

# FTSE Greater China Shariah Index

Data as at: 31 May 2022

The FTSE Global Equity Shariah Index Series has been designed to be used as the basis of Shariah compliant investment products that meet the requirements of Islamic investors globally.

Using the Large and Mid Cap stocks from the FTSE Global Equity Index Series as a base universe, constituents are then screened against a clear set of Shariah principles. Shariah screening is undertaken by Yasaar Limited, to create a Shariah compliant index series. The FTSE Greater China Shariah Index index contains China stocks that meet these criteria. Their approach is described below.

## Business Activity Screening

Initially, companies involved in any of the following activities will be filtered out as non Shariah-compliant:

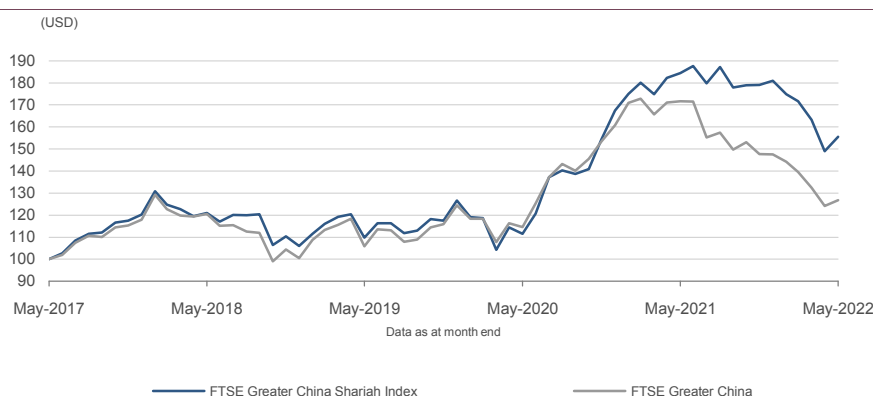
- Conventional finance (non-Islamic banking, finance and insurance, etc.);
- Alcohol;
- Pork related products and non-halal food production, packaging and processing or any other activity related to pork and non-halal food;
- Entertainment (casinos, gambling and pornography);
- Tobacco; weapons, arms and defence manufacturing.

## Financial Ratios Screening

The remaining companies are then further screened on a financial basis. The following financial ratios must be met for companies to be considered Shariah-compliant:

- Debt is less than 33.333% of total assets;
- Cash and interest bearing items are less than 33.333% of total assets;
- Accounts receivable and cash are less than 50% of total assets;
- Total interest and non compliant activities income should not exceed 5% of total revenue.

## 5-Year Performance - Total Return



## FEATURES

### Coverage

The FTSE Global Equity Shariah Index Series covers all regions across both developed and emerging markets, to create a comprehensive Shariah indexing solution.

### Impartial

By partnering with Yasaar Ltd, an impartial consultancy and leading authority on Shariah, FTSE remains neutral and fully up to date with latest practices. See [www.yasaar.org](http://www.yasaar.org) for more information.

### Fatwa-certified

The FTSE Global Equity Shariah Index Series has been fully certified as Shariah-compliant through the issue of a Fatwa (Islamic legal opinion) by Yasaar's principals.

### Asset-based debt screening

Unlike other competitor methodologies, a more conservative approach to Shariah compliance is ensured by rating debt ratio limits that are measured as a percentage of total assets, rather than more volatile measures that use 12 month trailing market capitalisation. This ensures companies do not pass the screening criteria due to market price fluctuation, allowing the methodology to be less speculative and more in keeping with Shariah principles.

### School-neutral

Yasaar Limited scholars represent all of the major Shariah schools of thought, creating a best practices approach that has credibility across the Islamic world.

### Industry Classification Benchmark (ICB)

Index constituents are categorised in accordance with the Industry Classification Benchmark (ICB), the global standard for industry sector analysis.

