

## Market Summary

Listed Companies (No.)	2,220
- Main Board	470
- SME Board	948
- ChiNext Market	802
Funds	544
Bonds	7,066
Market Cap. (US\$ bn)	3,381.5
- Main Board	1,010.0
- SME Board	1,422.0
- ChiNext Market	949.5
Average Daily Turnover Ratio	2.69
Average P/E Ratio	25.46
No. of IPO (YTD)	16

## Most Active Companies

1	ZTE Corporation (000063)
2	East Money Information Co., Ltd. (300059)
3	Wuliangye Yibin Co., Ltd. (000858)

## Top Gainers

1	Chengdu Tianjian Technology Co., Ltd. (002977)
2	Jiangsu Jujie Microfiber Technology Group Co., Ltd. (300819)
3	Shenzhen Bestek Technology Co., Ltd. (300822)

## Top Decliners

1	Shenzhen China Bicycle Company (holdings) Limited (000017)
2	Nanjing Red Sun Co., Ltd (000525)
3	Youngy Health Co., Ltd (300247)

## New Listing

### Tianjian Technology (002977)

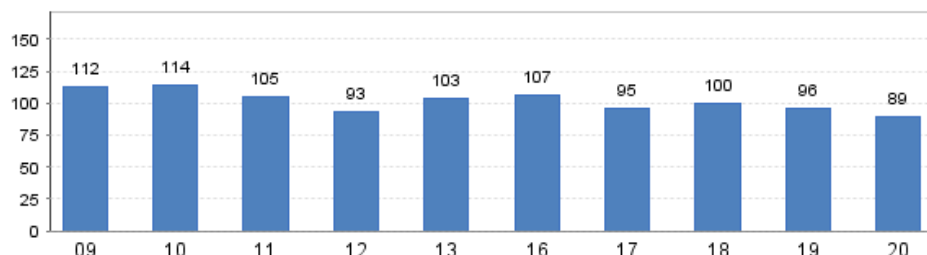
Chengdu Tianjian Technology Co., Ltd. mainly engages in R&D, production and sale of high-band, high-power microwave solid-state front-ends. In 2019, its operating income reached 277 million yuan with the net profit of 96.08 million yuan.

### TJK Machinery (300823)

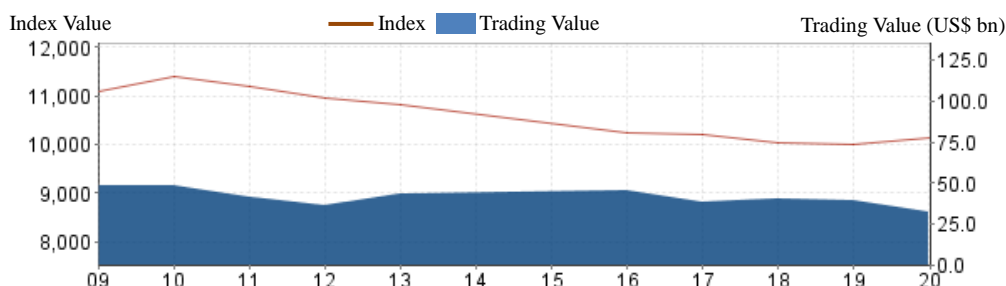
TJK Machinery (Tianjin) Co., Ltd. principally engages in R&D, design, production and sale of mid-range and high-end CNC rebar processing equipment, and provision of integrated solution for CNC rebar processing. In 2019, its operating income reached 475 million yuan with the net profit of 84.16 million yuan.

