

S&P China A-Share Indices Consultation

BEIJING, MAY 1, 2020: S&P Dow Jones Indices (“S&P DJI”) is conducting a consultation with market participants on potential changes to the S&P China A-Share Indices.

S&P CHINA A 300

In order to capture the large-cap segment of the China A-Share market more effectively and comprehensively, S&P DJI is considering the following changes to the S&P China A 300.

Proposed Changes	Methodology	
	Current	Proposed
Selection Universe	S&P China A Composite index excluding ST and *ST stocks.	S&P China A Domestic BMI and S&P China A Venture Enterprises Index, excluding ST and *ST stocks.
Earnings per Share (“EPS”)	Exclude stocks with negative EPS for the two most recent reporting periods as of the rebalancing reference date.	Exclude stocks with negative EPS for the two most recent trailing 12-month periods as of the rebalancing reference date.
Liquidity	--	Exclude stocks that are ranked in the bottom 30% of the index universe by six-month median daily value traded (bottom 15% for current constituents).
Selection	<p>The top 300 stocks ranked by float-adjusted market capitalization are selected, subject to current constituents remaining in the index if they rank among the top 600 stocks.</p> <p>The index selection process attempts to maintain GICS sector balance, as measured by a comparison of each sector’s weight in the index with its weight in the selection universe in order to ensure representative sector weightings. There is no percentage threshold on the sector balance. However, non-constituent stocks in an over-weighted sector are typically not added to the index.</p>	<p>The top 300 stocks ranked by total market capitalization are selected, subject to current constituents remaining in the index if they rank among the top 600 stocks.</p> <p>The index selection process attempts to maintain GICS sector balance, as measured by a comparison of each sector’s weight in the index with its weight in the selection universe in order to ensure representative sector weightings. If a sector in the index is over-weighted by 5% or more, as compared to its respective weight in the selection universe, then non-constituent stocks in the over-weighted sector are typically not added to the index.</p>

S&P CHINA A 50 AND S&P CHINA A 100

In conjunction with the proposed changes to the S&P China A 300, S&P DJI is proposing to amend the methodology of the S&P China A 50 and S&P China A 100. Under this proposal, the indices would continue to measure the largest companies from the China A-Share market. However, constituent selection would be based off of the modified S&P China A 300 as described previously.

Criteria	Proposed Methodology – S&P China A 50 and S&P China A 100
Selection Universe	S&P China A 300
Selection	<p>S&P China A 50. The top 50 stocks ranked by total market capitalization at the rebalance reference date, subject to a 20% two-way buffer.</p> <p>S&P China A 100. The top 100 stocks ranked by total market capitalization at the rebalance reference date, subject to a 20% two-way buffer.</p>
Weighting	Float-adjusted market capitalization weighted

IMPACT ANALYSIS

Using data from the December 2019 rebalancing, the tables below show the actual one-way turnover and GICS sector weights for the S&P China A 300, S&P China A 50, and S&P China A 100, as well as the hypothetical results that would have occurred had all of the proposed changes been applied at that time.

S&P China A 300	Actual (Current Methodology)	Hypothetical (Proposed Methodology)
One-Way Turnover:	3.47%	7.42%
GICS Sector Weights:		
Energy	2.74%	2.45%
Materials	7.10%	6.42%
Industrials	12.23%	11.59%
Consumer Discretionary	10.42%	9.86%
Consumer Staples	11.17%	12.60%
Health Care	5.51%	7.66%
Financials	32.30%	28.09%
Information Technology	8.61%	11.12%
Telecommunication Services	1.27%	1.85%
Utilities	3.36%	3.04%
Real Estate	5.29%	5.31%

S&P China A 50	Actual (Current Methodology)	Hypothetical (Proposed Methodology)
One-Way Turnover:	1.52%	10.75%
GICS Sector Weights:		
Energy	3.01%	2.76%
Materials	2.82%	2.06%
Industrials	6.62%	6.93%
Consumer Discretionary	9.96%	10.13%
Consumer Staples	12.40%	17.77%
Health Care	2.07%	3.55%
Financials	50.01%	44.05%
Information Technology	5.43%	5.52%
Telecommunication Services	0.75%	0.65%
Utilities	2.44%	2.40%
Real Estate	4.50%	4.17%

