

Source: SSE, Wind, as of May 31, 2022.

Monthly News Highlights

SSE Solicits Public Opinions on Relevant Rules for Market-Making Business on STAR Market

May 13

In the context of deepening the capital market reform and strengthening the construction of the basic system, the STAR Market will continue to serve as an experimental field and introduce the market making mechanism in addition to auction trading, which will increase the depth of market orders, ease the impact of large orders on the market to a certain extent, improve market stability, reduce the bid-ask spread in the market, and cut down the trading costs for investors. The public consultation has ended on May 28.

<http://english.sse.com.cn/news/newsrelease/c/5702664.shtml>

SSE, Relevant Institutions Co-release Initiative on Value Investment and Long-Term Investment in Capital Market

May 15

To create an environment facilitating value investment and long-term investment in the whole market, a total of 66 institutions, including the SSE and other asset management institutions and universities, jointly released the Initiative on Value Investment and Long-term Investment in Capital Market. Marking the 4th “May 15 Day for Protecting Investors’ Rights”, the release of the Initiative also aimed to further guide the establishment of the concepts of value investment and long-term investment in the whole market, give full play to the important role of institutional investors in maintaining market stability, serving national strategies and promoting common prosperity, and improve the sense of security, fulfillment and happiness among small and medium-sized investors in securities investment.

<http://english.sse.com.cn/news/newsrelease/c/5702785.shtml>

Release of SSE STAR Chip Index: Spotlight for Demonstration Effect of Key Technology

May 20

The SSE and China Securities Index Co., Ltd. (CSI) have officially announced the arrangements for the release of the SSE STAR Chip Index (the “STAR Chip Index” for short). With liquidity-based screening, a total of no more than 50 securities of the listed companies with large market capitalization, to be selected as the constituents of the STAR Chip Index, will cover the fields such as semiconductor materials and equipment, chip design, chip manufacturing, and chip packaging and testing. Among the top 5 stocks with the largest weights are Semiconductor Manufacturing International Corporation, Montage Technology Co., Ltd., Advanced Micro-Fabrication Equipment Inc. China, Amlogic (Shanghai) Co., Ltd. and National Silicon Industry Group Co., Ltd., with the total weight at 44%.

<http://english.sse.com.cn/news/newsrelease/c/5702887.shtml>

China to Further Open Bond Market for Foreign Institutional Investors

May 27

China said on Friday that it would further facilitate foreign institutional investments in its bond market and coordinate the opening-up of the interbank and exchange bond markets. The country aims to increase the diversity of investors, while improving the liquidity and stability of its bond market, according to a statement jointly issued by the central bank and top securities and foreign exchange regulators.

<https://english.news.cn/20220528/134c5b1cd08a4469a1e8797502cd503c/c.html>

Joint Announcement of the China Securities Regulatory Commission and the Hong Kong Securities and Futures Commission

May 27

To further deepen mutual stock market access between the Mainland and Hong Kong (Stock Connect) and promote the development of both capital markets, the China Securities Regulatory Commission (CSRC) and the Hong Kong Securities and Futures Commission (SFC) agree in principle to the inclusion of eligible exchange-traded funds (ETFs) by Mainland and Hong Kong exchanges in Stock Connect.

http://www.csrc.gov.cn/csrc_en/c102030/c3046291/content.shtml

SSE Issues Fee Reduction Notice

May 31

The Shanghai Stock Exchange issued another fee reduction notice to the market, reducing and waiving relevant transaction and service fees for relevant market participants.

http://www.sse.com.cn/aboutus/mediacenter/hotandd/c/c_20220531_5702846.shtml (in Chinese)

Edited by CHEN Yinghui, WAN Sijia, LI Tianfang, Dept. of International Affairs, Shanghai Stock Exchange.

