

The MarketGrader China All-Cap Growth Leaders Index consists of the 200 most fundamentally sound companies with the best growth prospects in China, whose shares are listed in Shanghai, Shenzhen, Hong Kong or the United States. Its objective is to give investors access to the best companies in one of the world's fastest growing economies without overpaying for their shares. Constituents are selected across all market cap segments and all economic sectors after they have passed rigorous size and liquidity filters.

Index Rules

Investable Universe

All companies domiciled in China that have received a MarketGrader Score consistently for at least six months, whose shares are listed on the Shanghai Stock Exchange, Shenzhen Stock Exchange, Hong Kong Stock Exchange, NASDAQ or the New York Stock Exchange.

Regulatory Requirements

Stocks are ineligible for Index selection if they are classified by China's regulators as "Special Treatment (ST)" stocks; if their shares have been suspended from daily trading in the last six months; or if their foreign ownership on the selection date is equal to or greater than 26% of its free float adjusted market capitalization.

Size Requirements

All companies must have a minimum total market capitalization of USD 200 million on the Index selection date.

Liquidity Requirements

All stocks must have a minimum three-month average daily trading volume of USD 2 million and a minimum 12-month aggregate trading volume of USD 50 million as of the selection date.

Selection Criteria

All Index constituents are selected based on their overall MarketGrader (MG) Score. Built on a scale between zero (0) and 100, this MG Score is based on 24 fundamental indicators across MarketGrader's four rating categories: Growth, Value, Profitability and Cash Flow. All indicators and the final MG Score are calculated daily for all companies under coverage.

Sector Limits

The number of companies in a single economic sector cannot exceed 20% of all Index constituents (40 companies).

Weighting:

The Index is re-weighted at each rebalance date based on each constituent's free float market capitalization, with the total weight per constituent capped at 5% of the entire Index.

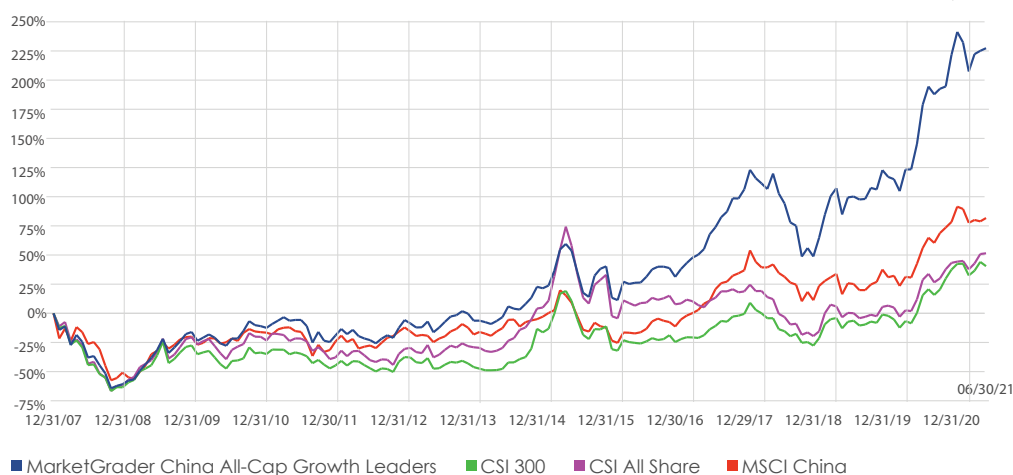
Rebalance Frequency

The Index is reconstituted and rebalanced semi-annually, after the close of trading on U.S. exchanges on the third Friday of March and September.

