

## Index Futures Weekly Report

LI Yansen, Research Institute of Founder CIFCO Futures

### Summary and trading advice:

The stock market shows a shock bottom recovery trend this week. The index rose after the completion of the intraday bottom and was up on Wednesday and Thursday. The daily average volume has increased. The CSI 300 index was up 3.04% at 3912.58, while the IF was up 3.43% at 3,904.60. The Shanghai composite index rose 3.09% to 2,861.91, while the IH2005 rose 3.47% to 2,852.20. The CSI 500 index rose 1.52% to 5353.86, while the IC2005 2.22 percent to 5332.00.

Most of SWS Index was increased compared with the previous Friday. IF, IH, IC discount were significantly reduced. The IH/IC ratio has increased. In terms of trading position, IF, IH and IC contracts at the end of the holding volume and daily average volume have increased. In terms of funds, the CSI 300, SSE 50 index and CSI 500 index all saw inflows within a week. Fund inflow throughout the Stock Connect was expanded

On the news this week, the US in March and April's economic data fell, the first quarter of GDP growth was significantly negative, the economy was aggravated by the epidemic situation. The FED reiterated its pledge to keep interest rates at zero, remaining vigilant against the outbreak while making little change in forward guidance. Overall, the impact on the U.S. economy in the first and second quarters has been largely fully felt and priced into financial markets. We do not rule out the possibility that fiscal policy will remain loose, but monetary policy may be near a wait-and-see period. The epidemic situation in Europe and the United States has been on a downward trend. The improvement rate is expected to accelerate after May and the economy will gradually stabilize. In China, profits of industrial enterprises in March and PMI in April were basically in line with expectations, and auto sales also gradually improved. Monetary and fiscal policy will remain loose, with no central bank liquidity and liquidity operations within the week. Beijing to reduce the epidemic level, the two sessions to determine the time will accelerate the economic recovery. In addition, the CSRC began soliciting comments on reforms to the Chinext board, including a registration system and a wider limit on gains and losses to 20%, to help boost sectors such as brokerages. In general, the recent news impact was

mainly positive to the market. the market turns to trading whether the pace of economic recovery is accelerated or not, so the impact of fundamentals only reflecting the strength or weakness of the news.

On the technical level, the Shanghai composite index showed a bottoming recovery trend in the week, the weekly technical indicators continue to improve. After the breakthrough of 2855, the short-term shock trend again turned to the upside, the next daily pressure level temporarily focus on 2880, the upper 3050 is still important pressure level, the main support level was above 2600. In the long term, the economy has shown signs of stabilizing again after growing signs of improving domestic demand and continued stimulus measures, but new uncertainties continue to weigh on the upward march of the market, especially risks to overseas economies.

### 1. Market review

	Open	High	Low	Close	Settlemen	Change	Amplitude	Volume	Open interest	Change
CSI 300	3808.02	3921.70	3768.20	3912.58		3.04	4.04	44632792600		
IF2005	3785.00	3911.80	3743.60	3904.60	3899.40	3.43	4.46	323724	77704	2243
IF2006	3739.80	3878.80	3706.20	3875.60	3867.60	3.86	4.63	68359	46696	4536
IF2009	3655.00	3798.00	3636.00	3795.40	3788.40	4.09	4.44	19510	20953	1203
IF2012	3633.20	3776.40	3614.00	3776.40	3765.20	4.22	4.48	3089	2246	292

	Open	High	Low	Close	Settlemen	Change	Amplitude	Volume	Open interest	Change
SSE 50	2786.47	2882.70	2781.15	2861.91		3.09	3.66	10605055500		
IH2005	2769.00	2869.60	2758.80	2852.20	2848.40	3.47	4.02	106499	27348	301
IH2006	2719.20	2827.80	2717.00	2815.20	2812.00	3.77	4.08	33669	22704	1258
IH2009	2647.80	2754.00	2647.00	2750.00	2744.00	4.06	4.05	12388	11698	162
IH2012	2628.60	2732.20	2625.00	2727.00	2722.80	4.06	4.09	2628	1473	302

