

Market Summary

Listed Companies (No.)	1,787
- Main Board	478
- SME Board	793
- ChiNext Market	516
Funds	487
Bonds	1,666
Market Cap. (US\$ bn)	3,252.9
- Main Board	1,024.4
- SME Board	1,443.5
- ChiNext Market	784.9
Average Turnover Ratio	2.33
Average P/E Ratio	41.25
No. of IPO (YTD)	41

Most Active Companies

1	Dongxu Optoelectronic Technology (000413)
2	China Yanke (000002)
3	Citic Guoan Information Industry (000839)

Top Gainers

1	Haibo Heavy Engineering Science And Technology (300517)
2	Xiamen Jihong Package Technology (002803)
3	Shandong Fengyuan Chemical (002805)

Top Decliners

1	Dandong Xintai Electric (300372)
2	Zhejiang Busen Garments (002569)
3	Suning Universal (000718)

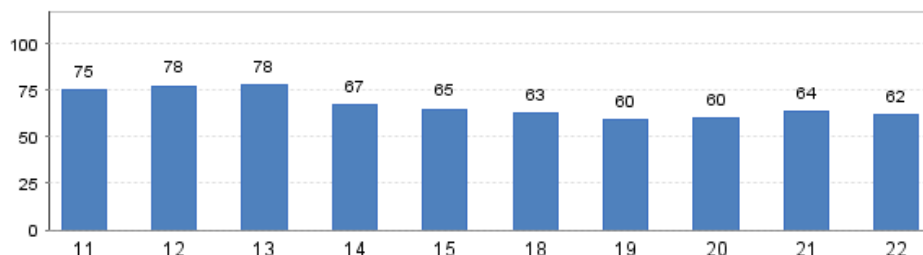
New Listing

Haibo Heavy Science (300517)

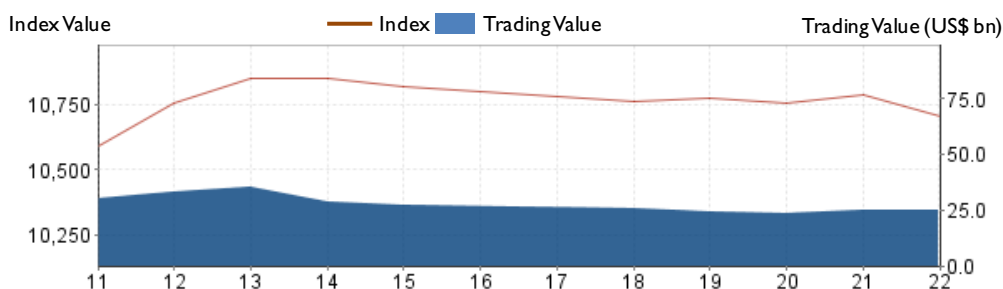
Haibo Heavy Science landed on ChiNext board on July 19, 2016. It principally engages in bridge steel structure engineering. In 2015, its operating income reached 376 million yuan with the net profit of 45.289 million yuan.

Daily Trading Value (July 11 – July 22)

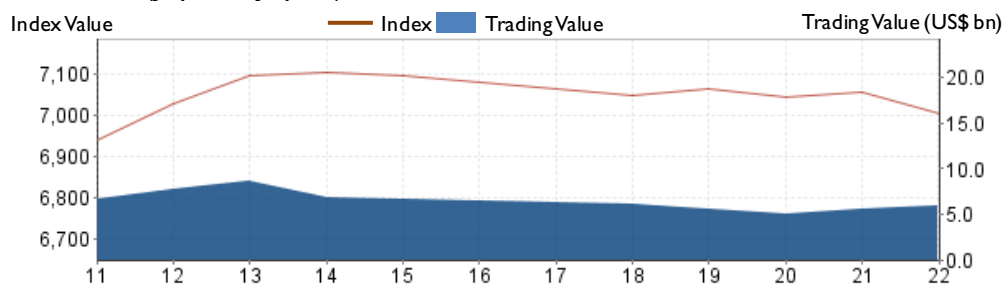
(US\$ bn)



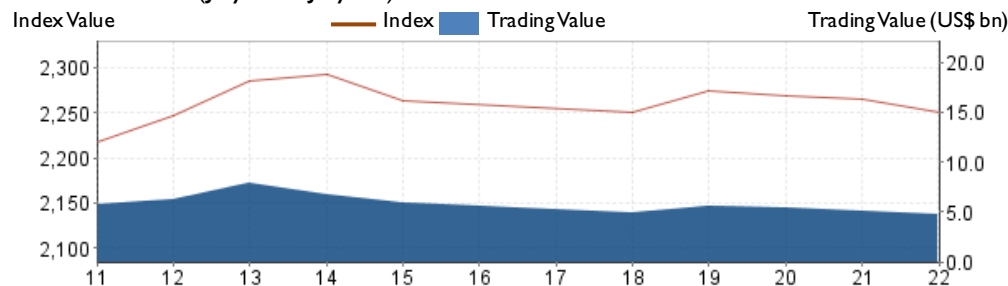
SZSE Component Index (July 11 – July 22)



SME Index (July 11 – July 22)



ChiNext Index (July 11 – July 22)



Market News

Finance Minister Calls for Overhaul of Taxation

Minister of Finance Lou Jiwei called for a taxation overhaul, saying innovative industries should also come under the purview of taxation to reflect a socially balanced economic growth on July 24. According to Lou, preferential tax policies are needed to boost development of new business sector, but fairness also matters. Measures should be taken to tax emerging industries like e-commerce and digital finance to maintain a fair and equal tax system. Poor database, taxation capacity and vested interests had made it difficult for the property tax reform.

Govt Eases Rules in FTZs to Draw Foreign Investors

The government has further relaxed rules for foreign investment in the country's four free trade zones (FTZs), much-highlighted test grounds for ongoing economic reforms, according to the central government website on July 19. Foreign investors will be allowed temporarily to fund wholly owned enterprises in a number of fields, including iron and

steel, shipping, auto batteries and gas station operations. A total of 18 rules and regulations with 51 items have been revised, with more than 20 of them involving changes from review-and-approval procedure to registration-based process for foreign investment in the Shanghai, Guangdong, Tianjin and Fujian FTZs.

China Unveils Plan to Boost Rail Network

NDRC, the top economic planner, issued China's latest national railway plan on July 20, with the target to operate a 175,000 km rail network by 2025. The new plan emphasized boosting rail construction in central and western areas to achieve a more balanced development among regions. NDRC statistics show that China had an operating rail length of 121,000 km by 2015, of which 19,000 km was high-speed rail.