

Dow Jones China Broad Market Industry Indices Consultation on Industry Classification

BEIJING, JANUARY 11, 2019: S&P Dow Jones Indices (“S&P DJI”) is conducting a consultation with members of the investment community on a potential change to the industry indices of the Dow Jones China Broad Market Index and its two sub-indices, the Dow Jones Shanghai Index and Dow Jones Shenzhen Index.

S&P DJI is seeking market feedback on the following proposed change:

Proposed Change	Description
Sector Classification System	In an effort to standardize the industry classification system utilized by S&P Dow Jones Indices, S&P DJI is proposing to switch the industry classification system used by the indices from the proprietary Dow Jones Classification System (“DJICS”) to the Global Industry Classification Standard (“GICS®”). Under this proposal, each index would consist of stocks classified in the GICS sub-industries as detailed in <i>Appendix I</i> .

For information on GICS, please refer to the GICS Methodology available [here](#).

For information on the Dow Jones China Broad Market Industry Indices, please refer to the Dow Jones China Indices methodology available [here](#).

IMPACT ANALYSIS

Based on index composition as of September 28, 2018, the table below shows the hypothetical turnover of the proposed switch to GICS on the Dow Jones China Broad Market Industry Indices.

Index	Hypothetical Turnover		
	Add	Drop	Total
Dow Jones China Basic Materials Broad Market Index	0.20%	0.10%	0.20%
Dow Jones China Consumer Goods Broad Market Index	0.48%	0.34%	0.48%
Dow Jones China Consumer Services Broad Market Index	0.40%	0.00%	0.40%
Dow Jones China Financials Broad Market Index	0.00%	0.00%	0.00%
Dow Jones China Health Care Broad Market Index	0.00%	0.00%	0.00%
Dow Jones China Industrials Broad Market Index	0.48%	0.07%	0.48%
Dow Jones China Oil & Gas Broad Market Index	0.00%	8.35%	8.35%
Dow Jones China Technology Broad Market Index	0.20%	2.87%	2.87%
Dow Jones China Telecommunications Broad Market Index	5.65%	0.00%	5.65%
Dow Jones China Utilities Broad Market Index	6.31%	0.00%	6.31%

IMPLEMENTATION TIMING

S&P DJI is proposing to implement the previously described methodology change, if adopted, prior to the market open on Monday, March 18, 2019, in conjunction with the quarterly rebalancing.

QUESTIONS

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

1. **Do you agree with the proposal to switch the industry classification system utilized by the indices to GICS?**
2. **Should the proposal be adopted, do you agree with the proposed implementation date?**
3. **Do you have any other comments or feedback regarding the proposed change 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. S&P DJI will make responses to consultations freely available upon request.¹ If you do not want your response to be made available, you must clearly state that in your response. Please respond to this survey by **February 11, 2019**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee's final review, S&P DJI will consider the issues and may request clarifications from respondents as part of that review. Alternative options to the proposed questions after the deadline require that the consultation be re-opened to the public.

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 index_services@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.

¹ Individual and company names as well as contact details will be redacted.

APPENDIX I

Each industry index would consist of stocks classified in the following GICS Sub-industries:

Dow Jones China Basic Materials Broad Market Index

Energy			
10102050	Coal & Consumable Fuels		
Materials			
15101010	Commodity Chemicals	15104025	Copper
15101020	Diversified Chemicals	15104030	Gold
15101030	Fertilizers & Agricultural Chemicals	15104040	Precious Metals & Minerals
15101040	Industrial Gases	15104045	Silver
15101050	Specialty Chemicals	15104050	Steel
15104010	Aluminum	15105010	Forest Products
15104020	Diversified Metals & Mining	15105020	Paper Products

Dow Jones China Consumer Goods Broad Market Index

Consumer Services			
50202020	Interactive Home Entertainment		
Consumer Discretionary			
25101010	Auto Parts & Equipment	25201040	Household Appliances
25101020	Tires & Rubber	25201050	Housewares & Specialties
25102010	Automobile Manufacturers	25202010	Leisure Products
25102020	Motorcycle Manufacturers	25203010	Apparel, Accessories & Luxury Goods
25201010	Consumer Electronics	25203020	Footwear
25201020	Home Furnishings	25203030	Textiles
25201030	Homebuilding		
Consumer Staples			
30101020	Food Distributors	30202030	Packaged Foods & Meats
30201010	Brewers	30203010	Tobacco
30201020	Distillers & Vintners	30301010	Household Products
30201030	Soft Drinks	30302010	Personal Products
30202010	Agricultural Products		
Industrials			
20201060	Office Services & Supplies		

