

Shenzhen Stock Exchange Market Bulletin

January 9, 2017 (Issue 2)



Market Summary

Listed Companies (No.)	1,875
- Main Board	478
- SME Board	823
- ChiNext Market	574
Funds	510
Bonds	2,092
Market Cap. (US\$ bn)	3,255.9
- Main Board	1,068.5
- SME Board	1,430.1
- ChiNext Market	757.3
Average Turnover Ratio	1.51
Average P/E Ratio	41.60
No. of IPO (YTD)	5

Most Active Companies

1	Boe Technology Group (000725)
2	Gree Electric Appliances, inc. of Zhuhai (000651)
3	Baota Industry (000595)

Top Gainers

1	Malion New Materials (300586)
2	Zhejiang Tiantie Industry (300587)
3	Xinjiang Sailing Information Technology (300588)

Top Decliners

1	Kee Ever Bright Decorative Technolog (002464)
2	Beijing Oriental Jicheng (002819)
3	Fujian Mindong Electric Power (000993)

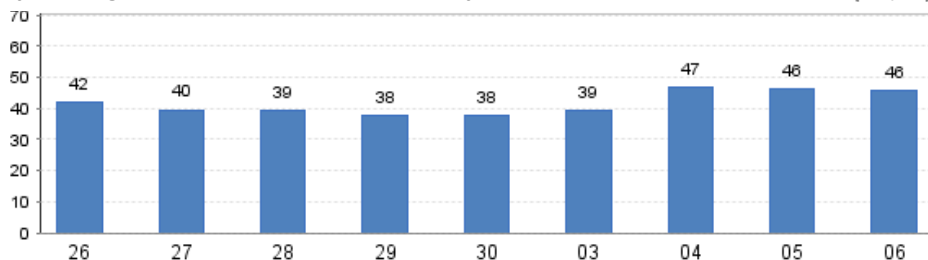
New Listing

Malion New Materials (300586)

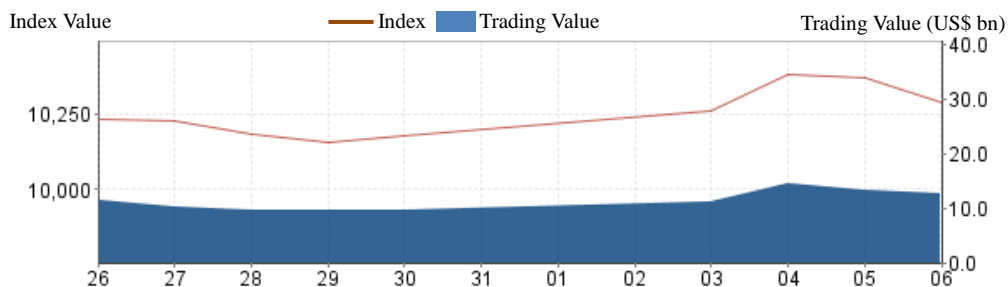
Malion New Materials landed on ChiNext Market on January 4, 2017. Malion New Materials principally engages in research and development, production, sale and technical services of polymer coloring materials. In 2015, its operating income reached RMB 347 million with net profit of RMB 41 million.

Daily Trading Value (December 26 – January 6)

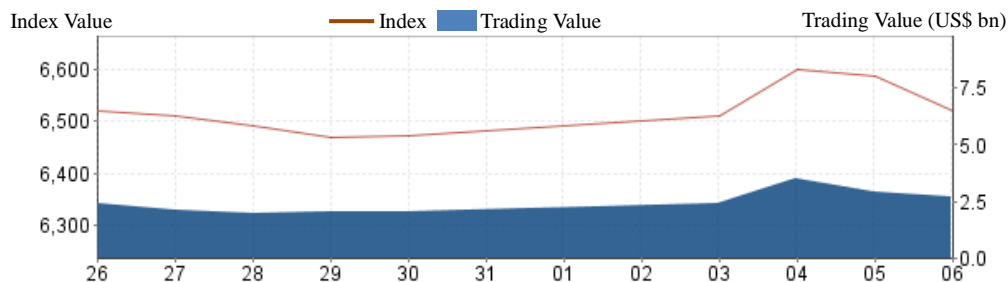
(US\$ bn)



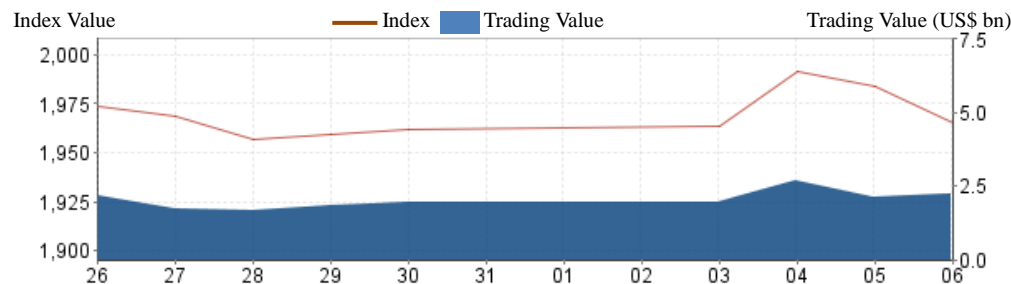
SZSE Component Index (December 26 – January 6)



