

# Methodology of SSE Asset-Backed Security Subdivision

## Index Series

SSE Asset-Backed Security Subdivision Index Series select asset-backed securities listed on Shanghai Stock Exchange, whose underlying assets are associated with finance lease, accounts receivable, consumer finance, petty loan or supply chain finance. The index series reflect the performance of asset-backed securities with target underlying asset.

### 1. Index Name and Index Code

Index Name	Index Shortened Name	Index Code
SSE Finance Lease Asset-Backed Security Index	SSE Finance Lease ABS	950335
SSE Accounts Receivable Asset-Backed Security Index	SSE Accounts Receivable ABS	950336
SSE Consumer Finance Asset-Backed Security Index	SSE Consumer Finance ABS	950337
SSE Exchange Petty Loan Asset-Backed Security Index	SSE Petty Loan ABS	950338
SSE Supply Chain Finance Asset-Backed Security Index	SSE Supply Chain Finance ABS	950339

### 2. Base Date and Base Index

The index base date is Dec. 31, 2019. The base index is 100.

### 3. Index Eligibility

#### 3.1 Index Universe

- Bond Type: Asset-backed security listed on Shanghai Stock Exchange, excluding subordinated tranches. The bond currency is RMB.
- Credit Rating: AA and above.
- Term to Maturity: Over 1 month.

#### 3.2 Constituents Selection

Index constituents are selected on the following basis from index universe.

Index Code	Index Shortened Name	Underlying Asset Categories
950335	SSE Finance Lease ABS	Finance Lease
950336	SSE Accounts Receivable ABS	Accounts Receivable
950337	SSE Consumer Finance ABS	Consumer Finance
950338	SSE Petty Loan ABS	Petty Loan
950339	SSE Supply Chain Finance ABS	Supply Chain Finance

#### 4. Index Calculation

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

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

Where,

$$\text{Bond Market Value} = \sum [(\text{Clean Price} + \text{Accrued Interest}) \times \text{Issued Amount}]$$

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 series are 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 before the effective date.

##### 5.2 Temporary Adjustment

The newly issued security satisfying the criteria will be added into the index on its second trading day. 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.