Equity Market

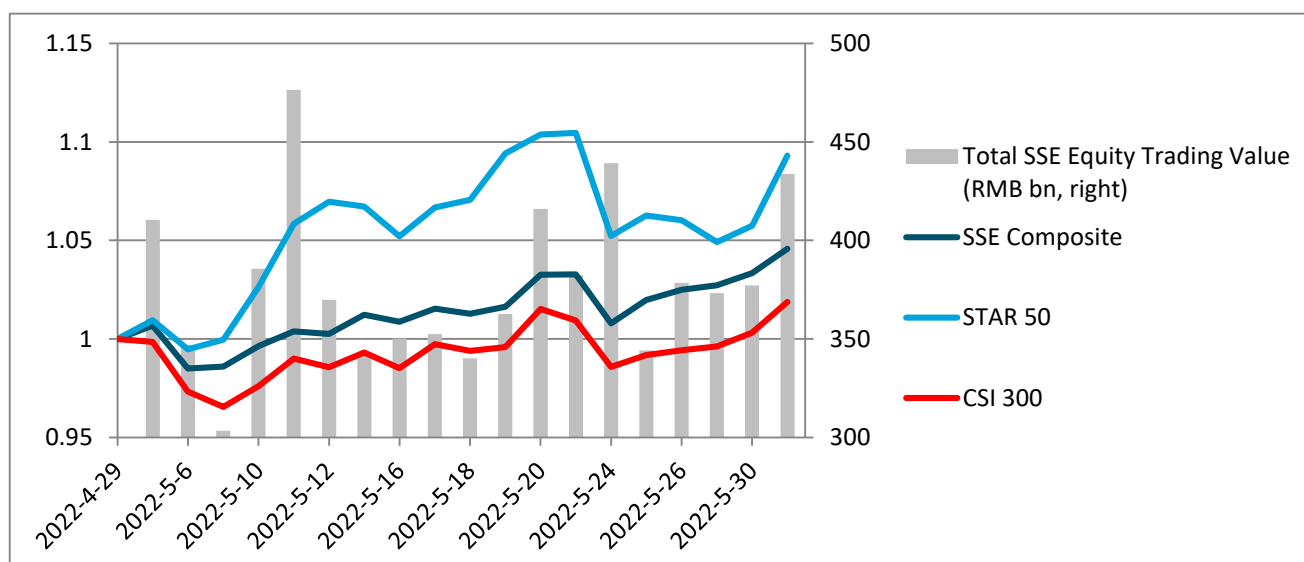
Market Overview

Boards	No. of Listed Companies	Total Market Cap. (RMB tn)	PE (LYR)	Average Daily Trading Value (RMB bn)	Average Daily Trading Value MoM Change
Main Board A	1667	41.29	11.98	343.08	-7.53%
STAR Market	424	4.70	40.21	34.76	9.27%

Index Performance

Indexes	Closing Price	Monthly Performance	YTD Performance
SSE Composite	3186.43	4.57%	-12.46%
SSE 50	2813.22	0.28%	-14.08%
SSE 180	8724.45	1.50%	-13.88%
STAR 50	1035.32	9.31%	-25.95%
CSI 300	4091.52	1.87%	-17.18%

