



**中证指数有限公司**  
CHINA SECURITIES INDEX CO., LTD.

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**Multi-Asset Indexes Calculation  
and Maintenance Methodology of  
China Securities Index Company Limited**

V1.0

September 2018

Version Number	Change Time	Change Scope
1.0	201809	Rulemaking

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## **1. Index Adjustment**

### **1.1 Index Regular Adjustment**

Constituents of Multi-Asset indexes shall be reviewed semi-annually, or quarterly, or monthly. Based on the required data and index methodology, constituents shall be adjusted according to the periodical review.

#### **1.1.1 Effective Date of Adjustment**

Constituents adjustment of Multi-Asset indexes shall be implemented on the specified date in the index methodology.

#### **1.1.2 Cutoff Date of Data**

Usually, the data used for periodical review shall be stopped being collected after the last trading day on the previous month of the effective month of the adjustment.

### **1.2 Index Temporary Adjustment**

#### **1.2.1 Temporary Adjustment Mechanism**

Some Multi-Asset indexes are subject to temporary adjustment mechanism. When the mechanism is triggered, constituents shall be adjusted immediately according to the index methodology.

#### **1.2.2 Termination of Constituent**

If a constituent is terminated or delisted, it shall be removed from the index, and whether the vacancy should be filled shall depend on the index methodology.

#### **1.2.3 Other Special Cases**

In circumstances where a future situation may be more complex, the index adjustment shall follow the Measures for the Implementation of Change of Index Methodologies of China Securities Index Company Limited. On rare occasions where a specific event is not covered by the rules or methodology documents, and for which the timetable

precludes stakeholder consultation, CSI will determine the appropriate treatment by reference to the guiding principles documented in the CSI Statement of Principles. For further information, please see Appendix A.

## 2. Index Calculation

### 2.1 Closing-quotation

Multi-Asset indexes provide calculation of closing-quotation indices, which shall be calculated as the following formula:

$$\text{Index}_t = \text{Index}_{t_0} \times \sum_{i=1}^N [w_{i,t_0} \times (1 + \text{Sub - Class Asset Return Rate}_{i,[t_0,t]})]$$

$w_{i,t_0}$ ,  $i = 1 \dots N$  represent the weight for all sub-class assets, and  $\sum_{i=1}^N w_{i,t_0} = 1$ .

### 2.2 Data Resource

Multi-Asset indexes calculation is based on index close level calculated by CSI, trading data and fundamental information, and all the data are publicly available or can be obtained through arms-length transactions. No exercising of “Expert Judgment” with respect to the use of data. There were no disregards of input data where it conformed to the requirements of the index methodology.

Unless otherwise stated, A-Share index and domestic bond index closing data are calculated by CSI; Domestic ETFs data sourced from Shanghai Stock Exchange and Shenzhen Stock Exchange; Other domestic assets data sourced from the data providers as designated by CSI from time to time; Foreign assets data of some Multi-Asset indexes and foreign exchange rate sourced from the data providers as designated by CSI from time to time. All the data mentioned above includes index close level, trading data and fundamental information.

CSI will decide whether to continue the index calculation in case of abnormal quotations from the two exchanges or overseas data providers.

### **3. Index Dissemination**

#### **3.1 Dissemination Channels**

The Multi-Asset indexes are published through the following official channels:

- (1) Daily dissemination via CSI data service platform;
- (2) Daily dissemination on CSI's website: <http://www.csindex.com.cn>.

In case of a doubt as to the index, the information published through CSI official channels shall prevail.

#### **3.2 Publication Frequencies**

The CSI closing-quotation Multi-Asset indexes are calculated and published daily on each trading day of index.

### **4. Index Methodology Review**

#### **4.1 Non-scheduled Review**

CSI may take non-scheduled reviews on the index rules documents such as Index Calculation and Maintenance Methodology and index methodologies, based on, but not limited to, one of the following:

- Underlying market environment review;
- Market participant feedback;
- Problems identified in index management;
- Unusual corporate events treatment.

During the process of review, if any circumstance necessitating the changes to index methodologies is identified, such changes shall be effected according to the Measures for the Implementation of Change of Index Methodologies of China Security Index Company.

## **4.2 Regular Review**

CSI annually reviews the Index Calculation and Maintenance Methodology, Index Methodologies and other index rule documents to ensure that the index calculation and maintenance is in line with the objective of indexes. After the regular review is completed, an annual review report shall be produced and presented to the Index Oversight Committee.

During the process of review, if any circumstance necessitating the changes to index methodologies is identified, such changes shall be effected according to the Measures for the Implementation of Change of Index Methodologies of China Security Index Company.

## Appendix A: CSI Statement of Principles

For certain events not covered in the Calculation and Maintenance Methodology and index methodologies etc., CSI shall determine the appropriate treatment by reference the statement of principles below. These principles apply to any equity, bond, and multi-asset index families managed by CSI. Where there is an actual or potential conflict between the Index Methodology and this statement of principles concerning any decision on the index families' management, the precedence shall be given to this statement of principles.

1. Generally, in the course of index adjustment, in order to avoid unnecessary changes, it is imperative to ensure the constituents can be invested and conform to the index description.
2. The index calculation methods shall be easy to understand and follow by index users. The index calculation shall use public data whenever possible.
3. The corporate data used for index calculation shall come from an authoritative source, which in principle shall be published by constituent companies and provided by reliable local market vendors. Market prices used for index calculation shall originate from reliable sources to reflect the trading in the market.
4. The treatment about corporate events or bond events shall reflect the impact to the investment portfolios and shall be in line with the requirements in the index methodology. The treatment should normally be designed to minimize the trading activity required by the index users to track the index performance.
5. To promote the predictability of the treatment about corporate events or bond events, the stability in calculation methods and data usage shall be maintained wherever practical. In assessing the best practice, CSI may conduct market consultation as it considers appropriate to ensure that the indexes continue to meet current and future market needs.



6. To ensure that no index user can procure any advantage from predicting the future composition of an index, the index methodology documents shall include a description of the data used for the determination of the eligibility and weights of index constituents.
7. The interests of all users and stakeholders should be considered in the index management. In determining the index rules, unless a single or specific group of markets is involved, CSI shall maintain the consistency in the treatment at the best effort and make decisions that incorporate the views of all users and stakeholders. The stakeholders include relevant product managers and clients of customized indexes who take indexes as the investment target or benchmark.

## Appendix B: CSI Index Glossary

Key Term	Definition
Regular Adjustment	The periodical reassessment of the eligibility of index constituents and their weights by CSI (usually performed monthly, quarterly, semi-annually or annually). The review process ensures that the index continue to accurately represent the performance of the underlying market or market segment at the time of its construction.
Effective Date	The date on which the adjustment is implemented.
data cutoff date	The last day on which the constituent data will be considered for calculation The changes of data after the cutoff date is without prejudice to the results of index adjustment.
Temporary Adjustment	There are no fixed adjustment date and temporary adjustment may be taken from time to time. Once the temporary adjustment mechanism is triggered, constituents and weights shall be adjusted immediately according to the index methodology.

## Contact Us

For further details on CSI indexes and ground rules, please contact China Securities Index Company.

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