

China and You

We all remember back at the end of February, the 27th to be exact, when a sell off in the Chinese Shanghai and Shenzhen indices sent our markets into a tizzy. It took the S&P 500 48 trading days to recover, and at its current level of 1524.63 it is 5.2% above the 2/27 open of 1449.25. We took a minute to dissect the Chinese Shanghai index, which is broken down into "A" and "B" shares. It is important to note that the Chinese A-Shares are not accessible to foreign investors; the B-Shares, however, are.

The Shanghai Composite Index is made up of 885 stocks and includes both A and B shares. The Shanghai B-Share Index is made up of 54 stocks, to say that it has outperformed in the last month is an understatement, the volatility; scary. From the open yesterday to the close today the index has dropped 12.8%. It is up 240% this year.

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Shanghai Composite: 1y Return