	Open	High	Low	Close	Settlemen	Change	Amplitude	Volume	Open interest	Change
CSI 500	5278.98	5368.89	5102.06	5353.86		1.52	5.06	49692087200		
IC2005	5230.00	5349.20	5055.00	5332.00	5331.20	2.22	5.64	349789	84353	-1193
IC2006	5141.00	5282.60	5000.00	5268.80	5266.40	2.41	5.49	90367	59286	672
IC2009	4975.00	5120.00	4854.60	5107.20	5103.60	2.78	5.34	44140	42747	2503
IC2012	4861.20	5009.00	4747.60	4996.00	4992.60	2.93	5.39	10570	8300	2467

Chart I. Market price of IF, IH, IC and corresponding index

Source: Wind, Research Institute of Founder CIFCO Futures Co., Ltd.

## 2. Up or down in various industries

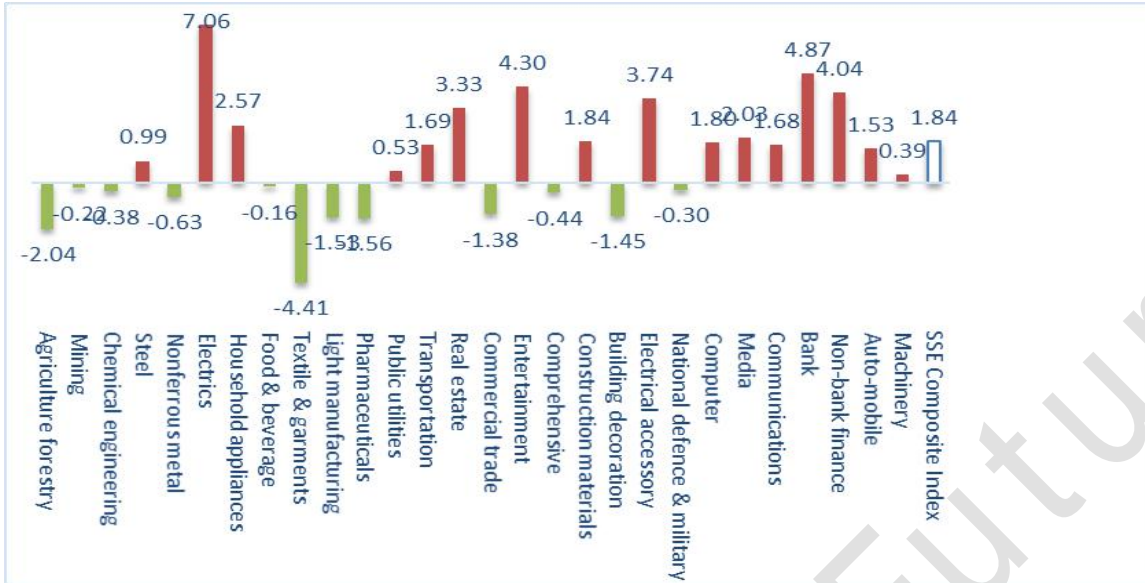


Chart II. Weekly up or down of SWS Index of first industry

Source: Wind, Research Institute of Founder CIFCO Futures Co., Ltd.

## 3. Market review



Chart III. IF premiums and discounts

Source: Wind, Research Institute of Founder CIFCO Futures Co., Ltd.



Chart IV. IH premiums and discounts

Source: Wind, Research Institute of Founder CIFCO Futures Co., Ltd.

