Methodology of SSE Yangtze River Delta Area Universal Bond Index

SSE Yangtze River Delta Area Universal Bond Index is composed of credit bonds and local government bonds listed on SSE market, whose issuer is located in Yangtze River Delta Area. The index aims to reflect the performance of the bonds issued by Yangtze River Delta Area's companies.

1. Index Name and Index Code

- Index Name: SSE Yangtze River Delta Area Universal Bond Index
- Shortened Name: SSE Delta Area Universal Bond
- Index Code: 950191

2. Base Date and Base Index

The index base date is Dec. 31, 2014. The base index is 100.

3. Index Eligibility

- Bond Type: Enterprise bond, corporate bond and local government bond listed on SSE market, excluding private-placement bond. The bond currency is RMB.
- Credit Rating : For credit bond, AA or above.
- Term to Maturity: More than 1 year.
- Issuer Location : Shanghai, Zhejiang, Jiangsu or Anhui.
- Interest-bearing Pattern: Fixed rate or bullet.

4. Index Calculation

The calculation of this index conforms to the Paasche weighted composite price index formula:

$$\text{Index} = \left[\frac{\text{Bond Market Value} + \text{Coupon Payments}}{\text{Divisior}}\right] \times 100$$

Where, $\text{Bond Market Value} = \sum(\text{Full Price} \times \text{Issued Amount})$

$\text{Full Price} = \text{Clean Price} + \text{Accrued Interest}$

The price in index calculation is based on CSI bond valuation price. As for other data in index calculation and divisor adjustment, please refer to Index Calculation and Maintenance Methodology for further details.

5. Constituents Adjustment

5.1 Regular Adjustment

The index is adjusted and rebalanced monthly. The effective date of monthly adjustment is the first trading day of each month. The data cutoff date of monthly adjustment is the previous trading day of the effective date.

5.2 Temporary Adjustment

In the event of delisting, the constituents will be removed from the index on the event effective date as appropriate. As for other events, please refer to Index Calculation and Maintenance Methodology for further details.