

SZSE 100 index funds continue to maintain a leading position in the first three quarters

2009-10-15

Shenzhen Securities Information Co., Ltd. latest report noted that, in the first three quarters of 2009, the data shows that index funds possess two seats in the top 10 Open-end Funds. They are E Fund SZSE 100 Tradable Open-Ended Index Fund and Rongtong SZSE 100 Index Securities Investment Fund. Both of the two index funds track the SZSE 100 Index.

The net value of return rate of E Fund SZSE 100 Tradable Open-Ended Index Fund, achieves 73.88%. The fund continues to maintain the consistent outstanding performance; its rate of return takes the first place in all the index funds and the second place in all open-end funds.

In all open-end funds, E Fund SZSE 100 Tradable Open-Ended Index Fund's rate of return is slightly lower than that of the first one, New China Selected Growth Stock Fund by 2.11 percentile. Another index fund which tracks SZSE100 is Rongtong SZSE 100 Index Securities Investment Fund, its net value of return rate achieves 68.44%, is ranked eighth in all open-end funds.

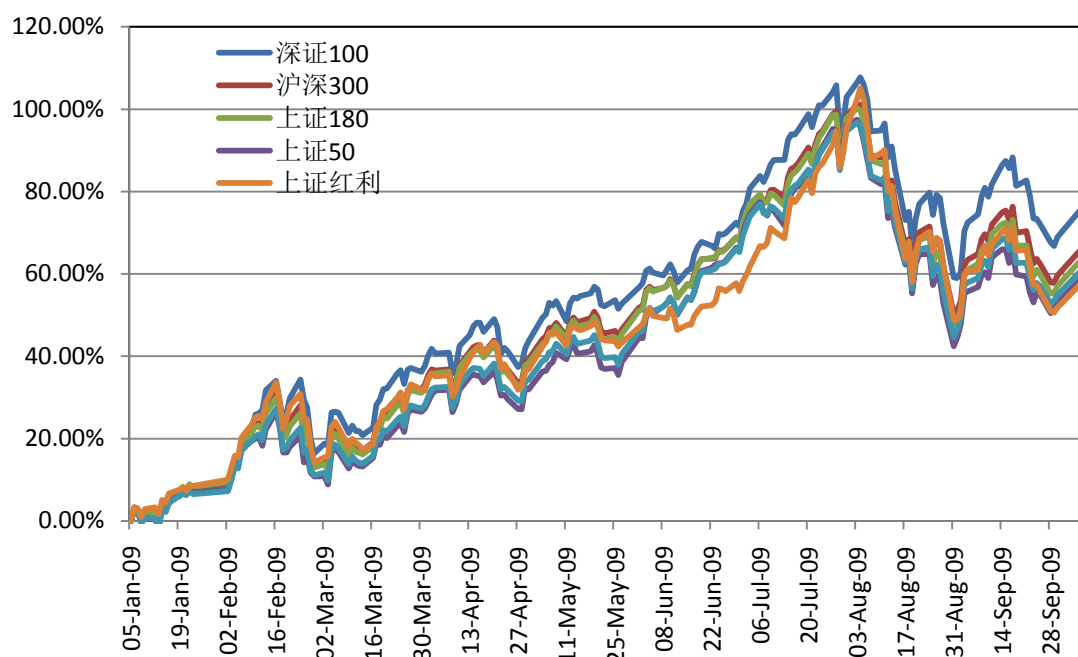
Table 1: The ranking of Open-end Funds' rate of return (2009.1.1-2009.9.30)

Fund Code	Fund Name	Fund Category	Establishment Date	Net value (2009-9-30)	Rate of Return (2009)
519089	New China Selected Growth Stock Fund	Open-end Funds	2008-7-25	1.6738	75.99%
159901	E Fund SZSE 100 Tradable Open-Ended Index Fund	ETF	2006-3-24	3.441	73.88%
340007	Industrial Social Responsibility Stock Fund	Open-end Funds	2008-4-30	1.351	73.65%
519001	Yinhua Core Value Selected Equity Securities Investment Fund	Open-end Funds	2005-9-27	1.2677	71.47%
630002	Huashang Glorious Growth Equity Securities Investment Fund	Open-end Funds	2008-9-23	1.4131	71.29%
000011	China Large-Cap Selected Securities	Open-end Funds	2004-8-11	7.83	69.68%

Investment Fund					
000031	China Revival Stock Fund	Open-end Funds	2007-9-10	1.053	69.02%
161604	Rongtong SZSE 100 Index Securities Investment Fund	Open-end Funds	2003-9-30	1.297	68.44%
110010	E Fund Value Growth Mixed Securities Investment Fund	Open-end Funds	2007-4-2	1.2414	66.39%
400003	Orient Selected Mixed Open-Ended Securities Investment Fund	Open-end Funds	2006-1-11	0.88	65.63%

Only regarding index funds, it can find that SZSE 100 index funds lead all of the inter-market index funds and the single market SSE series of indices funds. Regarding the tracked indices, the return rate of SZSE100 is higher than that of SSE-SZSE 300, SSE180, SSE50 and other indices in the first three quarters in 2009.

