


FTSE QUALITY OF MARKETS CRITERIA (Watch List) as at September 2020						
CRITERIA	DEV WATCH	ADV EMG WATCH	RUSSIA	SEC EMG WATCH	VIETNAM	FRONTIER WATCH
World Bank GNI Per Capita Rating (Atlas Method)			Upper Middle		Lower Middle	
Credit Worthiness			Investment		Speculative	
Market and Regulatory Environment						
Formal stock market regulatory authorities actively monitor market (e.g., SEC, FSA, SFC)	X	X	Pass	X	Pass	X
Fair and non-prejudicial treatment of minority shareholders	X	X	Pass		Restricted	
No or selective incidence of foreign ownership restrictions	X	X	Pass		Restricted	
No objection to or significant restrictions or penalties applied to the investment of capital or the repatriation of capital and income	X	X	Pass	X	Pass	X
No or simple registration process for foreign investors	X	X	Restricted		Restricted	
Foreign Exchange Market						
Developed foreign exchange market	X	X	Pass		Restricted	
Equity Market						
Brokerage - Sufficient competition to ensure high quality broker services	X	X	Pass	X	Pass	
Transaction costs - implicit and explicit costs to be reasonable and competitive	X	X	Pass	X	Pass	
Stock Lending is permitted	X		Restricted		Restricted	
Short sales permitted	X		Pass		Not Met	
Developed Derivatives Market	X		Pass		Restricted	
Off-exchange transactions permitted	X		Pass		Not Met	
Efficient trading mechanism	X	X	Pass		Restricted	
Transparency - market depth information / visibility and timely trade reporting process	X	X	Pass	X	Pass	X
Clearing, Settlement and Custody						
Settlement - Rare incidence of failed trades	X	X	Pass	X	N/A	X
Settlement Cycle (DvP)	X	X	T+2	X	T+2	X
Central Securities Depository	X	X	Pass	X	Pass	
Central Counterparty Clearing House (Equities)	X	X	Pass		Not Met	
Settlement - Free delivery available	X		Pass		Not Met	
Custody-Sufficient competition to ensure high quality custodian services	X	X	Pass	X	Pass	
Account structure operating at the Custodian level (securities and cash)	X		Pass		Not Met	

 Shading indicates a rating change from March 2020