
| 2012 | 9.80%   | 3.95%     |
| 2011 | -24.05% | -29.88%   |
| 2010 | -11.58% | 19.14%    |
| 2009 | 98.58%  | 121.40%   |
| 2008 | -65.61% | -55.28%   |
| 2007 | 163.28% | 174.60%   |

### INDEX PERFORMANCE - TOTAL RETURN

|                            | Holding Period Return |       |       | Annualized Return |        |        |              |
|----------------------------|-----------------------|-------|-------|-------------------|--------|--------|--------------|
|                            | YTD                   | 1 Mo  | 3 Mo  | 1 Yr              | 3 Yr   | 5 Yr   | Since 2006.6 |
| CSI 300 TRI                | 6.34%                 | 6.34% | 1.54% | -23.46%           | 5.06%  | 10.11% | 8.79%        |
| CSCR New Economic Engine T | 2.78%                 | 2.78% | 0.98% | -26.95%           | -6.48% | 1.89%  | 12.89%       |

### FUNDAMENTALS

| 12 Mo   |       |      |       |      |  |
|---------|-------|------|-------|------|--|
| Div Yld | P/E   | P/B  | P/CF  | P/S  |  |
| 2.72%   | 10.89 | 1.32 | 7.67  | 1.10 |  |
| 1.95%   | 16.59 | 2.18 | 25.02 | 1.44 |  |

### INDEX RISK AND RETURN CHARACTERISTICS

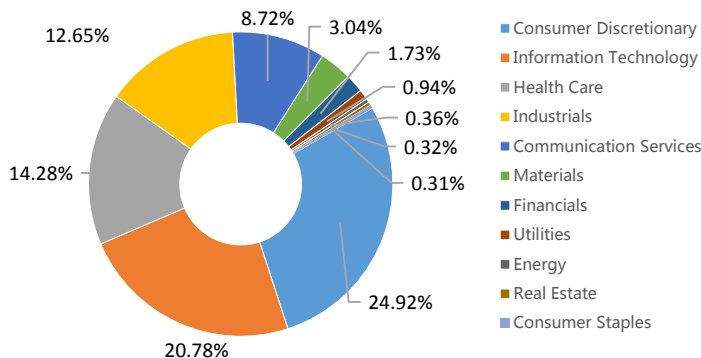
|                              | 1 Yr     |            |              |         | Since 2006.6 |            |              |         |
|------------------------------|----------|------------|--------------|---------|--------------|------------|--------------|---------|
|                              | Turnover | Volatility | Sharpe Ratio | Max DD  | Turnover     | Volatility | Sharpe Ratio | Max DD  |
| CSI 300 TRI                  | 10.08%   | 15.71%     | -1.59        | -28.03% | 12.73%       | 31.26%     | 0.20         | -70.47% |
| CSCR New Economic Engine TRI | 51.45%   | 17.74%     | -1.60        | -30.90% | 43.69%       | 31.65%     | 0.33         | -63.56% |

<sup>1</sup> Data Source: Caixin Data

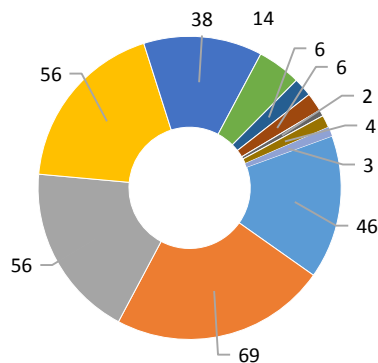
<sup>2</sup> Data Source: Caixin Data. All calculation is done by CSI. Data prior to Dec 23, 2016 is back-tested data. Past performance - whether actual or back-tested - is no indication or guarantee of future performance.

# Sector Weights<sup>3,4</sup> (As of Jan. 31, 2019)

## SECTOR WEIGHTS



## SECTOR DISTRIBUTION



## TOP 10 CONSTITUENTS

| Stock Name                               | Stock Code | Sector                 | Total (B)    | Float (B)  | Weights       |
|------------------------------------------|------------|------------------------|--------------|------------|---------------|
| Gree Electric Appliances, Inc. of Zhuhai | 000651.SZ  | Consumer Discretionary | 251          | 181        | 12.14%        |
| Midea Group                              | 000333.SZ  | Consumer Discretionary | 286          | 184        | 7.13%         |
| Jiangsu Hengrui Medicine                 | 600276.SH  | Health Care            | 218          | 130        | 5.57%         |
| Focus Media Information Technology       | 002027.SZ  | Information Technology | 80           | 57         | 2.09%         |
| China International Travel Service       | 601888.SH  | Consumer Discretionary | 106          | 48         | 1.48%         |
| Luenmei Quantum                          | 600167.SH  | Utilities              | 18           | 5          | 1.20%         |
| Fangda Carbon New Material               | 600516.SH  | Industrials            | 33           | 19         | 1.17%         |
| Aisino Corporation                       | 600271.SH  | Information Technology | 45           | 24         | 1.00%         |
| Shenzhen Sunway Communication            | 300136.SZ  | Information Technology | 22           | 17         | 0.98%         |
| Bgi Genomics                             | 300676.SZ  | Health Care            | 23           | 9          | 0.89%         |
| <b>Total</b>                             |            |                        | <b>1,082</b> | <b>673</b> | <b>33.65%</b> |