Index Performance & Equity Trading Value



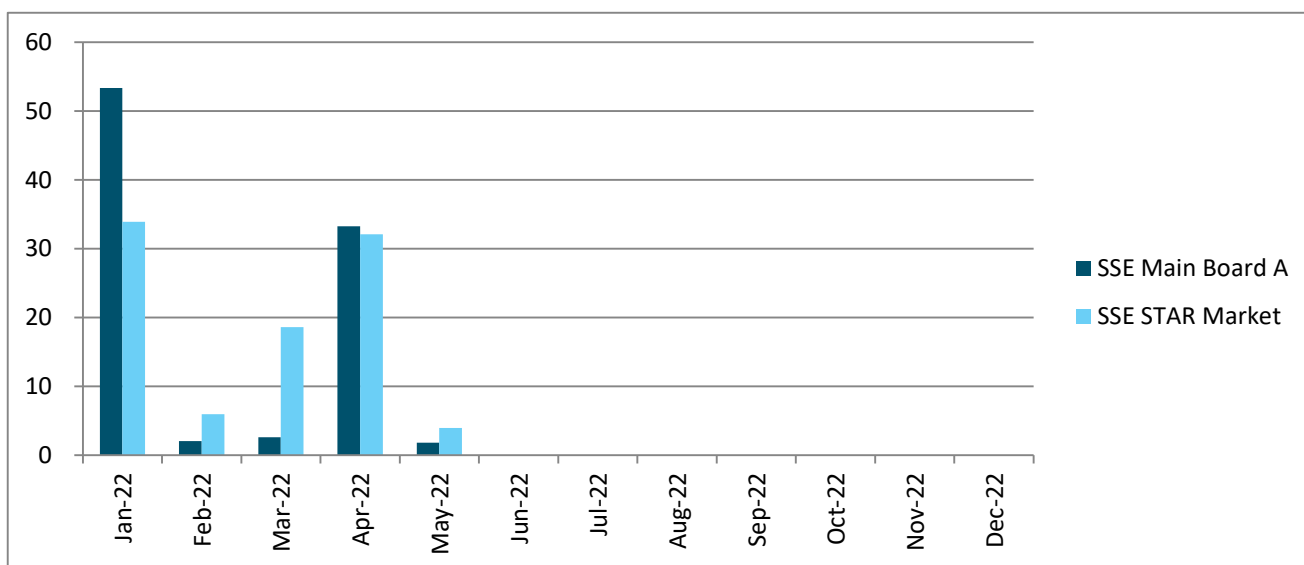
Note: the indexes are rebased to April 29, 2022.

● IPO

2022	Main Board A		STAR Market	
	No. of Newly Listed Companies	IPO Proceeds (RMB bn)	No. of Newly Listed Companies	IPO Proceeds (RMB bn)
January	3	53.37	10	33.93
February	3	2.06	4	5.97
March	4	2.61	13	18.62
April	2	33.28	16	32.09
May	3	1.80	4	3.94
Total	15	93.12	47	94.55

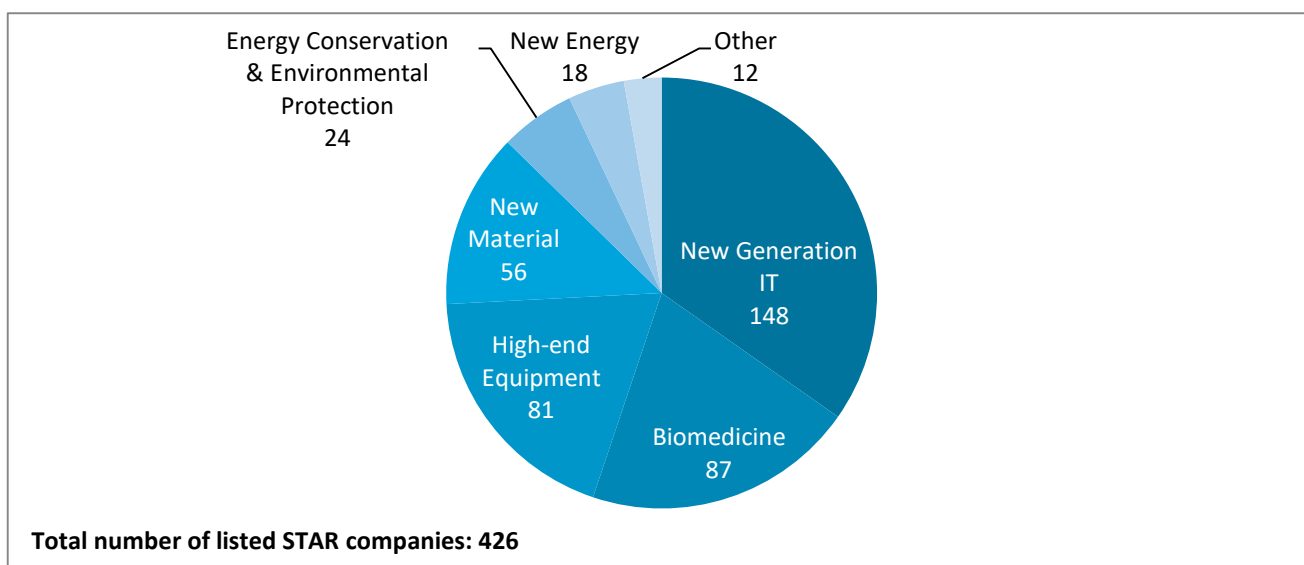
Note: a list of all the newly listed companies this month is available at the last page.