**Performance and Volatility - Total Return**

Index (USD)	Return %						Return pa %*		Volatility %**		
	3M	6M	YTD	12M	3YR	5YR	3YR	5YR	1YR	3YR	5YR
FTSE Greater China Shariah Index	-9.4	-13.2	-14.0	-15.7	41.7	55.5	12.3	9.2	18.7	21.2	17.7
FTSE Greater China	-9.2	-14.2	-14.1	-26.2	19.7	26.7	6.2	4.8	23.0	22.3	17.3

\* Compound annual returns measured over 3 and 5 years respectively

\*\* Volatility – 1YR based on 12 months daily data. 3YR based on weekly data (Wednesday to Wednesday). 5YR based on monthly data

**Year-on-Year Performance - Total Return**

Index % (USD)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
FTSE Greater China Shariah Index	22.2	0.8	5.9	-10.9	6.5	43.5	-11.8	19.5	32.2	8.1
FTSE Greater China	23.3	7.5	7.5	-6.8	7.1	38.9	-14.7	23.7	29.2	-8.2

**Return/Risk Ratio and Drawdown - Total Return**

Index (USD)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
FTSE Greater China Shariah Index	-0.8	0.5	0.5	0.5	-26.5	-27.5	-28.3	-36.4
FTSE Greater China	-1.1	0.2	0.3	0.5	-34.4	-39.7	-39.7	-39.7

Return/Risk Ratio – based on compound annual returns and volatility in Performance and Volatility table

Drawdown - based on daily data

**Top 10 Constituents**

Constituent	ICB Sector	Net MCap (USDm)	Wgt %
Taiwan Semiconductor Manufacturing	Technology Hardware and Equipment	463,021	28.81
Hon Hai Precision Industry	Technology Hardware and Equipment	46,432	2.89
MediaTek	Technology Hardware and Equipment	46,108	2.87
BYD (H)	Automobiles and Parts	29,551	1.84
WuXi Biologics (P Chip)	Pharmaceuticals and Biotechnology	24,210	1.51
United Microelectronics	Technology Hardware and Equipment	20,622	1.28
Xiaomi (P Chip)	Telecommunications Equipment	20,448	1.27
Delta Electronics	Technology Hardware and Equipment	17,964	1.12
Formosa Plastics Corp	General Industrials	17,605	1.10
Chunghwa Telecom	Telecommunications Service Providers	16,632	1.03
<b>Totals</b>		<b>702,593</b>	<b>43.72</b>

**INFORMATION****Index Universe**

FTSE Global Equity Shariah Index Series

**Index Launch**

29 October 2007

**Base Date**

22 September 2003

**Base Value**

1000

**Investability Screen**

Actual free float applied and liquidity screened

**Index Calculation**

End-of-day

**End-of-Day-Distribution**

Via FTP and email

**Review Dates**

Index is reviewed semi-annually in March and September. Shariah screening reviewed quarterly in March, June, September and December

**Currency**

EUR, GBP, USD, JPY.

## ICB Supersector Breakdown

ICB Code	ICB Supersector	FTSE Greater China Shariah Index			FTSE Greater China		
		No. of Cons	Net MCap (USDm)	Wgt %	No. of Cons	Net MCap (USDm)	Wgt %
1010	Technology	117	778,297	48.43	174	1,289,739	33.74
1510	Telecommunications	22	60,351	3.76	35	78,051	2.04
2010	Health Care	69	76,632	4.77	121	124,660	3.26
3010	Banks	-	-	-	58	373,539	9.77
3020	Financial Services	-	-	-	73	139,264	3.64
3030	Insurance	-	-	-	17	239,469	6.26
3510	Real Estate	43	91,249	5.68	80	188,609	4.93
4010	Automobiles and Parts	32	70,100	4.36	46	130,461	3.41
4020	Consumer Products and Services	37	57,106	3.55	65	173,200	4.53
4030	Media	2	331	0.02	9	2,367	0.06
4040	Retailers	8	10,901	0.68	24	246,683	6.45
4050	Travel and Leisure	12	12,534	0.78	32	59,195	1.55
4510	Food Beverage and Tobacco	12	24,107	1.50	64	150,637	3.94
4520	Personal Care Drug and Grocery Stores	11	3,908	0.24	21	26,108	0.68
5010	Construction and Materials	29	34,997	2.18	37	46,533	1.22
5020	Industrial Goods and Services	111	126,353	7.86	168	227,897	5.96
5510	Basic Resources	51	57,571	3.58	72	70,888	1.85
5520	Chemicals	52	53,543	3.33	61	56,926	1.49
6010	Energy	43	88,381	5.50	47	96,621	2.53
6510	Utilities	19	60,606	3.77	54	101,497	2.66
<b>Totals</b>		<b>670</b>	<b>1,606,967</b>	<b>100.00</b>	<b>1258</b>	<b>3,822,345</b>	<b>100.00</b>

