


FTSE QUALITY OF MARKETS CRITERIA (Watch List) as at March 2022

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

 Shading indicates a rating change from September 2021