

The SGX logo consists of the letters "SGX" in a bold, blue, sans-serif font, followed by a stylized graphic of three horizontal bars in blue, yellow, and green.

## News Release

15 March 2016

### SGX plans to list contracts on MSCI China Free Index<sup>SM</sup>

Singapore Exchange (SGX) today announced its intention to list contracts on the MSCI China Free Index<sup>SM</sup>, subject to regulatory approval. These new SGX MSCI China Free contracts will further broaden the suite of China-linked risk management products available on SGX, with specific relevance to global institutional investors in China equities.

The SGX MSCI China contracts are USD denominated and will track the MSCI China Free Index<sup>SM</sup>, which comprises large and mid-cap Chinese companies listed outside of mainland China. Index constituents include H-shares, Red chips, P chips as well as ADRs<sup>1</sup>.

The MSCI China Free Index<sup>SM</sup> has a broad representation of sectors including financial, information technology and consumer companies. The SGX MSCI China contracts therefore provide an effective and holistic risk management tool for managing exposure to the new industries driving the next stage of China's economic growth.

Michael Syn, Head of Derivatives at SGX said, "The SGX MSCI China contracts are a timely development, as capital formation grows apace for China's increasingly diverse and modern economy. Global institutional investors and risk managers seeking broader access to China are strongly supportive of SGX's initiative."

The SGX MSCI China contracts add to SGX's China-linked offering that spans equity, FX and iron ore derivatives. In addition to the SGX FTSE China A50 Index Futures, SGX offers one of the most liquid CNH futures markets, which has cleared over USD32 billion since launch in 2014. The contracts will also complement China's efforts to open up its capital markets and promote two-way accessibility.

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#### About Singapore Exchange (SGX)

Singapore Exchange is Asia's leading and trusted market infrastructure, facilitating the exchange of capital and ideas to create value for people, businesses and economies. As a multi-asset exchange operating equity, fixed income and derivatives markets to the highest regulatory standards, SGX is a vertically integrated business that provides listing, trading, clearing, settlement, depository and data services.

With about 40% of listed companies and 90% of listed bonds originating outside of Singapore as well as established linkages across the region and in Europe, SGX is Asia's most international and connected exchange. Offering a full suite of derivatives products across Asian equity indices, commodities and currencies, SGX is the

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<sup>1</sup> H shares are issued by companies that are incorporated in mainland China and listed on the HKEX. P chips are issued by companies incorporated outside of China and listed on HKEX, which have operations in mainland China and are run by private sector Chinese individuals. Red chips are issued by companies incorporated outside mainland China, listed on HKEX and have businesses based in mainland China controlled by the central, provincial or municipal governments of the Peoples' Republic of China. An American Depositary Receipt (ADR) is a stock that trades on a U.S. exchange but represents shares in a foreign company.

world's most liquid offshore market for the benchmark equity indices of China, India, Japan and ASEAN.

The exchange was one of the first globally to adopt the Principles for Financial Market Infrastructure, the first and only central counterparty in the region to be fully approved by U.S. regulators as a Derivatives Clearing Organisation and a Foreign Board of Trade, and is recognised by European Union regulators for both securities and derivatives.

As Asia's pioneering central counterparty, SGX is globally recognised for its risk management and clearing capabilities. In 2015, SGX was awarded Derivatives Exchange of the Year by Asia Risk, Futures and Options World and Global Capital as well as Central Counterparty (CCP) of the Year by Asia Risk.

Headquartered in AAA-rated Singapore, SGX has over 700 employees including offices in Beijing, Hong Kong, London, Mumbai, Shanghai and Tokyo. For more information, please visit [www.sgx.com](http://www.sgx.com).

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