Monthly IPO Proceeds (RMB bn)

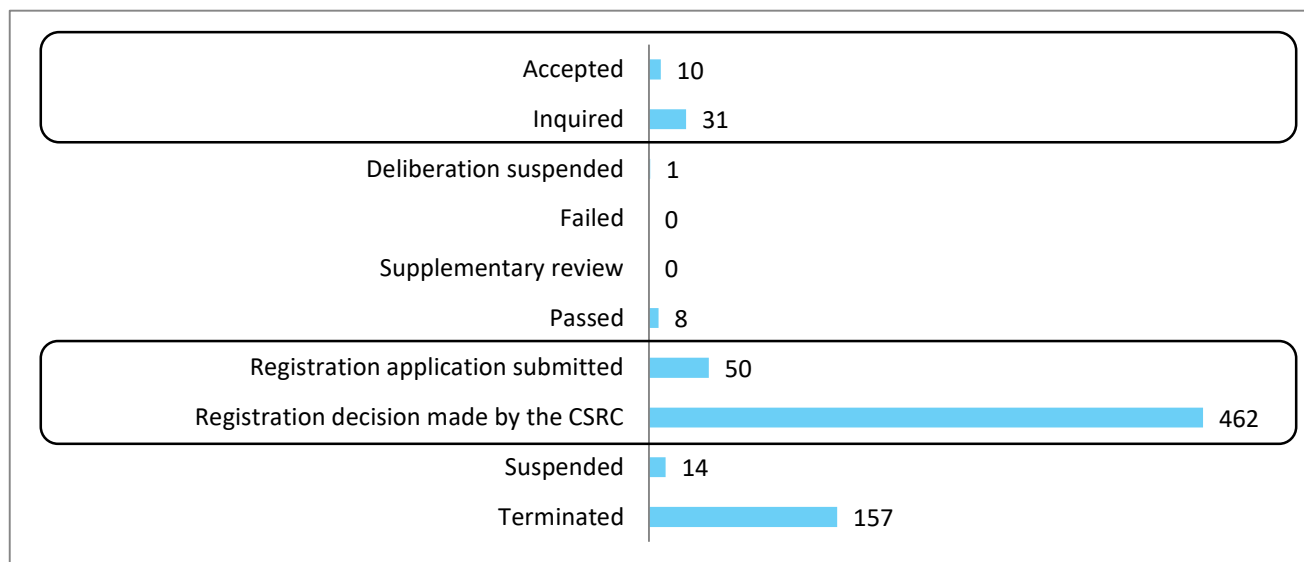


● STAR Market

STAR Market Sector Distribution (No. of listed companies in the sector, as of June 6)

