



## China A Shares Foreign Ownership Limit - Updated FAQ (May 2019)

14 May 2019

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The official foreign ownership limit for China A shares is 30%, however once foreign ownership holding reaches 28% no further foreign purchases are permitted. As a result and in accordance with the 'Foreign Ownership Restrictions and Minimum Foreign Headroom Requirement' rule ([Minimum Foreign Headroom Guide](#)), China A Shares will be added to the FTSE Global Equity Index Series (GEIS) commencing from June 2019 based on a foreign ownership limit of 28%.

From Wednesday, 15 May 2019 the inclusion of China A Shares based on a foreign ownership limit of 28% and an inclusion factor of 25% (as of March 2020 - Phase 1) will be reflected in the FTSE Watch List Indexes Constituent Services products.

The China A Share FAQ document has been reviewed and the following questions have been updated:

1. Transition of China A Shares from Unclassified to Secondary Emerging market status?
2. What percentage of China A Shares will be added to FTSE GEIS?
5. FTSE Russell is including China A Share securities that are available under the Northbound China Stock Connect Scheme Buy-and-Sell-List. How can these securities be traded by international investors?
15. What are the projected weights of China in FTSE Global All Cap and FTSE Emerging All Cap indexes following the completion of Phase 1 of the China A Share inclusion program?
21. Will China A Share securities be tested for foreign headroom?
27. When will China A Shares be eligible for derived (included Partnership) and custom indexes which are based on a FTSE GEIS universe?

An updated copy of the China A FAQ (Version 1.6) is now available on the FTSE Russell website: [China A FAQ](#)

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