Dow Jones China Consumer Services Broad Market Index

Communications Services			
50201010	Advertising	50201040	Publishing
50201020	Broadcasting	50202010	Movies & Entertainment
50201030	Cable & Satellite		
Consumer Discretionary			
25301010	Casinos & Gaming	25503010	Department Stores
25301020	Hotels, Resorts & Cruise Lines	25503020	General Merchandise Stores
25301030	Leisure Facilities	25504010	Apparel Retail
25301040	Restaurants	25504020	Computer & Electronics Retail
25302010	Education Services	25504030	Home Improvement Retail
25302020	Specialized Consumer Services	25504040	Specialty Stores
25501010	Distributors	25504050	Automotive Retail
25502020	Internet & Direct Marketing Retail	25504060	Homefurnishing Retail
Consumer Staples			
30101010	Drug Retail	30101040	Hypermarkets & Super Centers
30101030	Food Retail		
Industrials			
20302010	Airlines		

Dow Jones China Financials Broad Market Index

Financials			
40101010	Diversified Banks	40203030	Diversified Capital Markets
40101015	Regional Banks	40203040	Financial Exchanges & Data
40102010	Thriffs & Mortgage Finance	40204010	Mortgage REITs
40201020	Other Diversified Financial Services	40301010	Insurance Brokers
40201030	Multi-Sector Holdings	40301020	Life & Health Insurance
40201040	Specialized Finance	40301030	Multi-line Insurance
40202010	Consumer Finance	40301040	Property & Casualty Insurance
40203010	Asset Management & Custody Banks	40301050	Reinsurance
40203020	Investment Banking & Brokerage		
Real Estate			
60101010	Diversified REITs	60101070	Retail REITs
60101020	Industrial REITs	60101080	Specialized REITs
60101030	Hotel & Resort REITs	60102010	Diversified Real Estate Activities
60101040	Office REITs	60102020	Real Estate Operating Companies
60101050	Health Care REITs	60102030	Real Estate Development
60101060	Residential REITs	60102040	Real Estate Services

Dow Jones China Health Care Broad Market Index

Health Care			
35101010	Health Care Equipment	35102030	Managed Health Care
35101020	Health Care Supplies	35103010	Health Care Technology
35102010	Health Care Distributors	35201010	Biotechnology
35102015	Health Care Services	35202010	Pharmaceuticals
35102020	Health Care Facilities	35203010	Life Sciences Tools & Services

Dow Jones China Industrials Broad Market Index

Industrials			
20101010	Aerospace & Defense	20201070	Diversified Support Services
20102010	Building Products	20201080	Security & Alarm Services
20103010	Construction & Engineering	20202010	Human Resource & Employment Services
20104010	Electrical Components & Equipment	20202020	Research & Consulting Services
20104020	Heavy Electrical Equipment	20301010	Air Freight & Logistics
20105010	Industrial Conglomerates	20303010	Marine
20106010	Construction Machinery & Heavy Trucks	20304010	Railroads
20106015	Agricultural & Farm Machinery	20304020	Trucking
20106020	Industrial Machinery	20305010	Airport Services
20107010	Trading Companies & Distributors	20305020	Highways & Railtracks
20201010	Commercial Printing	20305030	Marine Ports & Services
20201050	Environmental & Facilities Services		
Information Technology			
45203010	Electronic Equipment & Instruments	45203020	Electronic Manufacturing Services
45203015	Electronic Components		
Materials			
15102010	Construction Materials	15103020	Paper Packaging
15103010	Metal & Glass Containers		

Dow Jones China Oil & Gas Broad Market Index

Energy			
10101010	Oil & Gas Drilling	10102020	Oil & Gas Exploration & Production
10101020	Oil & Gas Equipment & Services	10102030	Oil & Gas Refining & Marketing
10102010	Integrated Oil & Gas	10102040	Oil & Gas Storage & Transportation

Dow Jones China Technology Broad Market Index

Communications Services			
50101010	Alternative Carriers	50203010	Interactive Media & Services
Information Technology			
45102010	IT Consulting & Other Services	45202030	Technology Hardware, Storage & Peripherals
45102030	Internet Services & Infrastructure	45203030	Technology Distributors
45103010	Application Software	45301010	Semiconductor Equipment
45103020	Systems Software	45301020	Semiconductors
45201020	Communications Equipment	45102020	Data Processing & Outsourced Services

Dow Jones China Telecommunications Broad Market Index

Telecommunication Services			
50101020	Integrated Telecommunication Services	50102010	Wireless Telecommunication Services

Dow Jones China Utilities Broad Market Index

Utilities			
55101010	Electric Utilities	55104010	Water Utilities
55102010	Gas Utilities	55105010	Independent Power Producers & Energy Traders
55103010	Multi-Utilities	55105020	Renewable Electricity

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
index_services@spglobal.com