

## Market Summary

Listed Companies (No.)	1,781
- Main Board	478
- SME Board	791
- ChiNext Market	512
Funds	482
Bonds	1,622
Market Cap. (US\$ bn)	3,217.0
- Main Board	1,004.9
- SME Board	1,428.4
- ChiNext Market	783.8
Average Turnover Ratio	2.33
Average P/E Ratio	40.24
No. of IPO (YTD)	35

## Most Active Companies

- 1 Western Securities (002673)
- 2 First Capital Securities (002797)
- 3 Baofeng Group (300431)

## Top Gainers

- 1 Wuxi Honghui New Materials Technology (002802)
- 2 Xi'an Global Printing (002799)
- 3 Zhejiang Xinguang Pharmaceutical (300519)

## Top Decliners

- 1 Landocean Energy Services (300157)
- 2 Valiant (002643)
- 3 Dalian Zhiyun Automation (300097)

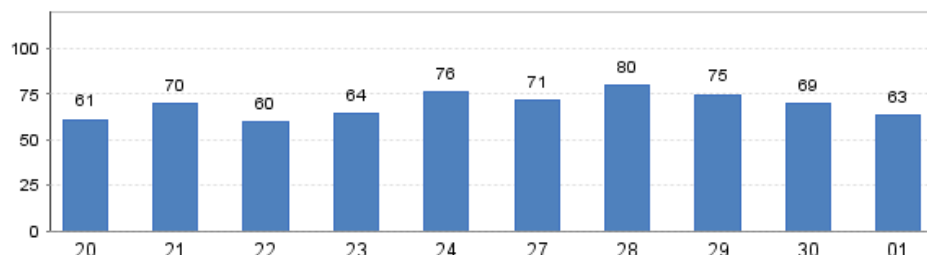
## New Listing

### Honghui New Materials (002802)

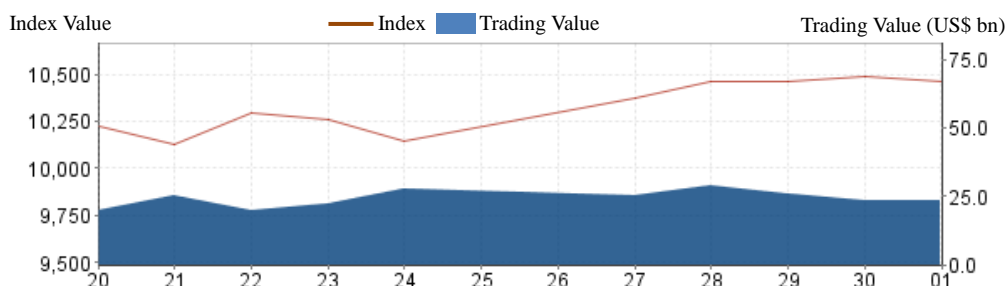
Honghui New Materials landed on the SME board on 29 June, 2016. The company principally engages in the research and development, production and sales of special vinyl chloride copolymer. In 2015, its operating income reached RMB 293 million with a net profit of RMB 45.37 million.

## Daily Trading Value (June 20 – July 1)

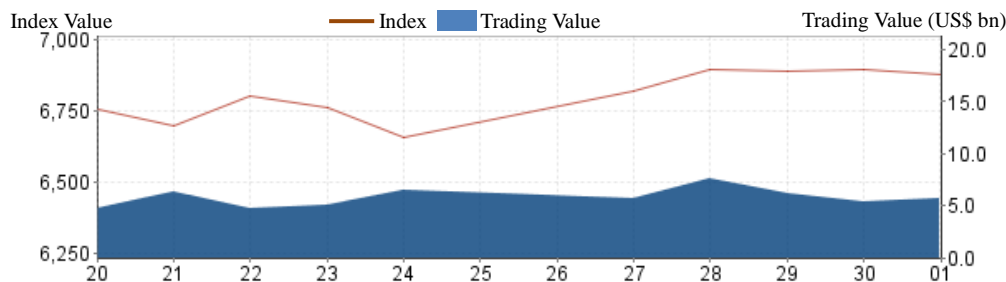
(US\$ bn)



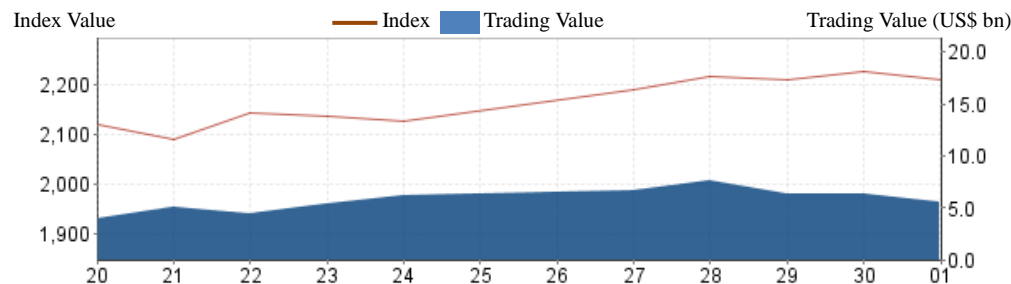
## SZSE Component Index (June 20 – July 1)



## SME Index (June 20 – July 1)



## ChiNext Index (June 20 – July 1)



## Market News

### NPC: China Adopts Law Regulating Asset Appraisals

National People's Congress (NPC) Standing Committee approved the first law governing the country's asset appraisal industry on 2 July. The new law allows certified appraisers who have passed national exams, as well as others who have expertise and hands-on experience in asset evaluation, to practice asset appraisal. Practitioners must provide appraisal services and sign appraisal reports in accordance with the law. Those who sign false reports could face a life ban. The law provides that appraisal agencies should supervise and take responsibility for the professional conduct of their practitioners.

### CSRC: Regulations Tightened on Reverse Mergers

China tightened regulations on reverse mergers to curb speculation by shell companies with the focus on complete information disclosure by public companies on 1 July. According to the CSRC, listed companies involved in reverse mergers must hold a news conference and accept public supervision before the resumption the share trading. The

regulator will also carry out on-site inspections on all companies that have disclosed their draft plans for a reverse merger.

**CSRC: Detail Rules for Launch of Foreign Hedge Fund Products**

China will detail rules to allow foreign hedge fund managers to launch products in the country. According to the CSRC, foreign asset managers launching products in China must set up operations locally, raise capital locally, and invest in the domestic capital markets, without conducting cross-border transactions. The rules will apply to secondary market as well as to private equity products.