S&P China A 100	Actual (Current Methodology)	Hypothetical (Proposed Methodology)
One-Way Turnover:	2.47%	9.46%
GICS Sector Weights:		
Energy	2.40%	2.48%
Materials	4.15%	3.62%
Industrials	9.14%	9.42%
Consumer Discretionary	10.68%	9.99%
Consumer Staples	11.46%	15.29%
Health Care	3.60%	4.61%
Financials	42.22%	37.64%
Information Technology	7.52%	8.70%
Telecommunication Services	0.85%	1.22%
Utilities	2.90%	2.47%
Real Estate	5.08%	4.58%

IMPLEMENTATION TIMING

S&P DJI is proposing to implement the proposed methodology changes, if adopted, in conjunction with the subsequent rebalancing, which takes effect prior to the market open on Monday, June 22, 2020.

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OTHER MATTERS

Following the completion of the consultation process, S&P DJI intends to launch two related indices which will complement the S&P China A 300 and provide coverage of the mid-cap and small-cap market segments. These anticipated indices, the S&P China A MidCap 500 and S&P China A SmallCap 1000, which will follow the same general framework as the S&P China A 300, will together provide non-overlapping coverage of the China A-share market and combine to form a new S&P China A Composite 1800.

S&P DJI also intends to discontinue several existing indices including the S&P China A 300 SmallCap, S&P China A 200, S&P China A AllCap, S&P China A 100 Style, and S&P China A Composite. Please refer to the appendix of this document for a complete list of indices that may potentially be discontinued.

QUESTIONS

Please answer the following questions and provide S&P DJI with the reasoning behind your answers:

1. **Do you agree with the proposed changes to the S&P China A 300?**
2. **Do you agree with the proposed changes to the S&P China A 50?**
3. **Do you agree with the proposed changes to the S&P China A 100?**
4. **If any of the proposed changes are adopted, do you agree with the proposed implementation date?**
5. **Do you have any feedback regarding the index concepts for the mid-cap and small-cap market segments (i.e. the anticipated S&P China A MidCap 500 and S&P China A SmallCap 1000 indices)?**
6. **Do you have any feedback regarding the potential index decommissions?**
7. **Do you have any other comments or feedback regarding the proposed changes outlined above?**

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences. Please respond to this survey by **June 1, 2020**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee's final review, S&P DJI may request clarifications from respondents as part of that review.

To participate in this consultation, please visit the online survey available [here](#).

For further information about this consultation, please contact S&P Dow Jones Indices at SPDJI_Index_Governance@spglobal.com.

Please be advised that all comments from this consultation will be reviewed and considered before a final decision is made; however, S&P DJI makes no guarantees or is under any obligation to comply with any of the responses. The survey may result in no changes or outcome of any kind. If S&P DJI decides to change the index methodology, an announcement will be posted on our website.

Thank you for taking the time to complete this survey.

For more information about S&P Dow Jones Indices, please visit www.spdji.com.

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ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500[®] and the Dow Jones Industrial Average[®]. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit www.spdji.com.

FOR MORE INFORMATION:

S&P Dow Jones Indices

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APPENDIX

The tables below and on the following pages list the indices subject to potential decommissioning, pending the outcome of this consultation.

