

Shenzhen Stock Exchange Market Bulletin

March 30-April 03, 2020 (Issue 7)



Market Summary

Listed Companies (No.)	2,222
- Main Board	470
- SME Board	948
- ChiNext Market	804
Funds	544
Bonds	7,154
Market Cap. (US\$ bn)	3,341.4
- Main Board	1,014.8
- SME Board	1,397.3
- ChiNext Market	929.3
Average Turnover Ratio	2.58
Average P/E Ratio	24.91
No. of IPO (YTD)	18

Most Active Companies

1	Zte Corporation (000063)
2	Jiangsu Yuyue Medical Equipment & Supply Co., Ltd. (002223)
3	Luxshare Precision Industry Co., Ltd. (002475)

Top Gainers

1	Iat Automobile Technology Co., Ltd. (300825)
2	Henan Kedi Dairy Co., Ltd. (002770)
3	Hiconics Eco-energy Technology Co., Ltd. (300048)

Top Decliners

1	Zhejiang Zhongjian Technology Co., Ltd. (002779)
2	Tangshan Jidong Equipment Engineering Co., Ltd. (000856)
3	Suzhou Industrial Park Heshun Electric Co., Ltd. (300141)

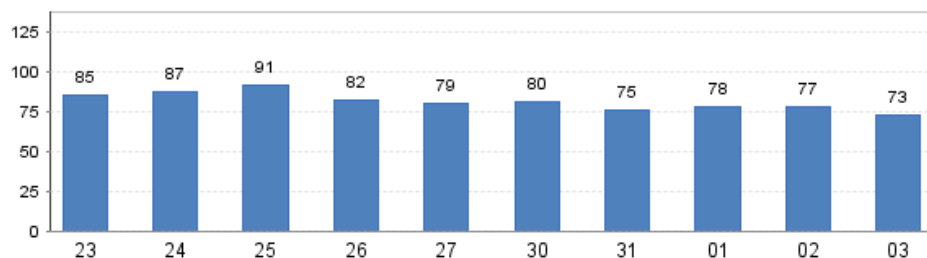
New Listing

Investigation (300826)

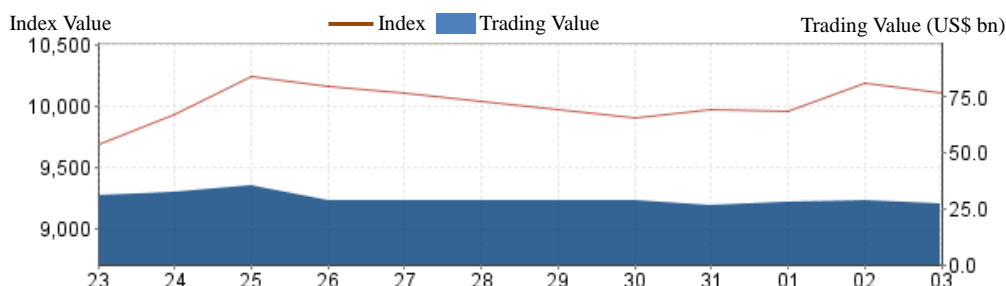
Research Institute of Surveying Mapping and Geotechnical Investigation Co., Ltd. principally engages in engaged in surveying and mapping geographic information service business in the geographic information industry. In 2019, its operating income reached 513 million yuan with the net profit of 86.36 million yuan.

Daily Trading Value (March 23 – April 03)

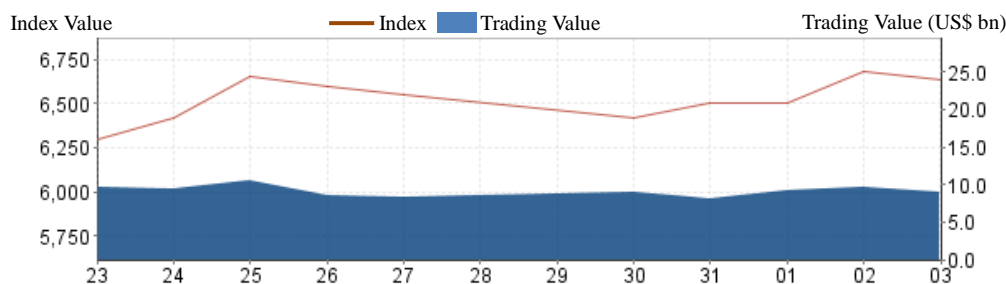
(US\$ bn)



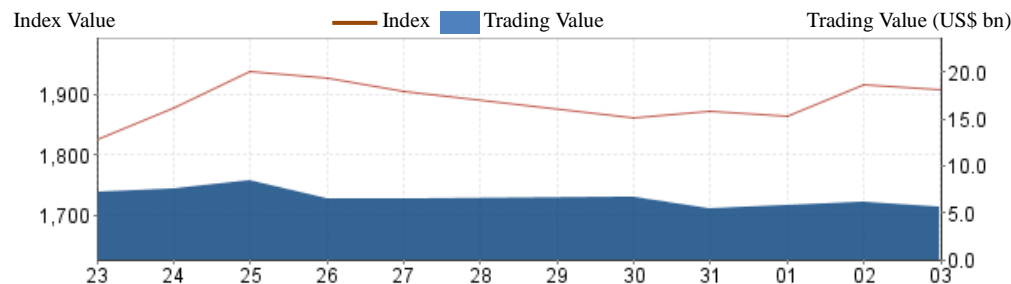
SZSE Component Index (March 23 – April 03)