Performance

Cumulative Total Return, Jan. 2008 - Jun. 2021

All data as of Jun 30, 2021



Calendar Year Returns (%)

	MG China All-Cap Gr.	CSI 300	CSI All Share	MSCI China
2021*	1.8	2.2	5.7	1.9
2020	44.4	39.0	35.8	29.7
2019	49.8	36.8	31.2	23.7
2018	-27.9	-27.4	-32.3	-18.8
2017	57.2	32.1	10.3	54.3
2016	-6.4	-15.2	-19.0	1.1
2015	14.3	2.4	27.8	-7.6
2014	23.1	52.1	44.8	8.3
2013	13.9	-2.6	10.2	4.0
2012	16.2	10.9	7.3	23.1
2011	-15.3	-20.5	-23.9	-18.2
2010	6.0	-8.4	0.5	4.8
2009	114.1	98.5	108.0	62.6
2008	-60.8	-63.5	-61.8	-50.8

All values in USD. *YTD Values as of 06/30/21.
Sources: FactSet, MarketGrader.com

Annualized Returns (%)

	MG China All-Cap Gr.	CSI 300	CSI All Share	MSCI China
3-Years	17.3	17.6	15.0	10.5
5-Years	21.0	13.6	6.8	16.8
Since 12/31/07	9.2	2.6	3.1	4.5

Cumulative Returns (%)

	MG China All-Cap Gr.	CSI 300	CSI All Share	MSCI China
3-Years	61.5	62.7	52.2	35.0
5-Years	159.0	89.5	39.2	117.0
Since 12/31/07	227.4	40.5	51.5	81.7

Standard Deviation (%)

	MG China All-Cap Gr.	CSI 300	CSI All Share	MSCI China
3-Years	22.9	21.5	21.8	19.7
5-Years	19.5	18.6	18.3	17.9
Since 12/31/07	25.5	27.9	28.2	24.0

Sharpe Ratio

	MG China All-Cap Gr.	CSI 300	CSI All Share	MSCI China
3-Years	0.76	0.82	0.69	0.53
5-Years	1.08	0.73	0.37	0.94
Since 12/31/07	0.36	0.09	0.11	0.19

Frequency: Monthly.
Sources: FactSet, MarketGrader.com

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* The MarketGrader China All-Cap Growth Leaders Index was first published on February 21, 2020. Backtested performance information is purely hypothetical and is solely for informational purposes. Backtested performance does not represent actual performance, and should not be interpreted as an indication of actual performance. Past performance is not indicative of future results. CSI is a registered trademark of China Securities Index Co. MSCI brands and product names are the trademarks, service marks, or registered trademarks of MSCI or its subsidiaries in the United States and other jurisdictions. MarketGrader.com © 2021.

Index composition data as of June 30, 2021. All currency values in USD.

Index Bio

Average Market Cap (millions of USD)	USD \$15,375
Median Market Cap (millions of USD)	USD \$2,706
Average 3 Mo. Dollar Volume	USD \$88,160,969
Average 3 Mo. Trading Volume	12,384,819
Last Rebalance Date	3/22/21
Companies Replaced	89
Biggest Sector Increase	Consumer Discretionary
Biggest Sector Decrease	Materials

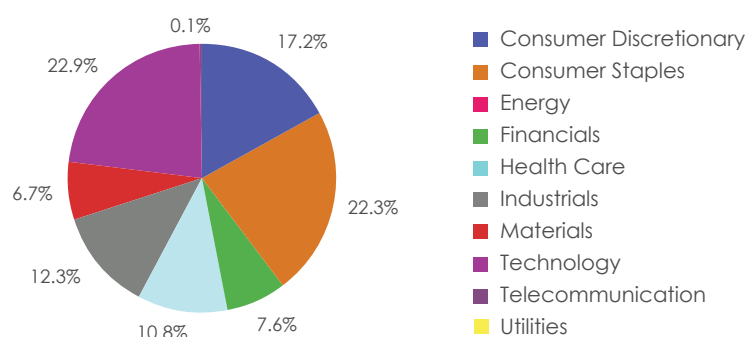
Fundamental Attributes

	Median
Trailing P/E Ratio	20.8
Forward P/E Ratio	20.3
Earnings Yield	4.8%
Price/Book Ratio	3.5
Revenue Change - 3 Years	107.7%
Operating Income Change - 3 Years	174.4%
Operating Margin	18.5%
Earnings per Share (EPS) 3-Year Growth	34.2%
Long-Term Debt to Capital	16.0%
Return on Equity	19.9%
Dividend Yield	0.94%