Index Name	Index Code
S&P China A 200 Index (CNY)	SPC200
S&P China A 200 Index (CNY) TR	SPC200TR
S&P China A SmallCap 300 Index (CNY)	SPCSC
S&P China A SmallCap 300 Index (CNY) TR	SPCSCTR
S&P China A 300 Energy Equipment & Services Index (CNY)	101010
S&P China A 300 Oil & Gas Equipment & Services Index (CNY)	10101020
S&P China A 300 Oil, Gas & Consumable Fuels Index (CNY)	101020
S&P China A 300 Integrated Oil & Gas Index (CNY)	10102010
S&P China A 300 Coal & Consumable Fuels Index (CNY)	10102050
S&P China A 300 Chemicals Index (CNY)	151010
S&P China A 300 Commodity Chemicals Index (CNY)	15101010
S&P China A 300 Fertilizers & Agricultural Chemicals Index (CNY)	15101030
S&P China A 300 Specialty Chemicals Index (CNY)	15101050
S&P China A 300 Construction Materials Index (CNY)	151020
S&P China A 300 Construction Materials Index (CNY)	15102010
S&P China A 300 Metals & Mining Index (CNY)	151040
S&P China A 300 Aluminum Index (CNY)	15104010
S&P China A 300 Diversified Metals & Mining Index (CNY)	15104020
S&P China A 300 Copper Index (CNY)	15104025
S&P China A 300 Gold Index (CNY)	15104030
S&P China A 300 Steel Index (CNY)	15104050
S&P China A 300 Aerospace & Defense Index (CNY)	201010
S&P China A 300 Aerospace & Defense Index (CNY)	20101010
S&P China A 300 Building Products Index (CNY)	201020
S&P China A 300 Building Products Index (CNY)	20102010
S&P China A 300 Construction & Engineering Index (CNY)	201030
S&P China A 300 Construction & Engineering Index (CNY)	20103010
S&P China A 300 Electrical Equipment Index (CNY)	201040
S&P China A 300 Electrical Components & Equipment Index (CNY)	20104010
S&P China A 300 Heavy Electrical Equipment Index (CNY)	20104020
S&P China A 300 Industrial Conglomerates Index (CNY)	201050
S&P China A 300 Industrial Conglomerates Index (CNY)	20105010
S&P China A 300 Machinery Index (CNY)	201060
S&P China A 300 Construction Machinery & Heavy Index (CNY) Trucks Index (CNY)	20106010
S&P China A 300 Industrial Machinery Index (CNY)	20106020
S&P China A 300 Trading Companies & Distributors Index (CNY)	201070
S&P China A 300 Trading Companies & Distributors Index (CNY)	20107010
S&P China A 300 Commercial Services & Supplies Index (CNY)	202010
S&P China A 300 Environmental & Facilities Services Index (CNY)	20201050
S&P China A 300 Diversified Support Services Index (CNY)	20201070
S&P China A 300 Air Freight & Logistics Index (CNY)	203010
S&P China A 300 Air Freight & Logistics Index (CNY)	20301010
S&P China A 300 Airlines Index (CNY)	203020
S&P China A 300 Airlines Index (CNY)	20302010
S&P China A 300 Road & Rail Index (CNY)	203040
S&P China A 300 Railroads Index (CNY)	20304010
S&P China A 300 Transportation Infrastructure Index (CNY)	203050
S&P China A 300 Airport Services Index (CNY)	20305010
S&P China A 300 Marine Ports & Services Index (CNY)	20305030
S&P China A 300 Auto Components Index (CNY)	251010
S&P China A 300 Auto Parts & Equipment Index (CNY)	25101010
S&P China A 300 Automobiles Index (CNY)	251020
S&P China A 300 Automobile Manufacturers Index (CNY)	25102010
S&P China A 300 Household Durables Index (CNY)	252010
S&P China A 300 Consumer Electronics Index (CNY)	25201010
S&P China A 300 Home Furnishings Index (CNY)	25201020
S&P China A 300 Household Appliances Index (CNY)	25201040

