



## News Release

1 July 2020

### SGX to introduce SGX FTSE Taiwan Index futures

- Futures enable investors to gain round-the-clock exposure to fast-growing Taiwan stock market
- Broad-based and diversified FTSE Taiwan index covers nearly 80% of Taiwan's listed companies by market capitalisation

Singapore Exchange (SGX) is introducing a futures contract on the [FTSE Taiwan RIC Capped Index<sup>1</sup>](#) (FTSE Taiwan) to enable global investors to gain exposure to a broad representation of large and mid-capitalisation Taiwan stocks, while meeting fund managers' diversification objectives.

The SGX FTSE Taiwan Index futures contract will be launched on 20 July 2020. SGX expects to receive certification from the Commodity Futures Trading Commission for the offer and sale of the contract in the U.S. shortly after launch, thus ensuring broad distribution to institutional investors.

Michael Syn, Head of Equities at SGX, said, "International investors own some 40% of Taiwan's equities, making its market an important part of any Asian investment portfolio. We are glad to work with FTSE and our partners to meet the rising demand of U.S. and European investors for access and investment exposure to Taiwan, with consistent diversification to manage risk."

The Taiwan economy is the seventh largest in Asia and occupies a key position in the global industrial and technology value chain. The broad-based and diversified FTSE Taiwan index with a capping methodology covers nearly 80% of Taiwan's listed companies by market capitalisation, and offers strong correlation with other major Taiwan benchmark indices.

The SGX FTSE Taiwan Index futures contract will provide global investors with an effective and cost-efficient way to invest in the Taiwan stock market, round-the-clock across Asian, European and U.S. time zones.

-End-

---

<sup>1</sup> The FTSE Global RIC Capped Indexes are designed to limit concentration in any single security to help investors meet the Regulated Investment Company (RIC) concentration requirements for U.S.-registered funds. The index constituents are capped quarterly so that the weight of any single constituent is no more than 20% of the index, while the sum of the weights of all constituents individually representing more than 4.5% of the index will not exceed 48% of the total.

**About Singapore Exchange**

Singapore Exchange is Asia's leading and trusted market infrastructure, operating equity, fixed income and derivatives markets to the highest regulatory standards. As Asia's most international, multi-asset exchange, SGX provides listing, trading, clearing, settlement, depository and data services, with about 40% of listed companies and over 80% of listed bonds originating outside of Singapore.

SGX is the world's most liquid international market for the benchmark equity indices of China, India, Japan and ASEAN and offers commodities and currency derivatives products. Headquartered in AAA-rated Singapore, SGX is globally recognised for its risk management and clearing capabilities. For more information, please visit [www.sgx.com](http://www.sgx.com).

**Media Contact**

Chin May Nah  
Marketing & Communications  
+65 8223 7358  
[maynah.chin@sgx.com](mailto:maynah.chin@sgx.com)