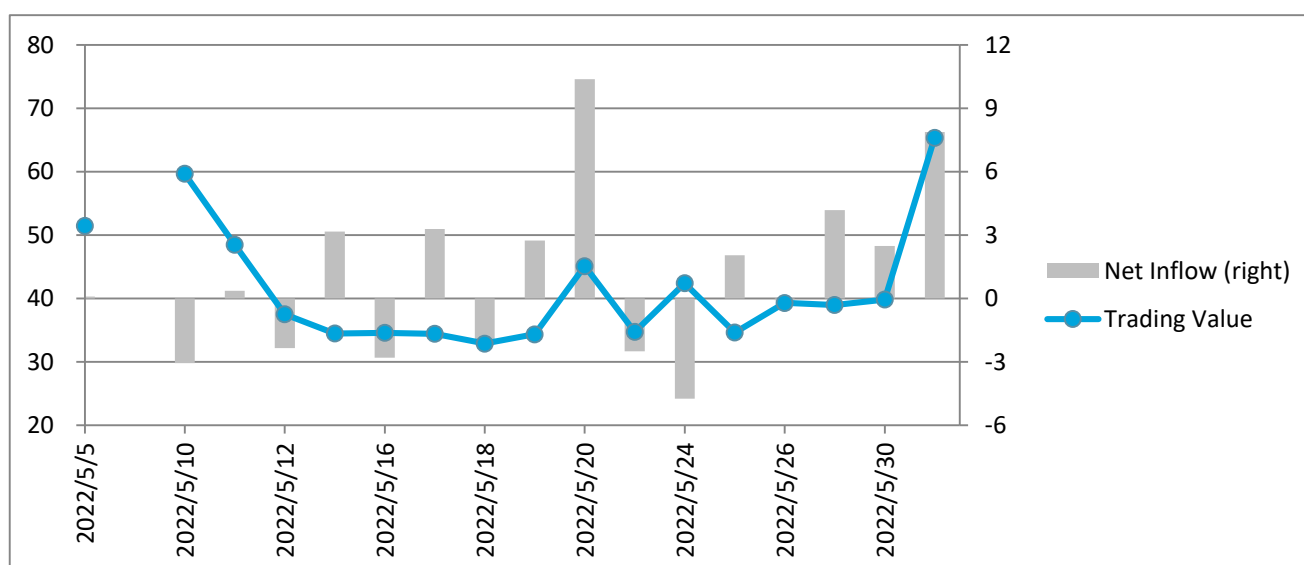


STAR Market IPO Pipeline (No. of issuers in the registration process, as of June 6)



● **Shanghai-Hong Kong Stock Connect**

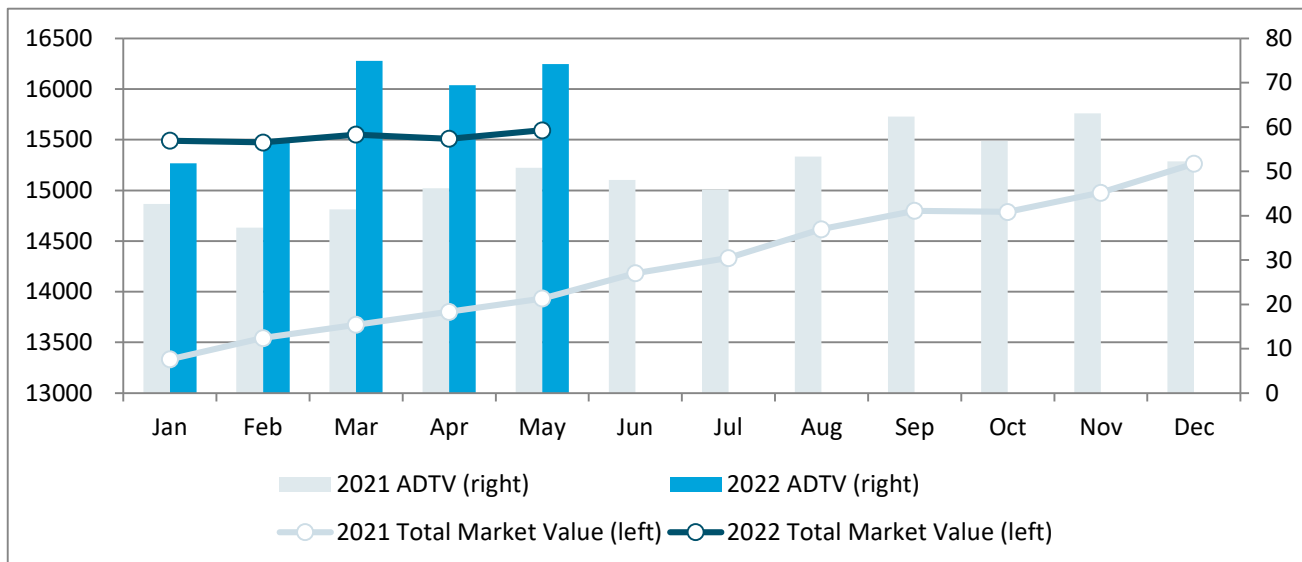
Northbound Trading Value and Net Inflow (RMB bn)



