

CTDI CHINA LITHIUM BATTERY INDEX

14-June-2022



CTDI INDICES

A.I. DRIVEN FINANCIAL INDICES

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Index Overview

The CTDI China Lithium Battery Index is comprised of 74 Chinese companies produce either lithium batteries or supply parts or services to lithium battery manufacturers.

Index Objective:

The CTDI China Lithium Battery Index allows for equity investors to participate in China's market leading position as the world's top lithium battery manufacturing country, producing 75% of the world's lithium batteries. As shown, lithium batteries are a needed must for the transition to electric vehicles, as they help power EVs worldwide.

Index Top 10 Constituents:

Rank	Company Ticker	Company
1	601012.SS	LONGi Green Energy Technology Co.
2	002594.SZ	BYD Co.
3	300750.SZ	Contemporary Amperex Technology Co. Ltd.
4	002466.SZ	Tianqi Lithium Corporation
5	600111.SS	China Northern Rare Earth Gp H-T Co. Ltd.
6	002460.SZ	Ganfeng Lithium Co. Ltd.
7	002340.SZ	GEM Co. Ltd.
8	300014.SZ	EVE Energy Co. Ltd.
9	002074.SZ	Gotion High Tech Co. Ltd.
10	002407.SZ	Do-Fluoride New Materials Co. Ltd.

Country of Listing. All constituents are publicly listed companies on either China's Shanghai Stock Exchange (.SS) or Shenzhen Stock Exchange (.SZ). This means all data used in the calculation of CTDI China Lithium Battery Index is based upon 'observable transactions'.



INDEX CONSTITUENTS AND WEIGHTINGS

Weighting Scheme:

Step 1 – Liquidity Weighting

- The individual stocks in the CTDI China Lithium Battery Index Index are trading-volume weighted.
- The liquidity measure used is the Total Dollar Value Traded (TDVT) of each individual stock.
- An effective TDVT of the TDVTs is used to determine the effective TDVT for each of the individual constitute stocks in the index. The calculation of the effective TDTV is as follows.

$$TDVT_{i,t} = \sum_{j=0}^D TV_{i,t-j} * Close_{i,t}$$

where D is the trading days of past calendar year; $[[TV]]_{(i,t)}$ and $[[Close]]_{(i,t)}$ represent the trading volume and close price for stock i at date t, respectively.

- The individual weights of stock i are computed on the beginning of the first date in every year and we use the total dollar volume of past year as the weights. $[[Weight]]_{(i,y)}$ represents the weight of stock i in year y.

$$Weight_{i,y} = \frac{TDVT_{i,y-1}}{\sum_i TDVT_{i,y-1}}$$



INDEX CALCULATION

Step 1. Rate of Return

After computing the weights of each component stocks, we then derive the weighted rate of return of the stocks using the formula

$$Return_Index_t = \sum_i Weight_{i,t} \times Return_{i,t}$$

Step 2. Index basing

- The index base is 100
- The base date of the index is Jan. 4, 2012
- Calculation of the daily index is then based on the below formula

$$Index_t = Index_{t-1} \times Return_Index_t$$

Step 3. Index Update Frequency

Indices are calculated and released on a daily basis



CTDI CHINA LITHIUM BATTERY INDEX vs SHANGHAI COMPOSITE INDEX

