

Shenzhen Stock Exchange Market Bulletin

December 12, 2016 (Issue 42)



Market Summary

Listed Companies (No.)	1,854
- Main Board	478
- SME Board	814
- ChiNext Market	562
Funds	503
Bonds	2,043
Market Cap. (US\$ bn)	3,372.2
- Main Board	1,101.5
- SME Board	1,467.5
- ChiNext Market	803.2
Average Turnover Ratio	2.14
Average P/E Ratio	43.18
No. of IPO (YTD)	108

Most Active Companies

1	Gree Electric Appliances, Inc. of Zhuhai Co., Ltd (000651)
2	East Group Co., Ltd (300376)
3	Suning Commerce Group Co., Ltd. (002024)

Top Gainers

1	Shenzhen Anche Technologies Co., Ltd. (300572)
2	T&S Communications Co., Ltd (300570)
3	Shenzhen Kexin Communication Technology Co., Ltd (300565)

Top Decliners

1	Kyland Technology Co., Ltd. (300353)
2	Shijiazhuang Tonhe Electronics Technologies Co., Ltd. (300491)
3	Brother Enterprises Holding Co., Ltd. (002562)

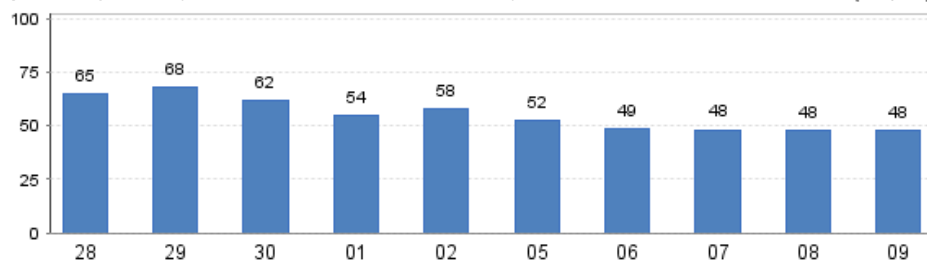
New Listing

T and S (300570)

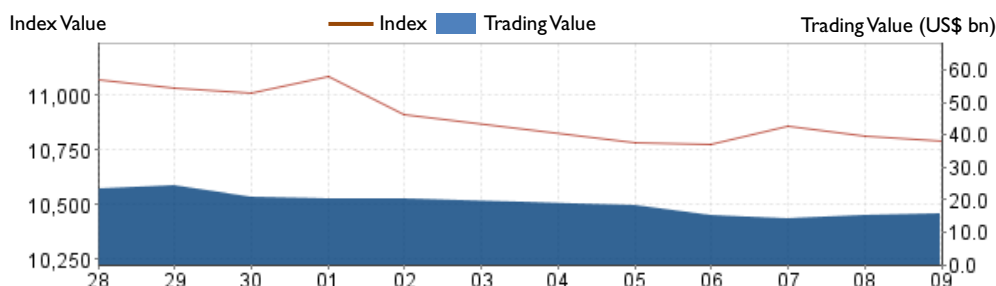
T and S Communications Co., Ltd. landed on ChiNext board on December 06, 2016. The company principally engages in the research and development, production and sale of optical devices. In 2015, its operating income reached 502 million yuan with the net profit of 116.4443 million yuan.

Daily Trading Value (November 28 – December 09)

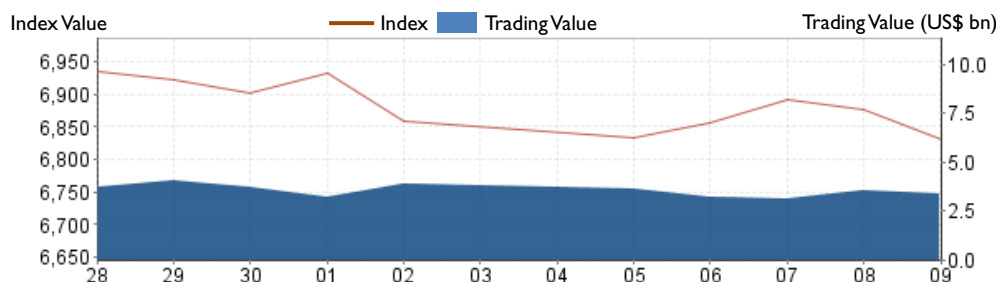
(US\$ bn)



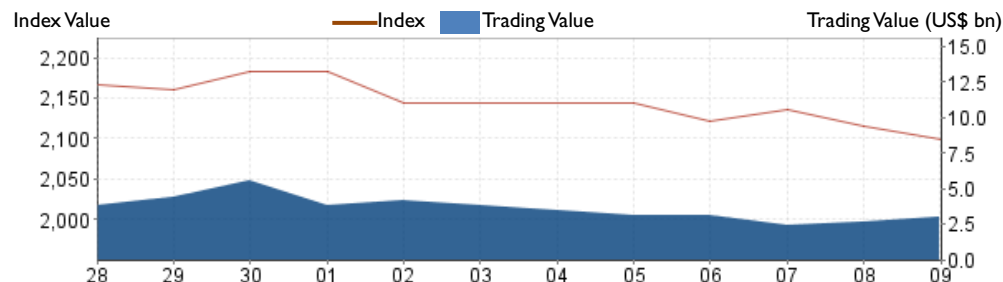
SZSE Component Index (November 28 – December 09)