Bond Market

Bond Types	Market Value (RMB bn)	MoM Change	Average Daily Trading Value (RMB bn)	MoM Change
Treasury bonds	856.46	2.46%	3.19	-18.73%
Local government bonds	1004.10	0.40%	0.51	-5.82%
Financial bonds	104.44	-4.41%	0.06	-37.60%
Corporate bonds	10713.84	0.51%	3.21	-5.19%
Enterprise bonds	933.98	1.92%	21.40	-15.25%
Convertible bonds	585.36	4.11%	45.59	27.30%
Asset-backed securities	1395.15	-2.15%	0.29	-29.33%
Total	15593.33	0.54%	74.24	6.96%

Monthly Total Market Value and Average Daily Trading Value (RMB bn)

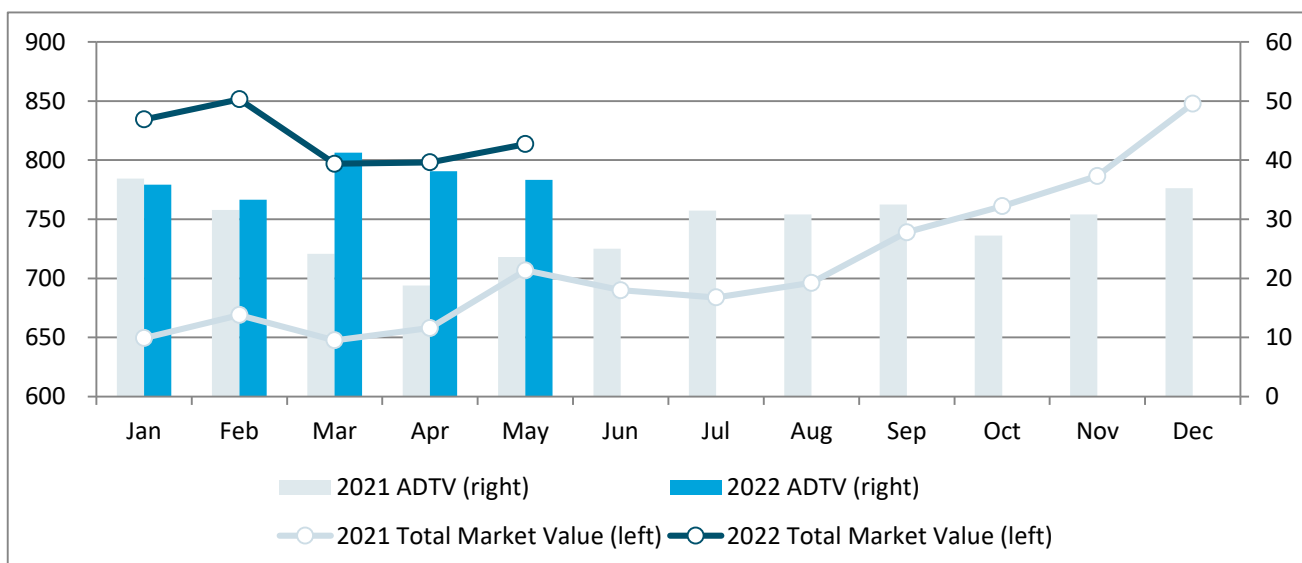


ETF Market

ETF Types	No. of ETFs	Free-float Market Value (RMB bn)	MoM Change	Average Daily Trading Value (RMB bn)	MoM Change
Equity ETF	352	646.58	0.99%	22.37	-12.20%
Bond ETF	11	23.76	15.53%	3.88	7.40%
Commodity ETF (gold)	8	11.53	-7.16%	0.89	-13.97%
Cross-Border ETF	42	122.07	6.15%	9.39	19.21%
Publicly Offered Infrastructure REITs	7	9.60	-2.85%	0.11	-22.74%
Total	420	813.54	1.93%	36.63	-3.94%

