

# FTSE BURSA MALAYSIA INDEX SERIES

## FTSE Bursa Malaysia KLCI Review Changes Overview - December 2011

### FTSE Asia Research December 2011

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*AirAsia (5099) and Bumi Armada (5210) will account for 1.65 per cent and 0.75 per cent of the turnover of the FTSE Bursa Malaysia KLCI respectively*

*MISC (3816) and Gamuda (5398) before the Index rebalance accounted for 2.22 per cent and 1.39 per cent of the FTSE Bursa Malaysia KLCI respectively*

### Review Overview

The FTSE Bursa Malaysia KLCI is the headline index of the FTSE Bursa Malaysia Index Series representing the top 30 companies by market capitalisation on the Bursa Malaysia Main Market. The FTSE Bursa Malaysia Index Series is reviewed semi-annually in June and December to ensure the Indices remain representative of the underlying Malaysia market.

Following the December review, the FTSE Bursa Malaysia Index Series Advisory Committee has approved the following changes to the FTSE Bursa Malaysia Index Series. Effective on Monday 19th December 2011, AirAsia (5099) and Bumi Armada (5210) will be included in the FTSE Bursa Malaysia KLCI, replacing MISC (3816) and Gamuda (5398). The total two-way index turnover is estimated to be 7.21 per cent.

The FTSE Bursa Malaysia KLCI Reserve List contains the next 4 highest ranked companies by full market capitalisation – IJM Corporation (3336), SP Setia (8664), Malaysia Airport Holdings (5014) and Fraser & Neave Holdings (3689).

Key changes are highlighted below:

**Table One: FTSE Bursa Malaysia KLCI Constituent Weightings**

| Rank          | Local Code | Constituent Name                            | ICB Subsector                     | Weight in Index before change (%) | Weight in Index after change (%) | Change in Weight (%) | Turnover (2-Way) (%) |
|---------------|------------|---|-----------------------------------|-----------------------------------|----------------------------------|----------------------|----------------------|
| 1             | 1155       | Malayan Banking                             | Banks                             | 9.79                              | 9.92                             | 0.12                 | 0.12                 |
| 2             | 1295       | Public Bank                                 | Banks                             | 9.55                              | 9.67                             | 0.12                 | 0.12                 |
| 3             | 4197       | Sime Darby                                  | Diversified Industrials           | 8.58                              | 8.69                             | 0.11                 | 0.11                 |
| 4             | 1023       | CIMB Group Holdings                         | Banks                             | 8.23                              | 8.33                             | 0.10                 | 0.10                 |
| 5             | 6888       | Axiata Group                                | Mobile Telecommunications         | 6.53                              | 6.61                             | 0.08                 | 0.08                 |
| 6             | 3182       | Genting                                     | Hotels                            | 6.30                              | 6.38                             | 0.08                 | 0.08                 |
| 7             | 1961       | IOI   | Farming & Fishing                 | 5.19                              | 5.26                             | 0.06                 | 0.06                 |
| 8             | 5347       | Tenaga Nasional                             | Alternative Electricity           | 4.80                              | 4.86                             | 0.06                 | 0.06                 |
| 9             | 6947       | Digi.com                                    | Mobile Telecommunications         | 4.61                              | 4.67                             | 0.06                 | 0.06                 |
| 10            | 5183       | PETRONAS Chemicals Group                    | Commodity Chemicals               | 4.11                              | 4.17                             | 0.05                 | 0.05                 |
| 11            | 1015       | AMMB Holdings                               | Banks                             | 2.78                              | 2.82                             | 0.03                 | 0.03                 |
| 12            | 6012       | Maxis                                       | Mobile Telecommunications         | 2.65                              | 2.68                             | 0.03                 | 0.03                 |
| 13            | 4863       | Telekom Malaysia                            | Fixed Line Telecommunications     | 2.62                              | 2.65                             | 0.03                 | 0.03                 |
| 14            | 2445       | Kuala Lumpur Kepong                         | Farming & Fishing                 | 2.55                              | 2.58                             | 0.03                 | 0.03                 |
| 15            | 4715       | Genting Malaysia                            | Hotels                            | 2.41                              | 2.44                             | 0.03                 | 0.03                 |
| 16            | 6033       | Petronas Gas                                | Exploration & Production          | 2.35                              | 2.38                             | 0.03                 | 0.03                 |
| 17            | 4065       | PPB Group                                   | Food Products                     | 2.07                              | 2.10                             | 0.03                 | 0.03                 |
| 18            | 5819       | Hong Leong Bank                             | Banks                             | 1.71                              | 1.73                             | 0.02                 | 0.02                 |
| 19            | 5099       | AirAsia                                     | Airlines                          | -                                 | 1.65                             | 1.65                 | 1.65                 |
| 20            | 4162       | British American Tobacco (Malaysia)         | Tobacco                           | 1.45                              | 1.47                             | 0.02                 | 0.02                 |
| 21            | 4677       | YTL Corp                                    | Multiutilities                    | 1.44                              | 1.46                             | 0.02                 | 0.02                 |
| 22            | 4588       | UMW Holdings                                | Automobiles                       | 1.21                              | 1.23                             | 0.02                 | 0.02                 |
| 23            | 6742       | YTL Power International                     | Water                             | 1.13                              | 1.14                             | 0.01                 | 0.01                 |
| 24            | 5681       | Petronas Dagangan                           | Integrated Oil & Gas              | 1.10                              | 1.11                             | 0.01                 | 0.01                 |
| 25            | 1082       | Hong Leong Financial                        | Banks                             | 0.78                              | 0.79                             | 0.01                 | 0.01                 |
| 26            | 5210       | Bumi Armada                                 | Marine Transportation             | -                                 | 0.75                             | 0.75                 | 0.75                 |
| 27            | 2194       | MMC   | Multiutilities                    | 0.66                              | 0.66                             | 0.01                 | 0.01                 |
| 28            | 1066       | RHB Capital                                 | Banks                             | 0.64                              | 0.65                             | 0.01                 | 0.01                 |
| 29            | 5148       | UEM Land Holdings *                         | Real Estate Holding & Development | 0.59                              | 0.60                             | 0.01                 | 0.01                 |
| 30            | 5186       | Malaysia Marine and Heavy Engineering Hldgs | Oil Equipment & Services          | 0.56                              | 0.57                             | 0.01                 | 0.01                 |
| -             | 3816       | MISC  | Marine Transportation             | 2.22                              | -                                | -2.22                | 2.22                 |
| -             | 5398       | Gamuda                                      | Heavy Construction                | 1.39                              | -                                | -1.39                | 1.39                 |
| <b>Totals</b> |            |   |                                   | <b>100.00</b>                     | <b>100.00</b>                    | <b>-</b>             | <b>7.21</b>          |