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Index Name	Index Code
S&P China A 300 Hotels Restaurants & Leisure Index (CNY)	253010
S&P China A 300 Hotels, Resorts & Cruise Lines Index (CNY)	25301020
S&P China A 300 Leisure Facilities Index (CNY)	25301030
S&P China A 300 Diversified Consumer Services (CNY)	253020
S&P China A 300 Education Services (CNY)	25302010
S&P China A 300 Distributors Index (CNY)	255010
S&P China A 300 Distributors Index (CNY)	25501010
S&P China A 300 Internet & Direct Marketing Retail Index (CNY)	255020
S&P China A 300 Internet & Direct Marketing Retail Index (CNY)	25502020
S&P China A 300 Specialty Retail Index (CNY)	255040
S&P China A 300 Apparel Retail Index (CNY)	25504010
S&P China A 300 Computer & Electronics Retail Index (CNY)	25504020
S&P China A 300 Specialty Stores Index (CNY)	25504040
S&P China A 300 Automotive Retail Index (CNY)	25504050
S&P China A 300 Food & Staples Retailing Index (CNY)	301010
S&P China A 300 Hypermarkets & Super Centers Index (CNY)	30101040
S&P China A 300 Beverages Index (CNY)	302010
S&P China A 300 Brewers Index (CNY)	30201010
S&P China A 300 Distillers & Vintners Index (CNY)	30201020
S&P China A 300 Food Products Index (CNY)	302020
S&P China A 300 Agricultural Products Index (CNY)	30202010
S&P China A 300 Packaged Foods & Meats Index (CNY)	30202030
S&P China A 300 Personal Products Index (CNY)	303020
S&P China A 300 Personal Products Index (CNY)	30302010
S&P China A 300 Health Care Providers & Services Index (CNY)	351020
S&P China A 300 Health Care Distributors Index (CNY)	35102010
S&P China A 300 Health Care Services Index (CNY)	35102015
S&P China A 300 Biotechnology Index (CNY)	352010
S&P China A 300 Biotechnology Index (CNY)	35201010
S&P China A 300 Pharmaceuticals Index (CNY)	352020
S&P China A 300 Pharmaceuticals Index (CNY)	35202010
S&P China A 300 Life Sciences Tools & Services (CNY)	352030
S&P China A 300 Life Sciences Tools & Services (CNY)	35203010
S&P China A 300 Banks Index (CNY)	401010
S&P China A 300 Diversified Banks Index (CNY)	40101010
S&P China A Diversified Financial Services 300 (CNY)	402010
S&P China A 300 Other Diversified Financial Services (CNY)	40201020
S&P China A 300 Capital Markets Index (CNY)	402030
S&P China A 300 Investment Banking & Brokerage Index (CNY)	40203020
S&P China A 300 Insurance Index (CNY)	403010
S&P China A 300 Life & Health Insurance Index (CNY)	40301020
S&P China A 300 Multi-line Insurance Index (CNY)	40301030
S&P China A 300 IT Services Index (CNY)	451020
S&P China A 300 IT Consulting & Other Services Index (CNY)	45102010
S&P China A 300 Software Index (CNY)	451030
S&P China A 300 Application Software Index (CNY)	45103010
S&P China A 300 Systems Software Index (CNY)	45103020
S&P China A 300 Communications Equipment Index (CNY)	452010
S&P China A 300 Communications Equipment Index (CNY)	45201020
S&P China A 300 Technology Hardware, Storage & Peripherals Index (CNY)	452020
S&P China A 300 Technology Hardware, Storage & Peripherals Index (CNY)	45202030
S&P China A 300 Electronic Equipment, Instruments & Components Index (CNY)	452030
S&P China A 300 Electronic Equipment & Instruments Index (CNY)	45203010
S&P China A 300 Electronic Components Index (CNY)	45203015
S&P China A 300 Electronic Components Index (CNY) TR	45203015TR
S&P China A 300 Electronic Manufacturing Services Index (CNY)	45203020
S&P China A 300 Technology Distributors Index (CNY) (Sub Industry)	45203030
S&P China A 300 Semiconductors & Semiconductor Equipment Index (CNY)	453010
S&P China A 300 Semiconductors Index (CNY)	45301020
S&P China A 300 Wireless Telecommunication Services Index (CNY)	501020
S&P China A 300 Wireless Telecommunication Services Index (CNY)	50102010
S&P China A 300 Media Index (CNY)	502010