SME Index (March 23 – April 03)



ChiNext Index (March 23 – April 03)



Market News

1. CSRC Solicits Public Comments on the Measures for the Implementation of Supervision and Management of Securities and Futures Market

The CSRC solicits public comments on the *Measures for the Implementation of Supervision and Management of Securities and Futures Market* (the Measures), which is updated from the 2008 version in accordance with the newly amended Securities Law. The Measures are formulated to provide implementation procedures of securities market regulation in a rule-based manner, help improve the business environment governed by the rule of law, and boost investor confidence. The Measures stipulate the types of regulatory measures, eligible conditions, procedures and requirements for decision-making for implementation.

2. New products launched to alleviate risks caused by the COVID-19

In light of liquidity problem faced by bond issuers whose cash allocation plan for debt payment has been disrupted by the outbreak of the COVID-19, SZSE made rules for corporate bond for replacement which saw its debut recently. Located in Hubei Province where the outbreak of the COVID-19 took place, Huachangda Intelligent Equipment Group Co., was badly stricken and was hard pressed to make due payment to its corporate bond

holders. As the first issuer of corporate bond for replacement, Huachangda offered tenders of replacing the existing corporate bond with a newly offered corporate bond to its issuers who make their own judgment on whether accept the offer. This new product offers both issuers and holders with a new option for risk alleviation in a voluntary manner.

3. China's PBOC cuts 7-day reverse repo rate by 20 basis points

On March 30, China's central bank injected RMB 50 billion (USD 7 billion) into the banking system through the seven-day reverse repos to maintain adequate liquidity. The central bank reduced the rate by 20 basis points to 2.2% to lower lending costs and offset the COVID-19-related economic shock.

4. China launches LPG futures and options

On March 30th and 31st, China launched trading of liquefied petroleum gas (LPG) futures contracts and LPG options respectively on the Dalian Commodity Exchange, offering more tools for risks management. The benchmark price was RMB 2,600 (USD 369) per tonne, and the contract for November 2020 delivery closed down 9% on the first day, with over 85,000 lots changing hands.

Analysis



Ling Li
Beijing Center

Unleashing the Power of New Infrastructure--efforts by SZSE listed new infrastructure companies in fighting against the COVID-19

As the outbreak of COVID-19 changed the way people work and live, new technologies and industries have flourished in the combat against the epidemics. The new infrastructure industry keeps widening its application in previously unimaginable ways and finds itself in center stage amid the outbreak of COVID-19. The Chinese government in 2018 defined technology-enabled infrastructure industry as new infrastructure industry including 5G base stations construction, ultra high-voltage distribution of power, high speed intercity trains and rail transit, new energy vehicles charging stations, big-data center, artificial intelligence, and industrial internet. Facilitated by the new infrastructure industry, technologies such as unmanned aerial vehicles sanitization, intelligent temperature measurement, and robot delivery have made great contribution to epidemic prevention and represented resilience of China's economy.

As home to China's new economy companies, Shenzhen Stock Exchange is where one can have a closer look at the development of new infrastructure industry. A research by SZSE shows that, by the end of March, 2020, 264 listed companies in SZSE market are related to new infrastructure industry and all of them have already resumed work and production, unleashing the power of new infrastructure and turning the crisis into an opportunity. Among these companies, the average on-site working rate is 90% and 84% of productivity has been resumed on average. Over 60% of companies have resumed more than 80% of their productivity and nearly a quarter has rate of resumed productivity above 95%.

The outbreak of COVID-19 brought about "no-contact economy", a host of novel business models or services enabled by the internet technology. There has been a surge in video conferencing demand as people work remotely and students turn to on-line classes. On-line shopping has become a necessity for people confined to their homes. And on-line clinics have been increasingly popular. Augmented Reality technology also found its practical application during construction of cabin hospitals in Wuhan. Specialized air-conditioning and other equipment were installed according to AR instructions, as specialist engineers were not able to travel to the epicenter.

Zhongji InnoLight Co., Ltd., a listed company on SZSE's Chi-Next Market is developing the basic infrastructure for cloud computing. The company integrates design, R&D and manufactures of intelligent equipment and optical communication devices for cloud computing data center and has been a main supplier of global Internet companies such as Facebook and Amazon. Zhongji InnoLight Co., Ltd. is now speeding up its business integration with 5G developments, spawning a new generation of 5G-enabled technology.

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We welcome any feedbacks with respect to Market Bulletin or other information services offered by the SZSE. Should you have any inquiries, comments or proposal for cooperation, please let us know at international@szse.cn

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