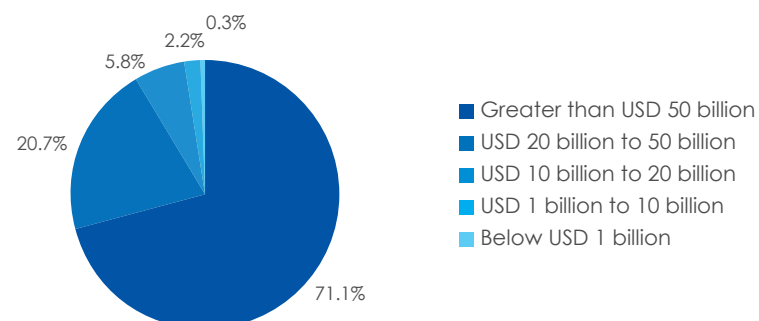
Top 20 Stocks by Fundamentals

Ticker	Name	Grade
002030.CN	Da An Gene Co., Ltd. of Sun Yat-	● 95.2
002022.CN	Shanghai Kehua Bio-Engineering	● 94.1
603606.CN	Ningbo Orient Wires & Cables Co	● 92.9
002803.CN	Xiamen Jihong Technology Co.,	● 90.8
002382.CN	Blue Sail Medical Co., Ltd. Class A	● 90.5
300206.CN	Edan Instruments, Inc. Class A	● 90.4
002064.CN	Huafon Chemical Co., Ltd. Class A	● 89.9
QFIN	360 DigiTech, Inc. ADR Class A	● 89.5
6186.HK	China Feihe Limited	● 86.6
002838.CN	Shandong Dawn Polymer Co., Ltd.	● 84.9
300443.CN	Jinlei Technology Co., Ltd. Class A	● 84.6
603568.CN	Zhejiang Weiming Environment	● 84.3
601636.CN	Zhuzhou Kibing Group Co., Ltd.	● 83.7
600585.CN	Anhui Conch Cement Company	● 83.5
000661.CN	Changchun High & New Technolo-	● 83.3
600031.CN	Sany Heavy Industry Co., Ltd. Class	● 83.3
002832.CN	BIEM.L.FDLKK Garment Co., Ltd.	● 83.3
601100.CN	Jiangsu Hengli Hydraulic Co., Ltd.	● 82.8
1858.HK	Beijing Chunlizhengda Medical	● 82.8
000789.CN	Jiangxi Wannianqing Cement Co.,	● 82.5

Sector Breakdown (based on aggregate weight)



Market Cap Breakdown (based on aggregate weight)



Most Selections Since Inception

Ticker	Name	Times
700.HK	Tencent Holdings Ltd.	27
000568.CN	Luzhou Laojiao Company Limited	22
000858.CN	Wuliangye Yibin Co., Ltd. Class A	22
2382.HK	Sunny Optical Technology (Group)	18
600809.CN	Shanxi Xinghuacun Fen Wine Fac-	17
867.HK	China Medical System Holdings Ltd.	17
600406.CN	NARI Technology Co., Ltd. Class A	15
000895.CN	Henan Shuanghui Investment &	15
000999.CN	China Resources Sanjiu Medical &	14
002001.CN	Zhejiang NHU Co. Ltd. Class A	14
600031.CN	Sany Heavy Industry Co., Ltd. Class	13
600585.CN	Anhui Conch Cement Company	12
000157.CN	Zoomlion Heavy Industry Science &	12
000661.CN	Changchun High & New Technolo-	12
ATHM	Autohome, Inc. Sponsored ADR	12
603288.CN	Foshan Haitian Flavouring & Food	12
BABA	Alibaba Group Holding Ltd. Spon-	11
002154.CN	Baoxiniao Holding Co Ltd Class A	11
151.HK	Want Want China Holdings Limited	11
600486.CN	Jiangsu Yangnong Chemical Co.	11