

# Dow Jones China 88 Index

## STATED OBJECTIVE

The Dow Jones China 88 Index is a country blue-chip index designed for use as the basis of financial products. It represents the largest and most liquid stocks in the Dow Jones China Total Market Index.

## UNIQUE ASPECTS

- Components are very large and liquid companies.
- Transparent and predictable methodology. The index is completely rules-based.
- High correlation with the Dow Jones China Total Market Index.

## DESCRIPTIVE STATISTICS

Index	Component Number	Market Capitalization (CNY Bil.)						Component Weight (%)	
		Full	Float-Adjusted	Mean	Median	Largest	Smallest	Largest	Smallest
Dow Jones China 88	88	603.6	603.6	6.9	4.1	46.8	2.1	7.75	0.35
Dow Jones China Total Market	1,137	1,704.3	1,692.1	1.5	0.8	46.8	0.2	2.76	0.01
Dow Jones Shanghai	708	1,110.0	1,108.8	1.6	0.8	46.8	0.2	4.22	0.02
Dow Jones Shenzhen	429	594.2	583.2	1.4	0.8	22.1	0.3	3.80	0.05

Mean, median, largest, smallest and component weights are based on float-adjusted market capitalization, not full market capitalization.

## PERFORMANCE

Index	Price Return (%)			Annualized Price Return (%)		
	3-Month	YTD	2005	1-Year	3-Year	5-Year
Dow Jones China 88	0.24	28.07	-13.69	24.50	-0.29	-2.59
Dow Jones China Total Market	-0.85	38.32	-17.72	30.53	-1.15	-5.34
Dow Jones Shanghai	-0.48	36.20	-17.26	28.87	-1.36	-5.16
Dow Jones Shenzhen	-1.50	42.24	-18.54	33.59	-0.74	-5.51

Data based on price-return index values as of September 29, 2006. This table contains backtested data. See the related disclaimer at the end of this document.

## VOLATILITY AND TRACKING ERROR

Index	Volatility	Tracking Error VS. DJ China TMI
Dow Jones China 88	19.23%	8.12%
Dow Jones China Total Market	21.42%	0.00%
Dow Jones Shanghai	20.69%	1.57%
Dow Jones Shenzhen	22.89%	2.74%

Benchmark comparison values calculated using monthly total-return data from September 30, 2003, through September 29, 2006.

# Dow Jones China 88 Index

## FACTSHEET

### CORRELATION

Index	Dow Jones China 600	Dow Jones China Total Market	Dow Jones Shanghai	Dow Jones Shenzhen
Dow Jones China 88	1.0000			
Dow Jones China Total Market	0.9257	1.0000		
Dow Jones Shanghai	0.9322	0.9978	1.0000	
Dow Jones Shenzhen	0.9066	0.9946	0.9855	1.0000

Benchmark comparison values calculated using monthly total-return data from September 30, 2003, through September 29, 2006.

### FUNDAMENTALS

Index	P/E (Including Negative)		P/E (Excluding Negative)		P/B	Dividend Yield	P/Sales	P/Cash Flow
	Trailing	Projected	Trailing	Projected				
Dow Jones China 88	19.21	14.07	18.61	13.96	2.66	2.18	1.40	9.27
Dow Jones China Total Market	26.92	14.54	23.36	14.97	2.46	1.66	1.21	10.23
Dow Jones Shanghai	25.04	14.80	23.38	15.37	2.47	1.67	1.22	11.18
Dow Jones Shenzhen	30.26	13.90	23.24	13.90	2.44	1.65	1.19	11.81

As of September 29, 2006.

### QUICK FACTS

<b>Weighting</b>	Float-adjusted market capitalization
<b>Component Number</b>	88
<b>Review Frequency</b>	Quarterly, in March, June, September and December
<b>Calculation/Distribution</b>	Three times per day during local trading hours
<b>Base Value/Base Date</b>	100 as of December 31, 1993
<b>History</b>	Available daily from December 31, 1993
<b>Date Introduced</b>	May 1996

### COMPONENTS

Company	Weight (%)	Company	Weight (%)
China Merchants Bank Co. Ltd. A	7.75	ZTE Corp.	1.99
CITIC Securities Co. Ltd.	4.25	Wuliangye Yibin Co. Ltd. A	1.92
China Vanke Co. Ltd. A	3.67	Bank of China Ltd. A	1.91
China Minsheng Banking Corp. Ltd. A	3.64	Shenzhen Development Bank Co. Ltd. A	1.91
China Yangtze Power Co. Ltd.	3.52	Shanghai Zhenhua Port Machinery Co. Ltd. A	1.55
China United Telecommunications Co. Ltd.	3.45	Shanghai Port Container Co. Ltd. A	1.46
China Petroleum & Chemical Corp. (Sinopec Cor	3.15	Shanghai Oriental Pearl (Group) Co. Ltd.	1.4
Baoshan Iron & Steel Co. Ltd. A	2.61	China International Marine Containers (Group)	1.32
Kweichow Moutai Co. Ltd.	2.38	Shenergy Co. Ltd. A	1.31
Shanghai International Airport Co. Ltd. A	2.07	Inner Mongolia Yili Industrial Group Co. Ltd.	1.28
Shanghai Pudong Development Bank Co. Ltd. A	2.06	Daqin Railway Co., Ltd.	1.27

All data as of September 29, 2006.

