

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	976.4	976.4	11.1	5.9	77.0	2.2	7.88	0.23
Dow Jones China Total Market	1,135	2,381.6	2,363.9	2.1	0.9	77.0	0.3	3.26	0.01
Dow Jones Shanghai	705	1,583.9	1,582.4	2.2	1.0	77.0	0.3	4.87	0.02
Dow Jones Shenzhen	430	797.7	781.5	1.8	0.9	50.2	0.3	6.43	0.03

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	53.79	96.96	-13.69	96.96	11.57	7.49
Dow Jones China Total Market	30.06	79.90	-17.72	79.90	6.90	1.16
Dow Jones Shanghai	31.06	78.51	-17.26	78.51	6.98	1.47
Dow Jones Shenzhen	28.06	82.16	-18.54	82.16	6.73	0.72

Data based on price-return index values as of December 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	25.20%	10.19%
Dow Jones China Total Market	23.56%	0.00%
Dow Jones Shanghai	23.06%	1.67%
Dow Jones Shenzhen	24.64%	2.95%

Benchmark comparison values calculated using monthly total-return data from December 31, 2003, through December 29, 2006.

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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	0.9148	1.0000		
Dow Jones Shanghai	0.9269	0.9977	1.0000	
Dow Jones Shenzhen	0.8845	0.9935	0.9834	1.0000

Benchmark comparison values calculated using monthly total-return data from December 31, 2003, through December 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	28.37	19.71	27.78	19.55	4.06	1.39	2.14	14.34
Dow Jones China Total Market	31.19	19.42	27.18	19.53	3.23	1.26	1.60	13.64
Dow Jones Shanghai	29.43	20.11	26.11	20.11	3.23	1.24	1.59	13.12
Dow Jones Shenzhen	33.76	17.08	28.96	17.08	3.20	1.30	1.58	14.79

As of December 29, 2006.

QUICK FACTS

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

COMPONENTS

Company	Weight (%)	Company	Weight (%)
China Merchants Bank Co. Ltd. A	7.88	Wuliangye Yibin Co. Ltd. A	2.09
China Minsheng Banking Corp. Ltd. A	6.39	Shenzhen Development Bank Co. Ltd. A	2.09
China Vanke Co. Ltd. A	5.15	ZTE Corp.	1.95
CITIC Securities Co. Ltd.	4.81	Wuhan Iron & Steel Co. Ltd.	1.85
China United Telecommunications Co. Ltd.	3.98	Shanghai International Airport Co. Ltd. A	1.74
Baoshan Iron & Steel Co. Ltd. A	3.37	Daqin Railway Co. Ltd. A	1.38
China Petroleum & Chemical Corp. (Sinopec Cor	3.35	Shanghai Zhenhua Port Machinery Co. Ltd. A	1.31
China Yangtze Power Co. Ltd.	3.24	China International Marine Containers (Group)	1.28
Shanghai Pudong Development Bank Co. Ltd. A	2.91	Shanghai Automotive Co. Ltd. A	1.24
Kweichow Moutai Co. Ltd.	2.72	Hua Xia Bank Co. Ltd.	1.18
Bank of China Ltd.	2.41	Yantai Wantua Polyurethane Co. Ltd. A	1.14

All data as of December 29, 2006.

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COMPONENTS (CONT.)

Company	Weight (%)	Company	Weight (%)
Financial Street Holding Co. Ltd.	1.13	Anhui BBCA Biochemical Co. Ltd. A	0.45
Offshore Oil Engineering Co. Ltd.	1.12	Shandong Aluminium Industry Co. Ltd. A	0.44
Shenzhen Overseas Chinese Town Holdings Co. L	1.1	TBEA Co. Ltd.	0.44
Angang Steel Co. Ltd.	1.1	Huaneng Power International Inc. A	0.43
Shanxi Taigang Stainless Steel Co. Ltd. A	1.05	Shenzhen Airport Co. Ltd. A	0.43
Shenergy Co. Ltd. A	1.02	Xi'an Aircraft International Corp. A	0.42
Shanghai Oriental Pearl (Group) Co. Ltd.	1.01	Chongqing Changan Automobile Co. Ltd.	0.42
Inner Mongolia Yili Industrial Group Co. Ltd.	1.01	China Southern Airlines Co. Ltd.	0.42
Beijing Gehua CATV Network Co. Ltd. A	0.88	Tsinghua Tongfang Co. Ltd. A	0.42
Youngor Group Co. Ltd. A	0.82	Founder Technology Group Corp.	0.42
Qinghai Salt Lake Industrial Group Co. A	0.81	Shanghai Zhangjiang Hi-Tech Park Development	0.41
Gemdale Corp. A	0.81	Yunnan Copper Co. Ltd.	0.41
CITIC Guoan Information Industry Co. Ltd.	0.78	Shandong Dong-E E-Jiao Co. Ltd. A	0.4
Qingdao Haier Co. Ltd. A	0.7	Shanghai Municipal Raw Water Co. Ltd. A	0.4
Shenzhen Zhongjin Lingnan Nonfermet Co. Ltd. A	0.69	Sichuan Hongda Co. Ltd.	0.4
Air China Ltd. A	0.68	Anhui Tongdu Copper Stock Co. Ltd. A	0.39
Poly Real Estate Group Co. Ltd.	0.67	Hunan Valin Steel Tube & Wire Co. Ltd. A	0.38
Henan Shuanghui Investment & Development Co.	0.64	Shenzhen Yan Tian Port Holdings Co. Ltd.	0.38
Fuyao Group Glass Industries Co. Ltd.	0.64	Maanshan Iron & Steel Co. Ltd. A	0.37
Handan Iron & Steel Co. Ltd. A	0.64	Guangzhou Baiyun International Airport Co. Lt	0.37
Panzhuhua New Steel & Vanadium Co. Ltd. A	0.61	COSCO Shipping Co. Ltd.	0.36
Tianjin Port Co. Ltd. A	0.61	Sinochem International Co. Ltd.	0.36
GD Power Development Co. Ltd.	0.6	Shanghai Feilo Acoustics Co. Ltd. A	0.36
Orient Group Inc. A	0.59	Beijing Tongrentang Co. Ltd. A	0.34
Inner Mongolian Baotou Steel Union Co. Ltd.	0.59	Searainbow Holding Corp. A	0.34
Sichuan Changhong Electric Co. Ltd. A	0.55	Jiangxi Copper Co. Ltd. A	0.33
Long March Launch Vehicle Technology Co. Ltd.	0.54	Anhui Jianghuai Automobile Co. Ltd.	0.33
Shanxi Xishan Coal & Electricity Power Co. Lt	0.52	Huludao Zinc Industry Co. Ltd. A	0.33
Jiangxi Ganyue Expressway Co. Ltd. A	0.48	TCL Corp.	0.3
China Shipping Development Co. Ltd.	0.48	FAW Car Co. Ltd. A	0.3
Shenzhen Energy Investment Co. Ltd.	0.47	Yanzhou Coal Mining Co. Ltd. A	0.26
Beijing Capital Co. Ltd. A	0.46	Shanghai Aerospace Automobile Electromechanic	0.26
SINOPEC Shanghai Petrochemical Co. Ltd. A	0.45	Minmetals Development Co. Ltd.	0.23

For more information on the Dow Jones China 88 Index, please visit the Dow Jones Indexes Web site at www.djindexes.com.

All data as of December 29, 2006.

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