

FTSE QUALITY OF MARKETS CRITERIA (EUROPE Emerging) as at September 2009

CRITERIA	COUNTRY NAMES								
	DEV	ADV EMG	Hungary	Poland	ADV EMG WATCH	Czech Republic	Turkey	EMG	Russia
World Bank GNI Per Capita Rating, 2008			High	Upper Middle		High	Upper Middle		Upper Middle
Market and Regulatory Environment									
Formal stock market regulatory authorities actively monitor market (e.g., SEC, FSA, SFC)	X	X	Pass	Pass	X	Pass	Pass	X	Pass
Fair and non-prejudicial treatment of minority shareholders	X	X	Pass	Pass	X	Pass	Pass		Restricted
Non or selective incidence of foreign ownership restrictions	X	X	Pass	Pass	X	Pass	Pass		Not Met
No objection to or significant restrictions or penalties applied on the repatriation of capital and income	X	X	Pass	Pass	X	Pass	Pass	X	Pass
Free and well-developed equity market	X	X	Pass	Pass	X	Pass	Pass		Not Met
Free and well-developed foreign exchange market	X	X	Pass	Pass	X	Pass	Not Met		Not Met
Non or simple registration process for foreign investors	X	X	Pass	Pass	X	Pass	Pass		Pass
Custody and Settlement									
Settlement - Rare incidence of Not Met trades	X	X	Pass	Pass	X	Pass	Pass	X	Pass
Custody-Sufficient competition to ensure high quality custodian services	X	X	Pass	Pass	X	Pass	Pass	X	Pass
Clearing & settlement - T + 3 , T + 7 for Frontier	X	X	T+3	T+3	X	T+3	T+2	X	T+7
Stock Lending is permitted	X		Pass	Pass		Pass	Pass		Not Met
Settlement - Free delivery available	X		Pass	Pass		Pass	Pass		Not Met
Custody - Omnibus account facilities available to international investors	X	X	Pass	Pass	X	Pass	Restricted		Not Met
Dealing Landscape									
Brokerage - Sufficient competition to ensure high quality broker services	X	X	Pass	Pass	X	Pass	Pass	X	Not Met
Liquidity - Sufficient broad market liquidity to support sizeable global investment	X	X	Pass	Pass	X	Pass	Pass	X	Pass
Transaction costs - implicit and explicit costs to be reasonable and competitive	X	X	Pass	Pass	X	Pass	Pass	X	Pass
Short sales permitted	X		Pass	Pass		Pass	Pass		Restricted
Off-exchange transactions permitted	X		Pass	Pass		Pass	Pass		Pass
Efficient trading mechanism	X		Pass	Pass		Pass	Pass		Pass
Transparency - market depth information / visibility and timely trade reporting process	X	X	Pass	Pass	X	Pass	Pass	X	Pass
Derivatives									
Developed Derivatives Market	X		Pass	Pass		Not Met	Not Met		Not Met
Size of Market									
Market Capitalisation \$mn (as at 31st Dec 2008)			18,465	90,815		66,371	118,329		374,988
Total Number of Listed Companies (as at 31st Dec 2008)			40	432		24	317		304

*Russia Size of Market data based on figures from RTS



Shading indicates a change from March 2009