

FTSE XINHUA CHINA B SHARE INDEX REVIEW - B SHARE SERIES
February 2005

(Market performance data provided by FTSE Research)

Index Commentary

Chinese consumer prices rose in January at their slowest pace in more than a year, easing pressure on the central bank to raise interest rates. Both the FTSE Xinhua China B All-Share and FTSE Xinhua China B35 indices gained in February, up 11.20% and 11.52% respectively.

Constituent Commentary

In line with most global Resources companies, Inner Mongolia Yitai Coal performed well, to become the best performing stock of the FTSE/Xinhua China B All-Share with a gain of 31.68%. BOE Technology was a top five gainer, up 25.99% after the company reduced its holdings of HyundaiLCD, to raise money for a project to manufacture TFT screens for mobile telephones. Shenzhen Great Ocean Shipping lost most, down 13.33%. The company is facing being de-listed from the Shenzhen Stock Exchange and has now been the worst performing constituent in three of the last four months.

Overall Market Performance (USD) (Capital Return, from 31.01.2005 to 28.02.2005)


5 Highest Weighted Constituents	% wgt China B 35	% wgt China B All-Share
China Intl Marine Containers	17.29	11.62
Zhejiang Southeast Electric Power	6.98	4.69
Guangdong Electric Power Development	5.57	3.74
Shenzhen Chiwan Wharf Holdings	5.07	3.41
Shandong Chenming Paper Holdings	4.47	3.01

— FTSE Xinhua China B35 Index
 — FTSE Xinhua China B All-Share Index

5 Highest Performers	Local Code	% Growth
Inner Mongolia Yitai Coal	900948	31.66
China Fangda Group	200055	29.87
Chongqing Changan Automobile	200625	28.70
Boe Technology Group	200725	25.99
Huangshan Tourism Development	900942	18.78

5 Lowest Performers	Local Code	% Growth
Shenzhen Great Ocean Shipping	200057	-13.33
Shenzhen China Bicycle	200017	-6.10
Shenzhen Tellus Holding	200025	-4.32
Tianjin Marine Shipping	900938	-4.19
Shanghai Chlor- Alkali Chemical	900908	-3.65

The FTSE Xinhua China B Share Index Series is designed to represent the performance of the Chinese market that is available to investors outside of the People's Republic of China and to Chinese nationals with appropriate foreign exchange dealing accounts. The FTSE Xinhua China B Share Indices cover shares listed on both Shanghai and Shenzhen Stock Exchanges, and provide an exciting opportunity to invest in one of the world's most exciting markets.

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FTSE Market Reports are researched and produced on a monthly basis by FTSE Research. For more information about market analysis based on FTSE Xinhua indices, please contact Gareth Parker, FTSE Group at gareth.parker@ftse.com.