

## 《Benchmark Shanghai index slumps 6.86%》

A sell-off has swept the Chinese stock market on the very first trading day of 2016 and led to sharp falls in the market. The benchmark index of Shanghai plunged 6.86 percent, and of Shenzhen, 8.20 percent.

Today also marks the inauguration day of the circuit breaker system, which rules that a plunge of 5 percent of the CSI 300 share index will trigger a 15 minutes temporary trading halt while a 7 percent plunge will halt the market trading for the rest of the day. The Monday trading of the CSI 300 index tumbled 7 percent just one hour into the afternoon trading and triggered the halt of the market for the rest of the day.

Monday's slumps were triggered by a combination of factors and fundamentals. Investors dumped stocks ahead of the imminent expiration of a share sales ban on listed companies' major shareholders, which had been imposed during the market crash last summer.