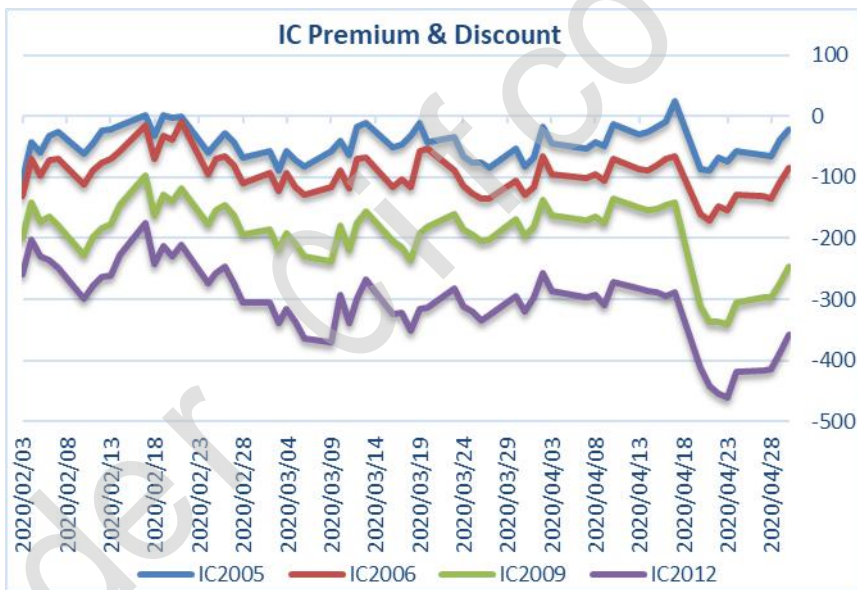


Chart V. IC premiums and discounts

Source: Wind, Research Institute of Founder CIFCO Futures Co., Ltd.

#### 4. Trading volume and open interests

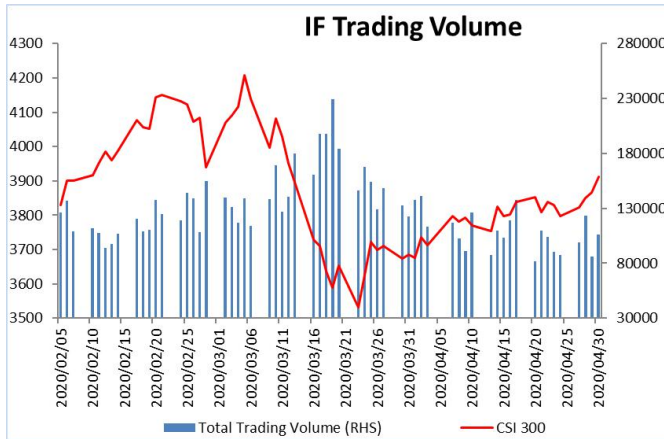


Chart VI. IF trading volume

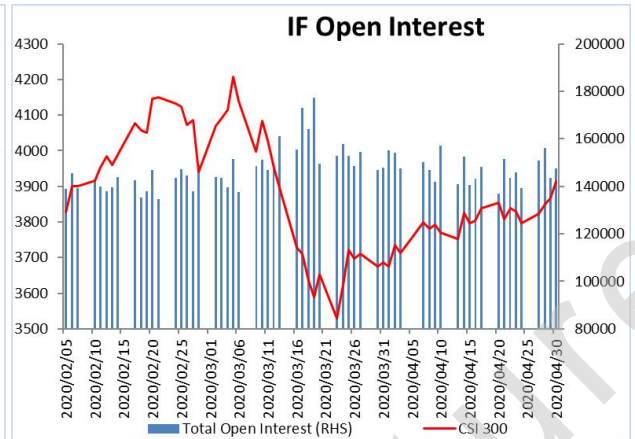


Chart VII. IF open interest

Source: Wind, Research Institute of Founder CIFCO Futures Co., Ltd.