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## FACTSHEET

### COMPONENTS (CONT.)

Company	Weight (%)	Company	Weight (%)
Shenzhen Overseas Chinese Town Holdings Co. L	1.21	Shanxi Xishan Coal & Electricity Power Co. Lt	0.61
Offshore Oil Engineering Co. Ltd.	1.18	China Shipping Development Co. Ltd.	0.6
Yantai Wantua Polyurethane Co. Ltd. A	1.14	Anhui BBCA Biochemical Co. Ltd. A	0.6
Shanghai Automotive Co. Ltd. A	1.14	Founder Science & Technology Group Co. Ltd.	0.59
Hua Xia Bank Co. Ltd.	1.12	Shanghai Municipal Raw Water Co. Ltd. A	0.58
Finance Street Holdings Co. Ltd.	1.08	Shenzhen Airport Co. Ltd. A	0.57
Henan Shuanghui Investment & Development Co.	1.04	Jiangxi Ganyue Expressway Co. Ltd. A	0.56
Qinghai Salt Lake Industrial Group Co. A	1.02	Shandong Dong-E E-Jiao Co. Ltd. A	0.56
Wuhan Iron & Steel Co. Ltd.	1	Fuyao Group Glass Industries Co. Ltd.	0.56
Tianjin Port Co. Ltd. A	0.96	Poly Real Estate Group Co., Ltd	0.55
CITIC Guoan Information Industry Co. Ltd.	0.91	Shanghai Zhangjiang Hi-Tech Park Development	0.54
Angang New Steel Co. Ltd. A	0.87	Huaneng Power International Inc. A	0.54
Beijing Gehua CATV Network Co. Ltd. A	0.86	Guangzhou Baiyun International Airport Co. Lt	0.53
Youngor Group Co. Ltd. A	0.85	Searainbow Holding Corp. A	0.53
Handan Iron & Steel Co. Ltd. A	0.83	Shenzhen Yan Tian Port Holdings Co. Ltd.	0.52
Panzhuhua New Steel & Vanadium Co. Ltd. A	0.81	Anhui Tongdu Copper Stock Co. Ltd. A	0.52
Long March Launch Vehicle Technology Co. Ltd.	0.81	Hunan Valin Steel Tube & Wire Co. Ltd. A	0.52
Shanxi Taigang Stainless Steel Co. Ltd. A	0.81	Shandong Aluminium Industry Co. Ltd. A	0.51
GD Power Development Co. Ltd.	0.8	Beijing Tongrentang Co. Ltd. A	0.5
SINOPEC Shanghai Petrochemical Co. Ltd. A	0.74	Shanghai Aerospace Automobile Electromechanic	0.5
Shenzhen Zhongjin Lingnan Nonfermet Co. Ltd. A	0.72	Sinochem International Corporation. Ltd.	0.49
Shanghai Feilo Acoustics Co. Ltd. A	0.69	China Southern Airlines Co. Ltd.	0.49
Sichuan Changhong Electric Co. Ltd. A	0.68	Jiangxi Copper Co. Ltd. A	0.47
Tsinghua Tongfang Co. Ltd. A	0.67	Huludao Zinc Industry Co. Ltd. A	0.47
Inner Mongolian Baotou Steel Union Co. Ltd.	0.67	Sichuan Hongda Co. Ltd.	0.46
Gemdale Corp. A	0.67	TCL Corp.	0.46
Qingdao Haier Co. Ltd. A	0.65	Anhui Jianghuai Automobile Co. Ltd.	0.44
Shenzhen Energy Investment Co. Ltd.	0.64	Chongqing Changan Automobile Co. Ltd.	0.38
TBEA Co. Ltd.	0.63	FAW Car Co. Ltd. A	0.37
Xi'an Aircraft International Corp. A	0.63	Yanzhou Coal Mining Co. Ltd. A	0.36
Yunnan Copper Co. Ltd.	0.63	Maanshan Iron & Steel Co. Ltd. A	0.36
Orient Group Inc. A	0.61	Minmetals Development Co. Ltd.	0.36
Beijing Capital Co. Ltd. A	0.61	COSCO Shipping Co. Ltd.	0.35

For more information on the Dow Jones China 88 Index, please visit the Dow Jones Indexes Web site at [www.djindexes.com](http://www.djindexes.com).

All data as of September 29, 2006.

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