

# For Immediate Release

# **ASEAN Exchanges Introduces Three New Tradable ASEAN Indices**

New FTSE ASEAN Index Series provides Comprehensive Suite of Indices Benchmarking the ASEAN Region

### Kuala Lumpur, 29 May 2014

ASEAN Exchanges today announced an expanded FTSE ASEAN Index Series including a comprehensive suite of indices broadly covering the growing ASEAN equity market. The three new tradable ASEAN indices are the FTSE ASEAN All-Share Index, FTSE ASEAN Stars Index and FTSE ASEAN All Share Ex-Developed Index.

Now with the inclusion of constituents from Vietnam to the FTSE ASEAN Index Series (previously comprising the constituents from the five markets of Thailand, Malaysia, Singapore, Indonesia and the Philippines), the new expanded index series will increase visibility and transparency of ASEAN and create a larger universe of stocks for all ASEAN markets. The ASEAN Exchanges said that the creation of indices will be the building block towards creating broader benchmark indices, meaningful sectors indices and new ASEAN centric products that will bring more ASEAN tradable opportunities for investors and enhance liquidity among the exchanges.

Mr. Charamporn Jotikasthira, President of the Stock Exchange of Thailand, said, "ASEAN, one of the fastest growth regions of the world, is an exciting capital market and increasingly now as investors will have a one-point access to an aggregated and comprehensive ASEAN content. Our teams have been diligently working to ensure that there are ASEAN centric products for retail investors, which will lead to opportunities for ETFs, amongst other structured products."

Mr Donald Keith, Deputy Chief Executive of FTSE, said, "FTSE is delighted to have been collaborating with the ASEAN Exchanges and to be chosen as the preferred index partner by the ASEAN exchanges. The development of indices based on FTSE's globally recognised methodology and transparent rule-based standards will facilitate the visibility of the ASEAN markets, and help both regional and global investors gain insights to the unique opportunity sets in this dynamic, growing region."

The new FTSE ASEAN Index Series includes the FTSE ASEAN All-Share Index as the broad headline benchmark representing 90-95% of the investable market capitalisation in the region. The existing FTSE ASEAN Index Series was originally initiated in partnership with the ASEAN Finance Ministers to promote ASEAN as a regional equity market grouping. It included the first benchmarks designed to support the creation of financial products and benchmarking requirements for ASEAN investment needs.

The FTSE ASEAN Stars Index is also among the newly announced indices providing a comprehensive benchmark of the ASEAN equity market. The existing FTSE/ASEAN 40 Index, which reflects the performance of the largest companies in the ASEAN market, will continue to be calculated as part of the series.

The indices are free-float adjusted and calculated in accordance with the Industry Classification Benchmark (ICB). The indices comprising the FTSE ASEAN Index Series include:

#### • FTSE ASEAN All-Share Index

Representing the performance of large, mid and small cap ASEAN companies, the index consists of constituents of the FTSE ASEAN Indonesia All-Share Index, the FTSE ASEAN Philippines All-Share Index, the FTSE ASEAN Vietnam All-Share Index, the FTSE Bursa



Malaysia EMAS Index, the FTSE SET All-Share Index and the FTSE ST All-Share Index.

#### • FTSE ASEAN Sector Indices

Calculated at Industry, Supersector and Sector levels using the Industry Classification Benchmark.

# • FTSE/ASEAN 40 Index

Represents the performance of the largest companies in the ASEAN markets.

#### • FTSE ASEAN Stars Index

Comprises the 30 most exciting companies of each ASEAN country as ranked by investability in terms of market capitalisation and liquidity, with the exception of Vietnam where 15 companies are selected from the Ho Chi Minh and Hanoi Stock Exchanges respectively. For Malaysia, Singapore, and Thailand, constituents of the FTSE Bursa Malaysia KLCI, FTSE SET Large Cap Index, and the STI will represent their respective markets in the FTSE ASEAN Stars Index. The index will contain 180 companies in total. The FTSE ASEAN Stars Index is intended as a barometer and not to be used as the basis for investment products.

#### • FTSE ASEAN All-Share Ex-Developed Index

Represents the performance of all the ex Developed countries in the FTSE ASEAN All-Share Index. The index consists of the constituents of the FTSE Bursa Malaysia EMAS Index, FTSE ASEAN Indonesia All-Share Index, the FTSE ASEAN Philippines All-Share Index, the FTSE SET All-Share Index and the FTSE ASEAN Vietnam All-Share Index.

Since the launch of ASEAN Exchanges in Bali in April 2011, a number of key initiatives have been rolled out including the ASEAN Trading Link, an ASEAN exchanges website, creation of the ASEAN Stars, Invest ASEAN retail roadshows and most recently, in April 2014, the appointment of Deutsche Bank for post-trade custody and settlement services. These initiatives combined have created significant awareness of ASEAN as a new investable asset class among retail and institutional investors.

As a point of reference and resource on ASEAN investments, investors can check the ASEAN Exchanges website – <a href="https://www.aseanexchanges.com">www.aseanexchanges.com</a> - which is built around the ASEAN Stars.

The seven ASEAN Exchanges have a combined market capitalisation of approximately USD2.0 trillion with more than 3,600 companies listed on their exchanges. Some of these companies are the largest and most dynamic companies in the world, including leaders in finance and banking, energy, telecommunications, commodities, automotive manufacturing and other industrial sectors.

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## **ABOUT ASEAN Exchanges**

ASEAN Exchanges is a collaboration of seven exchanges from Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam. The collaboration aims to promote the growth of the ASEAN capital market by driving cross-border collaboration, streamlining access to ASEAN, creating ASEAN centric products and implementing targeted promotional initiatives.

The goal of the collaboration is to bring more ASEAN investment opportunities to more people as well as enhance liquidity amongst members of the collaboration.

ASEAN Exchanges' CEOs comprise Dato' Tajuddin Atan of Bursa Malaysia Berhad, Dr. Tran Dac Sinh of Hochiminh Stock Exchange, Mr. Tran Van Dzungof Hanoi Stock Exchange, Mr. Ito Warsito



of Indonesia Stock Exchange, Mr. Hans B. Sicat of The Philippine Stock Exchange, Mr. Magnus Bocker of Singapore Exchange, and Mr. Charamporn Jotikasthira of the Stock Exchange of Thailand.

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