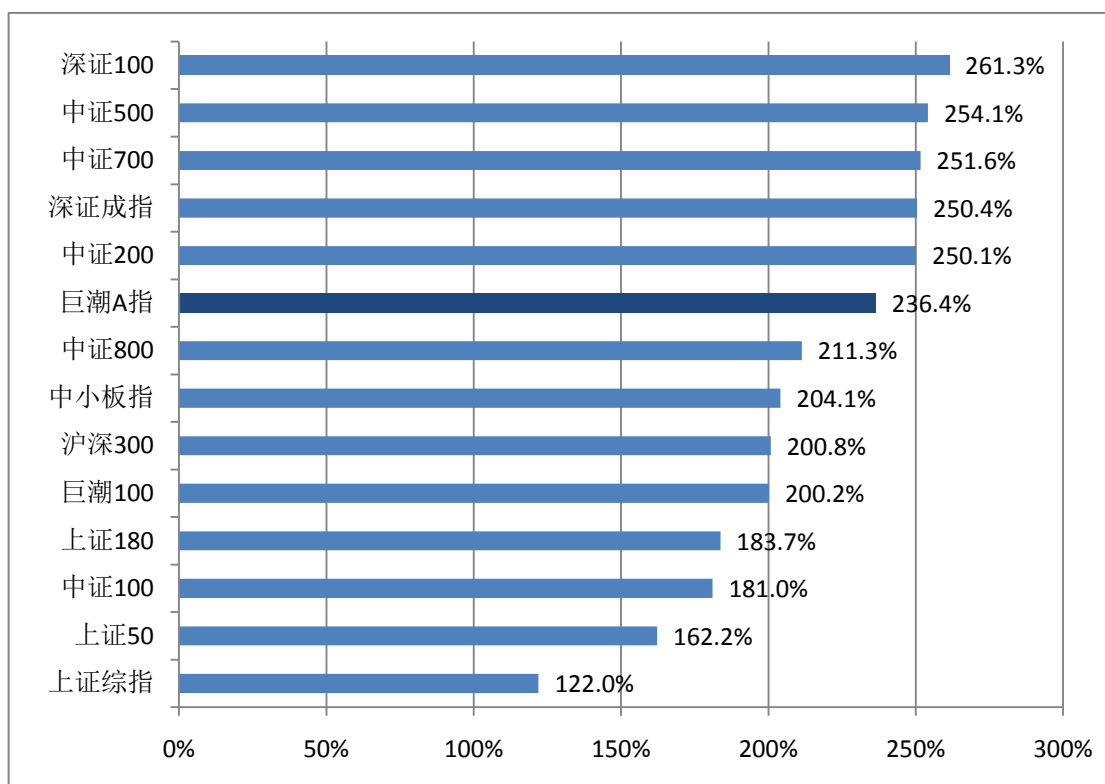
Figure 1: The trend of return rate of major indices (2009.1.1-2009.9.30)



For a longer period, from 2006-1-26 (SZSE100 Price and SZSE SME Price were launched formally) to 2009-9-30, SZSE100 Price is ranked the first in all scale indices in the aspect of accumulative return rate.

Figure 2: Comparison of the historical accumulative return rate of major scale indices

(2006.1.24--2009.9.30)



For all inter-market indices, the performance of E Fund SZSE 100 Tradable Open-Ended Index Fund and Rongtong SZSE 100 Index Securities Investment Fund lead the third place fund, Greatwall Jiutai CITIC S&P 300 Index Securities Investment Fund by 10.5 and 5.06 percentile respectively. The performances of the three SSE-SZSE300 index funds are quite the same. Among them, the Harvest SSE-SZSE 300 Index Securities Investment Fund with a relative higher growth rate of net value and the largest scale obtains a return rate of 63%, which is still far behind the E Fund SZSE 100 Tradable Open-Ended Index Fund by 10.88 percentile. Meanwhile, E Fund SZSE 100 Tradable Open-Ended Index Fund keeps ahead of all the ETF products in the market, exceeds the second, SSE 180 Tradable Open-Ended Index Securities Investment Fund by 13.51percentile.