## Index Characteristics

Attributes	FTSE Greater China Shariah Index	FTSE Greater China
Number of constituents	670	1258
Net MCap (USDm)	1,606,967	3,822,345
Dividend Yield %	2.81	2.53
Constituent Sizes (Net MCap USDm)		
Average	2,398	3,038
Largest	463,021	463,021
Smallest	35	31
Median	427	507
Weight of Largest Constituent (%)	28.81	12.11
Top 10 Holdings (% Index MCap)	43.72	36.51



© 2022 London Stock Exchange Group plc and its applicable group undertakings (the "LSE Group"). The LSE Group includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, "FTSE Canada"), (4) FTSE Fixed Income Europe Limited ("FTSE FI Europe"), (5) FTSE Fixed Income LLC ("FTSE FI"), (6) The Yield Book Inc ("YB") and (7) Beyond Ratings S. A. S. ("BR"). All rights reserved. FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, YB and BR. "FTSE", "Russell", "FTSE Russell", "FTSE4Good", "ICB", "The Yield Book", "Beyond Ratings" and all other trademarks and service marks used herein (whether registered or unregistered) are trademarks and/or service marks owned or licensed by the applicable member of the LSE Group or their respective licensors and are owned, or used under licence, by FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, YB or BR. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

All information is provided for information purposes only. All information and data contained in this publication is obtained by the LSE Group, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical error as well as other factors, however, such information and data is provided "as is" without warranty of any kind. No member of the LSE Group nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the accuracy, timeliness, completeness, merchantability of any information or of results to be obtained from the use of FTSE Russell products, including but not limited to indexes, data and analytics, or the fitness or suitability of the FTSE Russell products for any particular purpose to which they might be put. Any representation of historical data accessible through FTSE Russell products is provided for information purposes only and is not a reliable indicator of future performance.

No responsibility or liability can be accepted by any member of the LSE Group nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any error (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transcribing, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of the LSE Group is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of the LSE Group nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing contained herein or accessible through FTSE Russell products, including statistical data and industry reports, should be taken as constituting financial or investment advice or a financial promotion.

Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index returns shown may not represent the results of the actual trading of investable assets. Certain returns shown may reflect back-tested performance. All performance presented prior to the index inception date is back-tested performance. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index was officially launched. However, back-tested data may reflect the application of the index methodology with the benefit of hindsight, and the historic calculations of an index may change from month to month based on revisions to the underlying economic data used in the calculation of the index.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of the LSE Group. Use and distribution of the LSE Group data requires a licence from FTSE, Russell, FTSE Canada, MTSNext, Mergent, FTSE FI, YB, BR and/or their respective licensors.

Data definitions available from  
[info@ftserussell.com](mailto:info@ftserussell.com)

To learn more, visit [www.ftserussell.com](http://www.ftserussell.com);  
 email [info@ftserussell.com](mailto:info@ftserussell.com); or  
 call your regional Client Services Team office:

#### EMEA

+44 (0) 20 7866 1810

#### North America

+1 877 503 6437

#### Asia-Pacific

Hong Kong +852 2164 3333

Tokyo +81 3 6441 1430

Sydney +61 (0) 2 8823 3521