Source: FTSE Group, data as at 9th December 2011

\*UEM Land Holdings (5148) will be added to the FTSE Bursa Malaysia KLCI after the close of business of 12th December 2011, replacing PLUS Expressways (5052). This review report is based on the assumption that this change was implemented and the turnover figures only reflect the changes after the December review.

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## FTSE Bursa Malaysia KLCI Review Changes Overview - December 2011

Table Two: FTSE Bursa Malaysia KLCI Sector Breakdown

| ICB Industry / Sector                  | Number of Constituents after change | Change in Constituents | Weight in Index before change (%) | Weight in Index after change (%) | Change in Weight (%) | Turnover (2-Way) (%) |
|--|-------------------------------------|------------------------|-----------------------------------|----------------------------------|----------------------|----------------------|
| Oil & Gas                              | 3                                   | 0                      | 4.01                              | 4.06                             | 0.05                 | 0.05                 |
| Oil & Gas Producers                    | 2                                   | 0                      | 3.45                              | 3.49                             | 0.04                 | 0.04                 |
| Oil Equipment, Services & Distribution | 1                                   | 0                      | 0.56                              | 0.57                             | 0.01                 | 0.01                 |
| Basic Materials                        | 1                                   | 0                      | 4.11                              | 4.17                             | 0.05                 | 0.05                 |
| Chemicals                              | 1                                   | 0                      | 4.11                              | 4.17                             | 0.05                 | 0.05                 |
| Industrials                            | 2                                   | -1                     | 12.18                             | 9.44                             | -2.74                | 4.46                 |
| Construction & Materials               | 0                                   | -1                     | 1.39                              | 0.00                             | -1.39                | 1.39                 |
| General Industrials                    | 1                                   | 0                      | 8.58                              | 8.69                             | 0.11                 | 0.11                 |
| Industrial Transportation              | 1                                   | -1 / +1                | 2.22                              | 0.75                             | -1.47                | 2.97                 |
| Consumer Goods                         | 5                                   | 0                      | 12.48                             | 12.63                            | 0.16                 | 0.16                 |
| Automobiles & Parts                    | 1                                   | 0                      | 1.21                              | 1.23                             | 0.02                 | 0.02                 |
| Food Producers                         | 3                                   | 0                      | 9.82                              | 9.94                             | 0.12                 | 0.12                 |
| Tobacco                                | 1                                   | 0                      | 1.45                              | 1.47                             | 0.02                 | 0.02                 |
| Consumer Services                      | 3                                   | 1                      | 8.71                              | 10.47                            | 1.76                 | 1.76                 |
| Travel & Leisure                       | 3                                   | 1                      | 8.71                              | 10.47                            | 1.76                 | 1.76                 |
| Telecommunications                     | 4                                   | 0                      | 16.40                             | 16.61                            | 0.20                 | 0.20                 |
| Fixed Line Telecommunications          | 1                                   | 0                      | 2.62                              | 2.65                             | 0.03                 | 0.03                 |
| Mobile Telecommunications              | 3                                   | 0                      | 13.79                             | 13.96                            | 0.17                 | 0.17                 |
| Utilities                              | 4                                   | 0                      | 8.03                              | 8.13                             | 0.10                 | 0.10                 |
| Electricity                            | 1                                   | 0                      | 4.80                              | 4.86                             | 0.06                 | 0.06                 |
| Gas, Water & Multiutilities            | 3                                   | 0                      | 3.23                              | 3.27                             | 0.04                 | 0.04                 |
| Financials                             | 8                                   | 0                      | 34.07                             | 34.50                            | 0.43                 | 0.43                 |
| Banks                                  | 7                                   | 0                      | 33.48                             | 33.90                            | 0.42                 | 0.42                 |
| Real Estate Investment & Services      | 1                                   | 0                      | 0.59                              | 0.60                             | 0.01                 | 0.01                 |
| <b>Totals</b>                          | <b>30</b>                           | <b>4</b>               | <b>100.00</b>                     | <b>100.00</b>                    | <b>-</b>             | <b>7.21</b>          |