# Sector and Stock Contributions<sup>5</sup> (Jan. 2019)

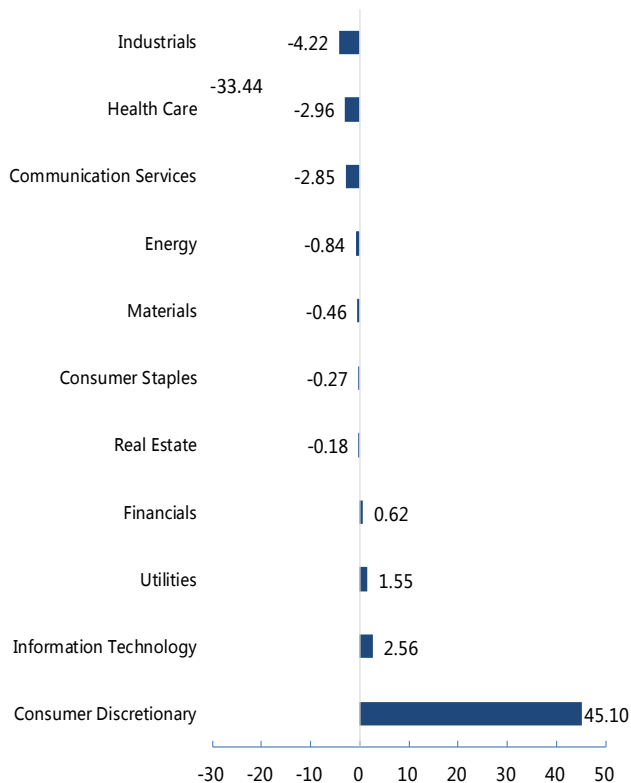
## TOP 10 CONTRIBUTED STOCKS (2019.1)

| Code      | Name                                     | Wt %  | Contrib. |
|-----------|------------------------------------------|-------|----------|
| 000651.SZ | Gree Electric Appliances, Inc. of Zhuhai | 12.14 | 24.80    |
| 000333.SZ | Midea Group                              | 7.13  | 15.37    |
| 600276.SH | Jiangsu Hengrui Medicine                 | 5.57  | 8.37     |
| 600167.SH | Luenmei Quantum                          | 1.20  | 1.74     |
| 002405.SZ | Navinfo                                  | 0.71  | 1.49     |
| 600690.SH | Qingdao Haier                            | 0.79  | 1.49     |
| 002127.SZ | NanJi E-Commerce                         | 0.55  | 1.44     |
| 600516.SH | Fangda Carbon New Material               | 1.17  | 1.43     |
| 600845.SH | Shanghai Baosight Software               | 0.54  | 1.30     |
| 002508.SZ | Hangzhou Robam Appliances                | 0.52  | 1.26     |

## BOTTOM 10 CONTRIBUTED STOCKS (2019.1)

| Code      | Name                               | Wt % | Contrib. |
|-----------|------------------------------------|------|----------|
| 002370.SZ | Zhejiang Yatai Pharmaceutical      | 0.19 | -2.42    |
| 601888.SH | China International Travel Service | 1.48 | -2.17    |
| 600518.SH | Kangmei Pharmaceutical             | 0.19 | -1.57    |
| 600201.SH | Jinyu Bio-Technology               | 0.64 | -1.50    |
| 002019.SZ | YIFANPHARMACEUTICAL                | 0.47 | -1.28    |
| 300633.SZ | Sonoscape Medical Corp.            | 0.48 | -1.13    |
| 600715.SH | Cultural Investment Holdings       | 0.41 | -0.82    |
| 300343.SZ | Lecron Internet Media Industry     | 0.21 | -0.81    |
| 000662.SZ | Teamax Smart City Technology       | 0.26 | -0.79    |
| 603160.SH | Shenzhen Huiding Technology        | 0.62 | -0.77    |

## SECTOR CONTRIBUTIONS



<sup>3</sup> Based on Caixin New Economy Industry Classification (2012)

<sup>4, 5</sup> Data Source: Caixin Data

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## About us

Caixin Rayliant Smart Beta is a joint venture between Caixin Insight Group and Rayliant Global Advisors.

Connect with us on Wechat



## Contact Info

Weijia Ruan

Tel: +86 13564580486

Email: weijiaruan@caixin.com

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