SME Index (December 26 – January 6)



ChiNext Index (December 26 – January 6)



Market News

SZSE Revised Memoranda on Matters Regarding Periodic Reports Disclosures

To implement the requirements stated in the CSRC-amended principles on the content and format of periodic reports, SZSE recently revised the Memoranda on Matters Regarding Periodic Reports Disclosure. The overall principle of the revision centers on information disclosure with new requirements on periodic reports disclosure defined. The revision requires that listed companies should disclose periodic reports according to industrial information disclosure guidelines. The revision also unifies the disclosure channel for periodic reports and adds in new disclosure content. Moreover, the revision defines principles of state secret and trade secret disclosure exemption and the concept of "material"/"major" in periodic report principles.

Tiantie (300587)

Tiantie landed on ChiNext Market on January 5, 2017. Zhejiang Tiantie Industry principally engages in research and development, production and sale of rubber goods for railway projects. In 2015, its operating income reached RMB 289 million with net profit of RMB 67 million.

Sailing Information (300588)

Sailing Information landed on ChiNext Market on January 5, 2017. Xinjiang Sailing Information Technology principally engages in intelligent security and information projects; information security products, services and integrated solutions; and the development of other software and services. In 2015, its operating income reached RMB 404 million with net profit of RMB 28 million.

Dawn (002838)

Dawn landed on SME Board on January 6, 2017. Shandong Dawn Polymer principally engages in the research and development, production and sale of thermoplastic elastomers, modified plastics and masterbatches. In 2015, its operating income reached RMB 626 million with net profit of RMB 60 million.

Sito Bio-technology (300583)

Sito Bio-technology landed on ChiNext Market on January 6, 2017. Shandong Sito Bio-technology principally engages in the production of steroidal bulk drugs by applying genetic engineering technologies and microbial transformation technologies. In 2015, its operating income reached RMB 668 million with net profit of RMB 187 million.

SZSE Established Online "Stockholders Business Section" to Expand Disclosure Channels

In order to prevent listed companies from failing to fulfill information disclosure obligation or disclose stockholders equity changes in a timely manner, SZSE recently designated a "Stockholders Business Section" on its website. The "Stockholders Business Section" provides a second channel to disclose changes of stockholders equity and further enhances the effectiveness of information disclosure. The "Stockholders Business Section" has 3 main features. First, it implements strict user registration procedure to ensure authentication. Second, it fully covers information disclosure categories on stockholders' equity changes. Third, stockholders are allowed to use the same account to disclose changes of equity in different listed companies.

Shenzhen Attracts Funds through HK Link

Investors are showing stronger willingness to invest northbound, toward Shenzhen using the new Shenzhen-Hong Kong Stock Connect, according to figures for first full month of trading, as of January 5. In the month from the December 5 launch until January 4, northbound flows recorded a total turnover of RMB 28.86 billion (USD 4.2 billion) with an average daily turnover of RMB 1.52 billion—an average daily usage of 6.6 percent of the monthly allowance. Southbound flows saw a turnover of HKD 9.9 billion (USD 1.28 billion) with an average daily turnover of HKD 0.5 billion, 3.4 percent of the monthly allowance per day.

Chinese Mainland's Stock Markets Welcomed 227 IPOs Worth USD 21.6b in 2016

Chinese mainland's stock markets welcomed 227 initial public offerings valued at RMB 150.4 billion (USD 21.6 billion) in 2016, according to PwC's year-end report. The number of IPOs in 2016 rose from 219 in the year before while last year's IPO value fell from RMB 158.6 billion in 2015. Among the 227 IPOs in 2016, the number of IPOs completed in Shenzhen SME Board amounted to 46 with a value of RMB 22.7 billion. A total of 78 companies, mostly from the industrial products, IT and telecommunications sectors, have listed on ChiNext Market, raising RMB 25.8 billion.

Renminbi Started New Year Journey with Big Jump

Renminbi started the new year with a big jump, surprising the market with a strong strengthening performance. The central parity rate of the RMB strengthened 639 basis points to 6.8668 against the US dollar on January 6, according to the China Foreign Exchange Trade System. This was the RMB midpoint's biggest one-day increase since 2005 when it was revalued. The market expected that the RMB might experience a new round of depreciation against the US dollar in 2017 over concerns of slowdown of the world's second largest economy, capital outflows and anticipation of US interest rate hikes. However, both the offshore (CNH) and onshore RMB had been rallying last week, mainly driven by a surge in RMB borrowing costs offshore and tighter liquidity.