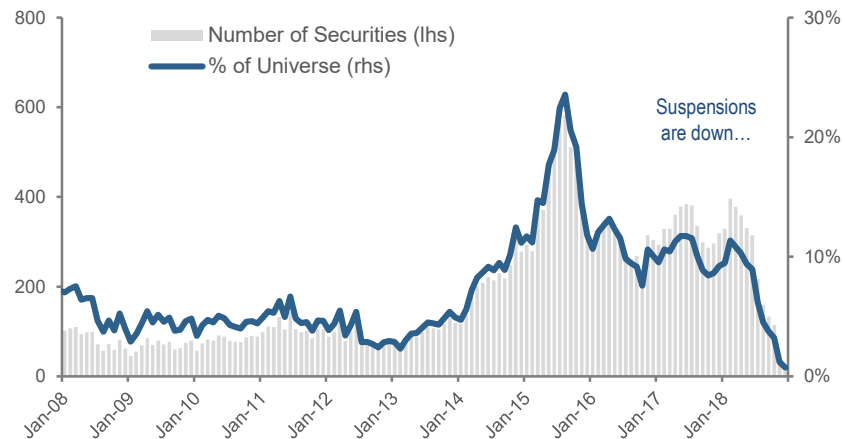


Quick Take: China A-shares suspensions drop to all-time low

January 2019

- Suspensions of China A-Shares have decreased dramatically to historical lows.
- This follows updates and clarifications of suspension conditions and protocols from the Shanghai and Shenzhen Stock Exchanges over the past two years.
- Index providers have taken notice, and we believe the reduction increases the likelihood of additional A-shares inclusion in major EM benchmarks in 2019.
- The decrease in suspensions continued in 2018, despite a rebound in A-shares volatility from 2017 lows.
- Although we still see suspensions as a material risk, the recent trend in suspensions represents a positive step toward the alignment of A-shares with international institutional standards.

China A-shares Suspensions



Sources: Bloomberg, Acadian analysis. For illustrative purposes only.

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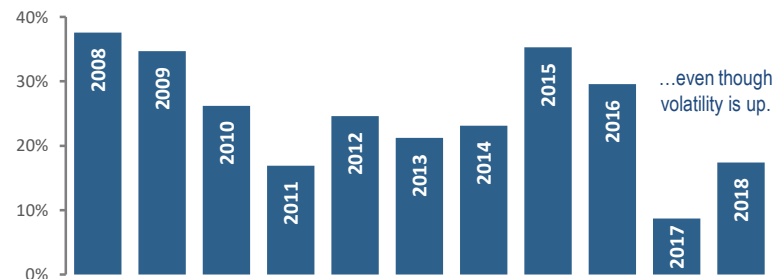


Bin Shi, Ph.D., CFA
SVP, Portfolio Manager, Research
bshi@acadian-asset.com



Joe Ritter, CFA
VP, Product Strategist
jritter@acadian-asset.com

Realized Volatility: MSCI China A Onshore Index (net, USD)



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