

A visual guide to China's multiple share types

This document is for professional investors/
qualified investors/qualified clients.



A guide to China's multiple share types

Onshore

(Domestic opportunities)

Share type

A-shares

B-shares

Offshore

(International & tech-focused opportunities)

Share type

H-shares

Red Chips

P-Chips

Foreign Listings
(e.g. US listed ADRs)

The China equity market is split into many different share types, which can be grouped into onshore-listed (mainland China) and offshore-listed (Hong Kong and US) shares.

Onshore market

The domestic onshore market is largely dominated by A-shares and more aligned with China's domestic growth. With a broad range of sectors that include both old economy (e.g. chemicals, industrials) and new economy (e.g. technology, consumers) companies, the A-share market represents China's rapidly changing domestic market.

Offshore market

The other part of the China market is offshore equities, which are listed on Hong Kong and US stock exchanges. Since access to A-shares were historically limited until recent years, foreign investors could only access Chinese companies through offshore equities. Offshore shares are mostly comprised of well-known global tech leaders with greater international presence, such as Alibaba and Tencent.

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Shanghai and Shenzhen Stock Exchanges (RMB).



Companies incorporated and listed in mainland China. Available only to Chinese investors, or to international investors via QFII, RQFII, and Stock Connect programs.



Significantly larger and more diverse than the other domestic shares and offshore markets. Greater focus on domestic and consumer-oriented companies.



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Shanghai (USD) and Shenzhen (HKD) Stock Exchanges.



Companies incorporated and listed in mainland China, denominated in foreign currency.



Open to foreign investors, but becoming increasingly less relevant due to relatively small universe.



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Hong Kong (HKD)
Stock Exchange.



Chinese companies
incorporated in mainland
China, listed in Hong Kong.



**Historically, the main way of
gaining China exposure for
international investors. No
restrictions on who can trade
H shares.**



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Hong Kong (HKD)
Stock Exchange.



State-controlled Chinese
companies incorporated
in Hong Kong.



**Majority of revenue or assets
derived from mainland China.**



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Hong Kong (HKD)
Stock Exchange.



Shares of Chinese companies
incorporated offshore
(e.g. Cayman Islands),
controlled by mainland
Chinese individuals.



**Majority of revenue or assets
derived from mainland China.**



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NYSE and
NASDAQ (USD)
Stock Exchanges.



Chinese shares listed on international stock exchanges.
American depository receipts (ADRs) are issued by banks
and allow US investors to invest in non-US companies.

Investment risks

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.

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Data as at 25 January 2021, unless otherwise stated.

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