

## FTSE QUALITY OF MARKETS CRITERIA (MIDDLE EAST) as at September 2011

CRITERIA	COUNTRY NAMES													
	DEV	Israel	ADV EMG	EMG	UAE	EMG WATCH	Kuwait	FRONT	Bahrain	Jordan	Oman	Qatar	STAND ALONE	Saudi Arabia
<b>World Bank GNI Per Capita Rating, 2010</b>		High			High		High		High	Upper Middle	High	High		High
<b>Market and Regulatory Environment</b>														
Formal stock market regulatory authorities actively monitor market (e.g., SEC, FSA, SFC)	X	Pass	X	X	Pass	X	Not Met	X	Pass	Pass	Pass	Pass		Pass
Fair and non-prejudicial treatment of minority shareholders	X	Pass	X		Not Met		Pass		Not Met	Not Met	Not Met	Not Met		Pass
Non or selective incidence of foreign ownership restrictions	X	Pass	X		Restricted		Pass		Restricted	Not Met	Restricted	Restricted		Not Met
No objection to or significant restrictions or penalties applied to the investment of capital or the repatriation of capital and income	X	Pass	X	X	Pass	X	Pass	X	Pass	Pass	Pass	Pass		Not Met
Free and well-developed equity market	X	Pass	X		Pass		Restricted		Not Met	Not Met	Not Met	Restricted		Not Met
Free and well-developed foreign exchange market	X	Pass	X		Not Met		Not Met		Not Met	Not Met	Not Met	Not Met		Not Met
Non or simple registration process for foreign investors	X	Pass	X		Restricted		Restricted		Restricted	Pass	Restricted	Restricted		Not Met
<b>Custody and Settlement</b>														
Settlement - Rare incidence of failed trades	X	Pass	X	X	Pass	X	Pass	X	Pass	Pass	Pass	Pass		Pass
Custody-Sufficient competition to ensure high quality custodian services	X	Pass	X	X	Pass	X	Pass		Restricted	Pass	Restricted	Pass		Not Met
Clearing & settlement - T + 3 , T + 5 for Frontier	X	T+2	X	X	T+2	X	T+3, T+1	X	T+2, pre 30%	T+3	T+3	T+3		T+1
Stock Lending is permitted	X	Pass			Not Met		Not Met		Not Met	Not Met	Not Met	Not Met		Not Met
Settlement - Free delivery available	X	Pass			Not Met		Not Met		Not Met	Not Met	Not Met	Not Met		Not Met
Custody - Omnibus account facilities available to international investors	X	Pass	X		Not Met		Not Met		Not Met	Not Met	Not Met	Not Met		Not Met
<b>Dealing Landscape</b>														
Brokerage - Sufficient competition to ensure high quality broker services	X	Pass	X	X	Pass	X	Pass		Pass	Pass	Pass	Pass		Not Met
Liquidity - Sufficient broad market liquidity to support sizeable global investment	X	Pass	X	X	Pass	X	Pass		Not Met	Not Met	Not Met	Restricted		Pass
Transaction costs - implicit and explicit costs to be reasonable and competitive	X	Pass	X	X	Pass	X	Pass		Pass	Pass	Pass	Restricted		Pass
Short sales permitted	X	Pass			Not Met		Not Met		Not Met	Not Met	Not Met	Not Met		Not Met
Off-exchange transactions permitted	X	Pass			Not Met		Not Met		Not Met	Not Met	Restricted	Not Met		Not Met
Efficient trading mechanism	X	Pass			Pass		Pass		Pass	Pass	Pass	Pass		Pass
Transparency - market depth information / visibility and timely trade reporting process	X	Pass	X	X	Pass	X	Pass	X	Pass	Pass	Pass	Pass		Pass
<b>Derivatives</b>														
Developed Derivatives Market	X	Pass			Not Met		Restricted		Not Met	Not Met	Not Met	Not Met		Not Met
<b>Size of Market</b>														
Market Capitalisation \$mn (as at 31st Dec 2010)		227,614			135,943		130,309		20,113	30,864	28,316	123,648		353,410
Total Number of Listed Companies (as at 31st Dec 2010)		596			131		208		30	277	119	45		146

\*UAE Size of Market data based on ADX- Abu Dhabi SE, Dubai Financial Market & NASDAQ Dubai



Shading indicates a change from March 2011