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Index Name	Index Code
S&P China A 300 Advertising Index (CNY)	50201010
S&P China A 300 Broadcasting Index (CNY)	50201020
S&P China A 300 Cable & Satellite Index (CNY)	50201030
S&P China A 300 Cable & Satellite Index (CNY) TR	50201030TR
S&P China A 300 Publishing Index (CNY)	50201040
S&P China A 300 Entertainment Index (CNY)	502020
S&P China A 300 Movies & Entertainment Index (CNY)	50202010
S&P China A 300 Interactive Home Entertainment Index (CNY)	50202020
S&P China A 300 Gas Utilities Index (CNY)	551020
S&P China A 300 Gas Utilities Index (CNY)	55102010
S&P China A 300 Water Utilities Index (CNY)	551040
S&P China A 300 Water Utilities Index (CNY)	55104010
S&P China A 300 Independent Power and Renewable Electricity Producers Index (CNY)	551050
S&P China A 300 Independent Power Producers & Energy Index (CNY) Traders Index (CNY)	55105010
S&P China A 300 Renewable Electricity Index (CNY)	55105020
S&P China A 300 Real Estate Management & Development Index (CNY)	601020
S&P China A 300 Diversified Real Estate Activities Index (CNY)	60102010
S&P China A 300 Real Estate Development Index (CNY)	60102030
S&P China A 200 Growth Index (CNY)	SPC200G
S&P China A 200 Growth Index (CNY) TR	SPC200GTR
S&P China A 200 Pure Growth Index (CNY)	SPC200PG
S&P China A 200 Pure Growth Index (CNY) TR	SPC200PGTR
S&P China A 200 Pure Value Index (CNY)	SPC200PV
S&P China A 200 Pure Value Index (CNY) TR	SPC200PVTR
S&P China A 200 Value Index (CNY)	SPC200V
S&P China A 200 Value Index (CNY) TR	SPC200VTR
S&P China A SmallCap 300 Growth Index (CNY)	SPCSCG
S&P China A SmallCap 300 Growth Index (CNY) TR	SPCSCGTR
S&P China A SmallCap 300 Pure Growth Index (CNY)	SPCSCPG
S&P China A SmallCap 300 Pure Growth Index (CNY) TR	SPCSCPGTR
S&P China A SmallCap 300 Pure Value Index (CNY)	SPCSCPV
S&P China A SmallCap 300 Pure Value Index (CNY) TR	SPCSCPVTR
S&P China A SmallCap 300 Value Index (CNY)	SPCSCV
S&P China A SmallCap 300 Value Index (CNY) TR	SPCSCVTR
S&P China A Composite Energy Index (CNY)	10
S&P China A Composite Energy Index (CNY)	1010
S&P China A Composite Energy Index (CNY) TR	1010TR
S&P China A Composite Energy Index (CNY) TR	10TR
S&P China A Composite Materials Index (CNY)	15
S&P China A Composite Materials Index (CNY)	1510
S&P China A Composite Materials Index (CNY) TR	1510TR
S&P China A Composite Materials Index (CNY) TR	15TR
S&P China A Composite Industrials Index (CNY)	20
S&P China A Composite Capital Goods Index (CNY)	2010
S&P China A Composite Capital Goods Index (CNY) TR	2010TR
S&P China A Composite Commercial & Professional Services Index (CNY)	2020
S&P China A Composite Commercial & Professional Services Index (CNY) TR	2020TR
S&P China A Composite Transportation Index (CNY)	2030
S&P China A Composite Transportation Index (CNY) TR	2030TR
S&P China A Composite Industrials Index (CNY) TR	20TR
S&P China A Composite Consumer Discretionary Index (CNY)	25
S&P China A Composite Automobiles & Components Index (CNY)	2510
S&P China A Composite Automobiles & Components Index (CNY) TR	2510TR
S&P China A Composite Consumer Durables & Apparel Index (CNY)	2520
S&P China A Composite Consumer Durables & Apparel Index (CNY) TR	2520TR
S&P China A Composite Consumer Services Index (CNY)	2530
S&P China A Composite Consumer Services Index (CNY) TR	2530TR
S&P China A Composite Retailing Index (CNY)	2550
S&P China A Composite Retailing Index (CNY) TR	2550TR
S&P China A Composite Consumer Discretionary Index (CNY) TR	25TR
S&P China A Composite Consumer Staples Index (CNY)	30
S&P China A Composite Food & Staples Retailing Index (CNY)	3010