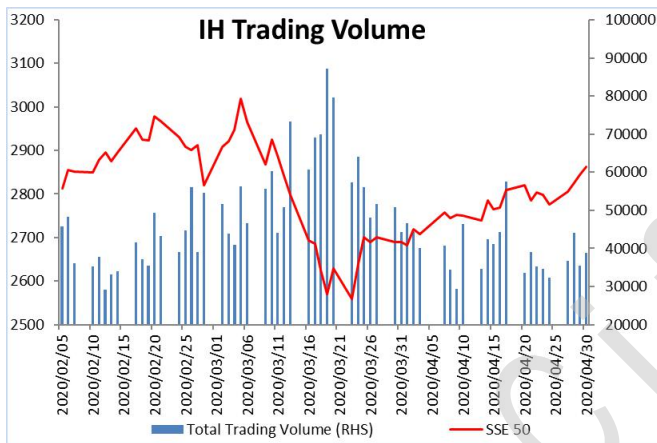


Chart VIII. IH trading volume

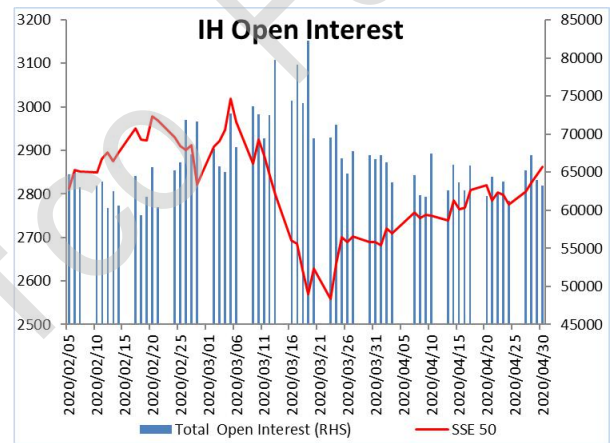


Chart IX. IH open interest

Source: Wind, Research Institute of Founder CIFCO Futures Co., Ltd.

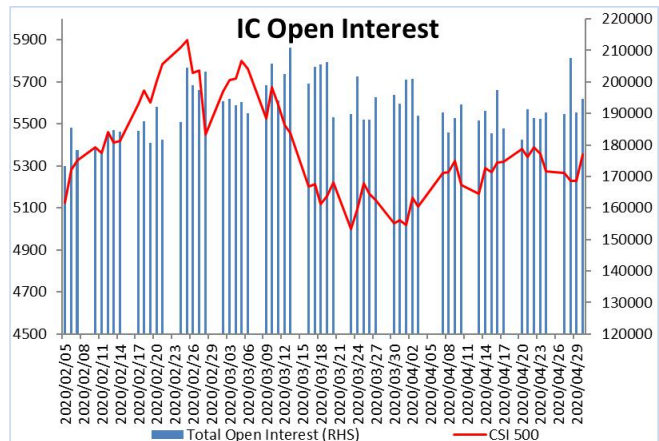
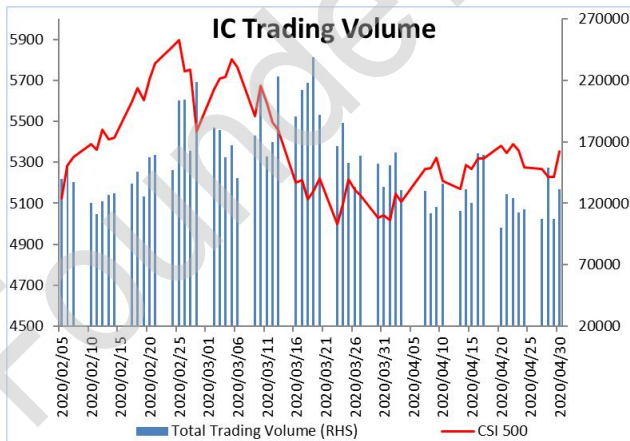


Chart X. IC trading volume

Chart XI. IC open interest

Source: Wind, Research Institute of Founder CIFCO Futures Co., Ltd.