Note: Exchange-traded money market funds are not included

Monthly Total Market Value and Average Daily Trading Value (RMB bn)

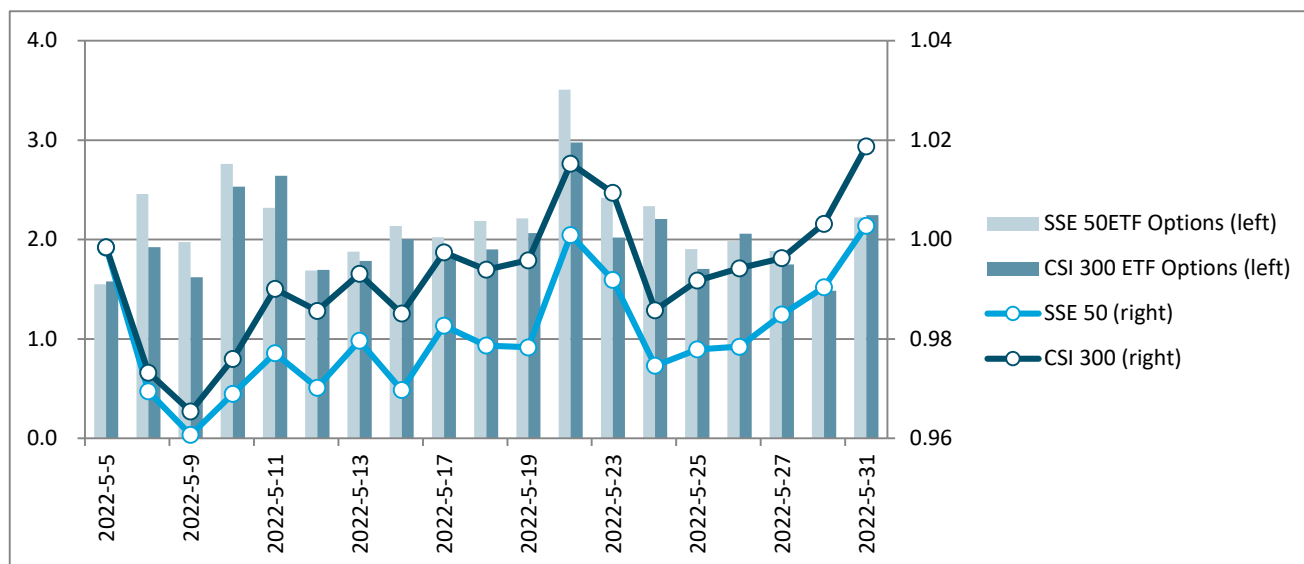


Note: Exchange-traded money market funds are not included

Derivatives Market

Options	Average Daily No. of Contracts Traded (mn)	MoM Change	No. of Call Options Contracts (mn)	MoM Change	No. of Put Options Contracts (mn)	MoM Change	Put/Call Ratio
SSE 50ETF Options	2.15	-21.42%	1.12	-20.54%	1.03	-22.37%	91.49%
CSI 300 ETF Options	2.00	-13.90%	0.98	-11.66%	1.02	-15.96%	103.38%

Daily No. of Options Contracts Traded (million) and Index Performance



Note: the indexes are rebased to April 29, 2021.

Newly Listed Companies

Code	Name	Industry	Market Cap. (RMB bn)
Main Board			
603097.SH	Jiangsu Huachen Transformer Co.,Ltd.	Electrical Components & Equipment	4.27
603206.SH	Bestlink Technologies Co.,Ltd.	Communications Equipment	6.16
603272.SH	Zhejiang Lianxiang Smart Home Co., Ltd	Building Products	2.85
STAR Market			
688045.SH	Shenzhen Kiwi Instruments Co., Ltd.	Semiconductors	4.27
688213.SH	Smartsens Technology (Shanghai) Co., Ltd.	Semiconductors	18.30
688287.SH	Guandian Defense Technology Co.,Ltd.	Aerospace & Defense	4.31
688327.SH	Cloudwalk Technology Co., Ltd.	Internet Software & Services	19.42

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