## Daily Trading Value (March 16 – March 20)

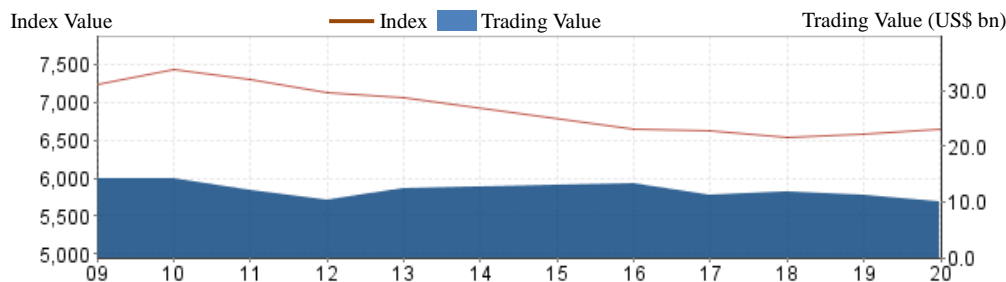
(US\$ bn)



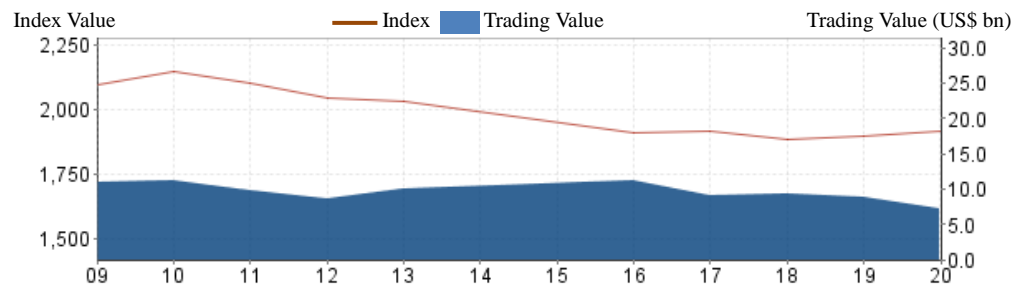
## SZSE Component Index (March 16 – March 20)



## SME Index (March 16 – March 20)



## ChiNext Index (March 16 – March 20)



## Market News

### 1. The CSRC to remove limit on foreign ownership of securities companies

CSRC announced on 13 March that the ceiling for foreign shareholding ratio in Chinese Mainland's securities companies will be removed from 1 April in line with financial industry's opening-up roadmap and requirement of the 1st phase of China-US economic and trade agreement. Qualified overseas investors can file applications for establishing securities companies or becoming de facto controllers of a securities firm according to laws and regulations, CSRC regulations and relevant service guidelines.

### 2. SZSE revises the Trading Rules

In response to the amendment of the *Securities Law*, SZSE on 13 March published the *Trading Rules (revised in 2020)*. Amendments in the *Securities Law* were reflected in the *Trading Rules* in terms of the depositary receipt as a security and real-time disclosure of market quotations by the exchange. In line with the newly amended *Securities Law*, the *Trading Rules* also make provisions on abnormal market occasions:

(1) The exchange may take measures including trading ban or compulsory trading suspension in case of major abnormal fluctuations. Temporary trading halt, among other measures, may be enforced if stability of the securities market is considerably impacted.

(2) The scope of emergency events were modified to include major manual errors and the exchange is authorized to cancel a certain transactions and require the clearing house to suspend settlement if such transaction is to cause severe impact to the normal market order.

(3) The exchange is not responsible for civil compensation on the damage caused by the exchange's action to such abnormal market occasions or emergency events unless there is major fault by the exchange.

### 3. SZSE improves bond amortization method

On 13 March, SZSE issued notices on amendments of bond amortization rules to facilitate unification of valuation method among bond markets and to enhance efficiency of transfer of custody. According to the new rules, on occasion of principal amortization, the par value of bond will be written-down, rather than the holding position which was originally prescribed. The new rules also specify the ensuing calculation method of face value of bonds and ex-right reference price, and information disclosure requirements. SZSE made transitional arrangements from technical and rules perspectives, and the new rules are applied since 23 March 2020.

### 4. Credit protection contracts to facilitate fundraising

On 11 March, SZSE listed two epidemic-alleviation corporate bonds facilitated by credit enhancement methods. In the first case, Soochow Securities offered credit protection contracts to the buyer of the bond issued by Jiangsu Kailun Company who will allocate part of the proceeds to the resumption of operation of its factory in badly-stricken Hubei province. With the help of the credit enhancement and fiscal support by the local government, the issuer's work resumption was greatly advanced with the fundraising cost as low as near 1%. In another case, credit enhancement tools were also used to facilitate fundraising for a manufacturer of masks and other disinfecting materials. So far 22 epidemic-alleviation bonds have been issued on SZSE with total fundraising of 23 billion RMB.