**5. China A50 Index**

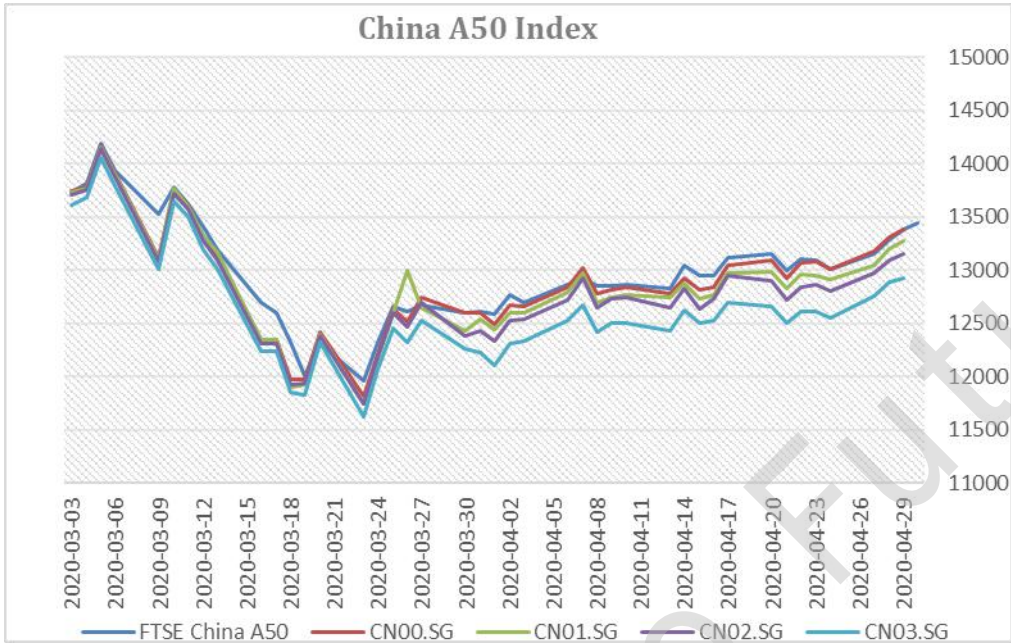


Chart XII. China A50 Index

Source: Wind, Research Institute of Founder CIFCO Futures Co., Ltd.

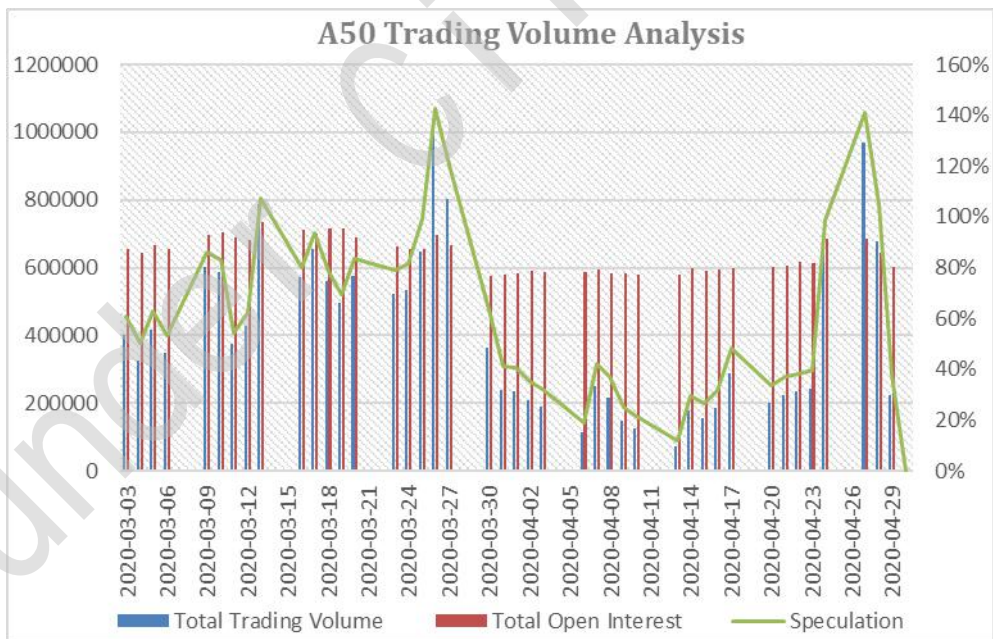


Chart XIII. Open interest of China A50 Index (Degree of Speculation = Total trading volume/ total open interest)

Source: Wind, Research Institute of Founder CIFCO Futures Co., Ltd.

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