SME Index (November 28 – December 09)



ChiNext Index (November 28 – December 09)



Market News

SZSE Hong Kong Subsidiary Signs MOUs with Four Hong Kong Securities and Funds Associations

China Chuangying Market Services Co., Ltd., a subsidiary of Shenzhen Stock Exchange (SZSE) in Hong Kong, signed memorandum of understanding with Chinese Securities Association of Hong Kong (HKCSA), Hong Kong Investment Funds Association (HKIFA), Hong Kong Securities Association (HKSA) and Hong Kong Securities and Investment Institute (HKSII) on Dec. 5. In accordance with the MOUs, the signing parties plan to organize promotion and training activities centering on Shenzhen-Hong Kong Stock Connect and SZSE market to build information sharing mechanisms and jointly research on the topic of Shenzhen-Hong Kong capital market cooperation.

Anche Technologies (300572)

Shenzhen Anche Technologies Co., Ltd. landed on ChiNext board on December 06, 2016. The company is a major supplier of integrated solutions for domestic motor vehicles inspection, and one of the few domestic suppliers providing motor vehicles inspection systems and network-based industrial regulation systems that can satisfy the needs of the auto vehicle inspection industry in respect of inspection and regulation and etc. In 2015, its operating income reached 282 million yuan with the net profit of 42.2202 million yuan.

Beiken Energy (002828)

Xinjiang Beiken Energy Engineering Stock Co., Ltd. landed on SME board on December 08, 2016. The company principally engages in drilling engineering services and other oilfield technical services for oil and gas exploration and exploitation. In 2015, its operating income reached 730 million yuan with the net profit of 65.2229 million yuan.

Xingqi Pharmaceutical (300573)

Shenyang Xingqi Pharmaceutical Co., Ltd. landed on ChiNext board also on December 08, 2016. The company principally engages in research and development, production and sale of ophthalmic drugs. In 2015, its operating income reached 287 million yuan with the net profit of 21.9796 million yuan.

Aim Pharm (002826)

Tibet Aim Pharm. Inc. landed on SME board on December 09, 2016. The company principally engages in research and development, production and sale of chemicals (bulk drug and preparation) and traditional Chinese patent drugs. In 2015, its operating income reached 347 million yuan with the net profit of 50.0299 million yuan.

GaoZheng Explosive (002827)

Tibet GaoZheng Explosive Co., Ltd. landed on SME board on December 09, 2016. The company principally engages in sale (distribution), and delivery of industrial explosive materials, production of industrial explosives, and provision of demolition services. In 2015, its operating income reached 246 million yuan with the net profit of 66.2834 million yuan.

China Approves 14 New IPO Applications

CSRC, the top securities regulator, approved 14 initial public offering (IPO) applications last week. Among the 14 companies, 3 will be listed on the SME Board and 4 will be listed on the ChiNext Market of SZSE. The 14 IPOs are expected to raise up to 5.4 billion yuan (around 782 million U.S. dollars). In total, 242 companies have been given green light to list on the stock market this year, raising about 169.5 billion yuan.

China to Launch Yuan's Direct Trading with Seven More Currencies

China announced on Dec 9 that it will launch direct trading of its currency yuan with seven more currencies on its inter-bank foreign exchange market on Dec 12. The seven currencies are Swedish krona, Hungarian forint, Danish krone, Polish zloty, Mexican peso, Turkish lira and Norwegian krone, according to the China Foreign Exchange Trade System (CFETS). The move will bring the number of foreign currencies that are allowed direct trading with the yuan to 23.

Platform Opens to Better Bill Trading

China launched a platform for commercial paper trading in Shanghai on Dec 8, to better regulate the trading for bills of exchange. The platform, operated by the newly set Shanghai Commercial Paper Exchange Corp and overseen by the central bank, will make commercial paper trading more transparent and prevent potential risks arising from paper bill transactions. Trading volume in China's commercial paper market hit 102.1 trillion yuan (US\$15 trillion) in 2015 due to growing needs of small firms for short-term financing, according to PBOC data.

China Central Bank Injects \$49 Billion via MLF

China's central bank said on Dec 6 that it lent 339 billion yuan (\$49.13 billion) to 24 financial institutions via the medium-term lending facility (MLF). Interest rates on the MLF were set at 2.85 % for six-month loans and 3% for one-year loans, unchanged with November levels, according to a People's Bank of China statement. The move aims to keep liquidity in the banking system "reasonable and ample," the central bank said.

Favorable Tax to Cut Corporate Debt Level

Chinese authorities released preferential tax policies on companies' restructuring activities on Dec 6 in an effort to tackle high corporate debt. The Ministry of Finance and the State Administration of Taxation detailed multiple favorable tax breaks to businesses engaged in mergers, acquisitions and debt restructuring. They asked local authorities to pay close attention to the implementation of the policies. The move came as the State Council in October announced measures to reduce companies' leverage by encouraging mergers and acquisitions and through debt-for-equity swaps.