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Index Name	Index Code
S&P China A Composite Food & Staples Retailing Index (CNY) TR	3010TR
S&P China A Composite Food Beverage & Tobacco Index (CNY)	3020
S&P China A Composite Food Beverage & Tobacco Index (CNY) TR	3020TR
S&P China A Composite Household & Personal Products Index (CNY)	3030
S&P China A Composite Household & Personal Products Index (CNY) TR	3030TR
S&P China A Composite Consumer Staples Index (CNY) TR	30TR
S&P China A Composite Health Care Index (CNY)	35
S&P China A Composite Health Care Equipment & Services Index (CNY)	3510
S&P China A Composite Health Care Equipment & Services Index (CNY) TR	3510TR
S&P China A Composite Pharmaceuticals, Biotechnology & Life Sciences Index (CNY)	3520
S&P China A Composite Health Care Index (CNY) TR	35TR
S&P China A Composite Financials Index (CNY)	40
S&P China A Composite Banks Index (CNY)	4010
S&P China A Composite Banks Index (CNY) TR	4010TR
S&P China A Composite Diversified Financials Index (CNY)	4020
S&P China A Composite Diversified Financials Index (CNY) TR	4020TR
S&P China A Composite Insurance Index (CNY)	4030
S&P China A Composite Insurance Index (CNY) TR	4030TR
S&P China A Composite Financials Index (CNY) TR	40TR
S&P China A Composite Information Technology Index (CNY)	45
S&P China A Composite Software & Services Index (CNY)	4510
S&P China A Composite Software & Services Index (CNY) TR	4510TR
S&P China A Composite Technology Hardware & Equipment Index (CNY)	4520
S&P China A Composite Technology Hardware & Equipment Index (CNY) TR	4520TR
S&P China A Composite Semiconductors & Semiconductor Equipment Index (CNY)	4530
S&P China A Composite Semiconductors & Semiconductor Equipment Index (CNY) TR	4530TR
S&P China A Composite Information Technology Index (CNY) TR	45TR
S&P China A Composite Communication Services Index (CNY)	50
S&P China A Composite Telecommunication Services Index (CNY)	5010
S&P China A Composite Telecommunication Services Index (CNY) TR	5010TR
S&P China A Composite Media & Entertainment Index (CNY)	5020
S&P China A Composite Media & Entertainment Index (CNY) TR	5020TR
S&P China A Composite Communication Services Index (CNY) TR	50TR
S&P China A Composite Utilities Index (CNY)	55
S&P China A Composite Utilities Index (CNY)	5510
S&P China A Composite Utilities Index (CNY) TR	5510TR
S&P China A Composite Utilities Index (CNY) TR	55TR
S&P China A Composite Real Estate Index (CNY)	60
S&P China A Composite Real Estate Index (CNY)	6010
S&P China A Composite Real Estate Index (CNY) TR	6010TR
S&P China A Composite Real Estate Index (CNY) TR	60TR
S&P China A Composite Index (CNY)	SPCCASHR
S&P China A Composite Index (CNY) TR	SPCCATR
S&P China A AllCap Index	SPCALL
S&P China A AllCap Index AUD	SPCALLA
S&P China A AllCap Index AUD TR	SPCALLAT
S&P China A AllCap Index CAD	SPCALLC
S&P China A AllCap Index CAD TR	SPCALLCT
S&P China A AllCap Index EUR	SPCALLE
S&P China A AllCap Index EUR TR	SPCALLET
S&P China A AllCap Index GBP	SPCALLG
S&P China A AllCap Index GBP TR	SPCALLGT
S&P China A AllCap Index JPY	SPCALLJ
S&P China A AllCap Index JPY TR	SPCALLJT
S&P China A AllCap Index TR	SPCALLT
S&P China A AllCap Index USD	SPCALLU
S&P China A AllCap Index USD TR	SPCALLUT
S&P China A 100 Growth Index (CNY)	SPC100G
S&P China A 100 Growth Index (CNY) TR	SPC100GTR
S&P China A 100 Pure Growth Index (CNY)	SPC100PG
S&P China A 100 Pure Growth Index (CNY) TR	SPC100PGTR
S&P China A 100 Pure Value Index (CNY)	SPC100PV

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Index Name	Index Code
S&P China A 100 Pure Value Index (CNY) TR	SPC100PVTR
S&P China A 100 Value Index (CNY)	SPC100V
S&P China A 100 Value Index (CNY) TR	SPC100VTR