### 5. China's central bank cuts reserve rate

On 16 March, the People's Bank of China implemented targeted Required Reserve Ratio (RRR) cuts ranging from 0.5% to 1% for banks that meet the assessment criteria and additional 1% RRR cut will apply to eligible joint-stock commercial banks for inclusive financing loans. It is estimated that the cuts will release 550 billion RMB of long-term funds.

*Disclaimer: The content is for reference only. Shenzhen Stock Exchange does NOT guarantee its accuracy. Listed companies or data mentioned in this presentation shall NOT be viewed as investment recommendations.*

*We welcome any feedbacks with respect to Market Bulletin or other information services offered by SZSE. Should you have any inquiries, comments or proposal for cooperation, please let us know at [international@szse.cn](mailto:international@szse.cn)*

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## Options

### Market Summary (Daily Average)

Trading Volume (in '000)	407.8
- Call Option	209.8
- Put Option	198.0
Open Interest (in '000)	426.2
- Call Option	217.9
- Put Option	208.3
Premium Trading Value (in RMB mn)	329.7
Volume to Open Interest Ratio	0.98

### Product Specification

Underlying	Harvest CSI 300 ETF (159919)
Exercise Style	European style
Contract Multiplier	10,000
Expiration Month	4 (current month, next month and the following 2 consecutive quarters)
Contract Delivery	Physical Delivery
Strike Price	9 prices (1 at-the-money, 4 out-of-the-money and 4 in-the-money)
Expiration/Exercise Date	4 <sup>th</sup> Wednesday in the Contract Expiration Month <sup>1</sup>
Settlement Date	The day after the exercise date

1. If the expiration date falls on a holiday, it will be put off correspondingly.

### Overview of CSI 300 index and related products

CSI 300 ETF option, the very first option product on SZSE, was listed on 23 December 2019. The underlying of the option tracks the CSI 300 Index.

CSI 300 Index: the flagship index of China's A-share market

- Comprised of 300 largest and most liquid A-share stocks

- Constituents market cap. at 29.5tn RMB (52.0% of A-share market cap.)

CSI 300 ETF: an important asset allocation instrument

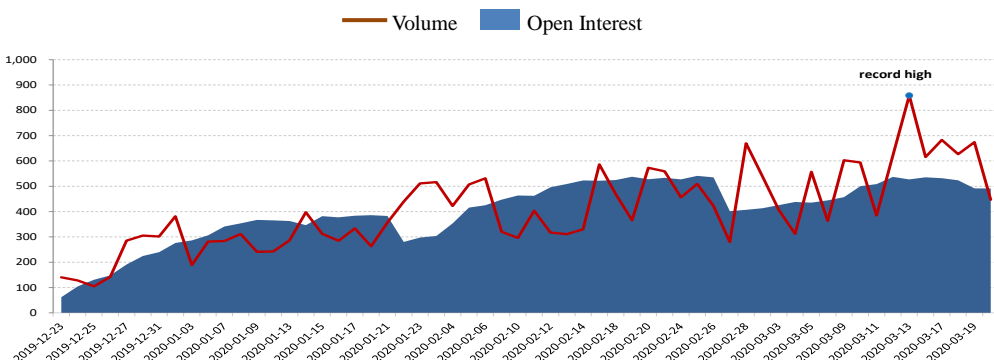
- Harvest CSI 300 ETF (underlying): inception in 2012, with an AuM at 24.9bn RMB

- All CSI 300 ETFs: 15 onshore (AuM at 119.8bn RMB), 18 offshore (AuM at 5.3bn USD)



Ruiting Song,  
Derivatives Department

### Option Daily Trading Volume and Open Interest (in '000, 23 Dec 2019 – 20 Mar 2020)



### CSI 300 ETF (Underlying) Daily Price and Trading Value (23 Dec 2019 – 20 Mar 2020)