Source: FTSE Group, data as at 9th December 2011

*Travel & Leisure will see the largest rise in Index weighting, up 1.76 per cent to 10.47 per cent*

*Industrial Transportation will see the largest fall in Index weighting, down 1.47 per cent to 0.75 per cent*

Table Three: FTSE Bursa Malaysia KLCI Estimates Data

| Index                          | Estimated Volatility (%) | Estimated Correlation | Estimated Tracking Error (%) | Estimated Beta |
|--------------------------------|--------------------------|-----------------------|------------------------------|----------------|
| FTSE Bursa Malaysia KLCI       | 17.45                    | 0.9901                | 2.67                         | 0.94           |
| FTSE Bursa Malaysia EMAS Index | 18.35                    | 1.0000                | -                            | 1.00           |

Source: FTSE Group / Estimates data provided by emapplications.com, data as at 9th December 2011

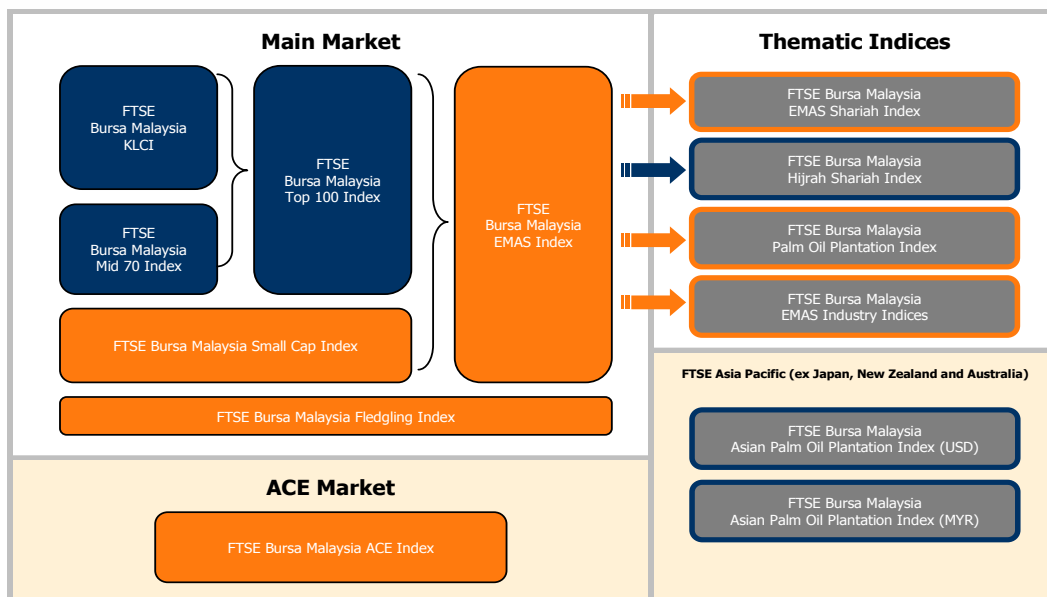
*After the FTSE Bursa Malaysia KLCI review changes have been applied, the estimated tracking error and estimated correlation to the FTSE Bursa Malaysia EMAS Index will be 2.67 per cent and 0.9901 respectively*

# FTSE BURSA MALAYSIA INDEX SERIES

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## Family Tree



● Tradable Indices    ● Benchmark Indices

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