Except Rongtong Cninfo 100 Index Securities Investment Fund, the ranking pattern of other index funds has the following character: the return rates of SZSE series of index funds are higher than that of inter-market series of index funds; while the return rates of the latter are even higher than that of the SSE series of index funds. The above character shows that SZSE series of indices have higher returns than SSE series of indices. And those inter-market indices such as SSE-SZSE300 comprise many factors of both Shanghai and Shenzhen markets, the performances of their index funds are ranked in the middle place of all index funds.

Table2: The ranking of return rate of Index funds (2009.1.1-2009.9.30)

Fund Code	Fund Name	Fund Category	Establishment Date	Net value (2009-9-30)	Rate of Return (2009)
159901	E Fund SZSE 100 Tradable Open-Ended Index Fund	ETF	2006-3-24	3.441	73.88%
161604	Rongtong SZSE 100 Index Securities Investment Fund	Open-end Funds	2003-9-30	1.297	68.44%
200002	Greatwall Jiutai CITIC S&P 300 Index Securities Investment Fund	Open-end Funds	2004-5-21	1.1659	63.38%
160706	Harvest SSE-SZSE 300 Index Securities Investment Fund	LOF	2005-8-29	0.771	63.00%
399317	CNINFO A Share Index	/	/	/	62.77%
519300	Da Cheng SSE-SZSE 300 Index Securities Investment Fund	Open-end Funds	2006-4-6	1.0008	62.02%
020011	GUOTAI SSE-SZSE 300 INDEX SECURITIES INVESTMENT FUND	Open-end Funds	2007-11-11	0.605	61.33%
510180	SSE 180 Tradable Open-Ended Index Securities Investment Fund	ETF	2006-4-13	0.658	60.37%
161607	Rongtong Cninfo 100 Index Securities Investment Fund	LOF	2005-5-12	0.952	59.46%
510880	SSE Dividend Tradable Open-Ended Index Securities Investment Fund	ETF	2006-11-17	2.314	59.21%
510050	SSE 50 Tradable Open-Ended Index Securities	ETF	2004-12-30	2.212	59.14%

	Investment Fund				
--	-----------------	--	--	--	--

* CNINFO A Share Index stands for all the stocks of both Shanghai and Shenzhen markets. Its return rate of the first three quarters in 2009 is 62.77%.

The historical data shows that no matter it's in the bear market or the bull market, SZSE100 presents the character: lead the rising during the boom and against the falling during the recession. In the almost 4 years time from 2006-1-1 to 2009-9-30, the return rate of SZSE100 is higher than other indices every year, its accumulative return rate and annual rate of return exceed that of SSE-SZSE300 by 47 percentile and 5 percentile, respectively.

Table 3: The comparison of major indices' return rate (2006.1.1-2009.9.30)

Year	SZSE100Price	SSE-SZSE300	SSE180	SSE50	SSE Dividend
Year 2006	100%	121%	120%	122%	98%
Year 2007	177%	161%	151%	130%	150%
Year 2008	-64%	-66%	-66%	-67%	-69%
The first three quarters of 2009	69%	60%	57%	53%	55%
Accumulative return rate	261%	214%	195%	158%	138%
Annual rate of return	41%	36%	33%	30%	28%

*SZSE100 Price was launched on 2006-1-24.

The difference between SZSE series of indices and SSE series of indices reflects the different orientations of Shanghai and Shenzhen markets. The Shanghai market is relatively mature: it is a value pattern market to serve those large enterprises which possess certain dominance in the national economy; so the constituents of SSE series of indices and SSE-SZSE300 mainly comprise those large and even huge enterprises. Meanwhile, the Shenzhen market not only has large and medium enterprises, but also gathers all leading enterprises in small industries, obtains a very good growth. The constituents of SZSE100 comprise 89 enterprises which are listed in the main board and 11 enterprises which are listed in the SME board. The average market value of SSE100 is 21.17 billion, accounting for one-third of the average market value of SSE-SZSE300, which is 61.53 billion. Those SMEs earn the fast revenue growth, the high profitability, the developed technology skills and the active trading; contribute a lot to the large growth of SZSE100.

According to statistics, the top three industries of SZSE100 in the market value proportion are the machinery, equipment and instrumentation (17%), the real estate

(14%), finance and insurance (10%). The corresponding top three industries of SSE-SZSE300 are finance and insurance (32%), manufacturing (29%) and mining (12%). During the comparison, it can find that the constituents of SSE-SZSE300 are focus on the finance and insurance industry; while the distribution of SZSE100's constituents is more equal.