Methodology of SSE Private-owned Enterprises Corporate Bond Index

SSE Private-owned Enterprises Corporate Bond Index is composed of corporate bonds listed on SSE market issued by private-owned enterprises with bond credit rating AA and above. The index aims to reflect the performance of corporate bonds listed on SSE market and issued by Private-owned Enterprises.

1. Index Name and Index Code

- Index Name: SSE Private-owned Enterprises Corporate Bond Index
- Shortened Name: SSE POEs Corporate Bond
- Index Code: 950108

2. Base Date and Base Index

The index base date is Dec. 31 2011. The base index is 100.

3. Index Eligibility

3.1 Index Universe

- Bond Type: Corporate bond listed on SSE market. The bond currency is RMB.
- Credit Rating: AA and above. CSI bond valuation implied rating above A.
- Term to Maturity: More than 1 month.
- Interest-bearing Pattern: Fixed rate or bullet.

3.2 Constituents Selection

According to the equity structure of the issuer and the nature of the actual controller, select the bonds in the index universe issued by private-owned enterprises as index constituents.

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 second trading day before the effective date.

5.2 Temporary Adjustment

In the event of suspension from listing or 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.