

FTSE QUALITY OF MARKETS CRITERIA (AMERICAS) as at September 2008

CRITERIA	COUNTRY NAMES										
	DEV	Canada	USA	ADV EMG	Brazil	Mexico	SEC EMG	Argentina	Chile	Colombia	Peru
World Bank GNI Per Capita Rating, 2007		High	High		Upper Middle	Upper Middle		Upper Middle	Upper Middle	Lower Middle	Lower Middle
Market and Regulatory Environment											
Formal stock market regulatory authorities actively monitor market (e.g., SEC, FSA, SFC)	X	Pass	Pass	X	Pass	Pass	X	Pass	Pass	Pass	Pass
Fair and non-prejudicial treatment of minority shareholders	X	Pass	Pass	X	Pass	Pass		Pass	Pass	Not Met	Not Met
Non or selective incidence of foreign ownership restrictions	X	Pass	Pass	X	Pass	Restricted		Pass	Pass	Pass	Pass
No objection to or significant restrictions or penalties applied on the repatriation of capital and income	X	Pass	Pass	X	Pass	Pass	X	Not Met	Pass	Not Met	Pass
Free and well-developed equity market	X	Pass	Pass	X	Pass	Pass		Not Met	Not Met	Not Met	Not Met
Free and well-developed foreign exchange market	X	Pass	Pass	X	Restricted	Pass		Not Met	Pass	Not Met	Pass
Non or simple registration process for foreign investors	X	Pass	Pass	X	Pass	Pass		Pass	Pass	Pass	Pass
Custody and Settlement											
Settlement - Rare incidence of Not Met trades	X	Pass	Pass	X	Pass	Pass	X	Pass	Pass	Pass	Not Met
Custody-Sufficient competition to ensure high quality custodian services	X	Pass	Pass	X	Pass	Pass	X	Pass	Pass	Pass	Not Met
Clearing & settlement - T + 3 , T + 7 for Frontier	X	T+3	T+3	X	T+3	T+2	X	T+3	T+2	T+3	T+3
Stock Lending is permitted	X	Pass	Pass		Pass	Pass		Not Met	Pass	Not Met	Pass
Settlement - Free delivery available	X	Pass	Pass		Pass	Pass		Not Met	Restricted	Not Met	Not Met
Custody - Omnibus account facilities available to international investors	X	Pass	Pass	X	Pass	Pass		Not Met	Pass	Pass	Not Met
Dealing Landscape											
Brokerage - Sufficient competition to ensure high quality broker services	X	Pass	Pass	X	Pass	Pass	X	Not Met	Not Met	Pass	Not Met
Liquidity - Sufficient broad market liquidity to support sizeable global investment	X	Pass	Pass	X	Pass	Pass	X	Not Met	Pass	Not Met	Not Met
Transaction costs - implicit and explicit costs to be reasonable and competitive	X	Pass	Pass	X	Pass	Pass	X	Pass	Pass	Pass	Pass
Short sales permitted	X	Pass	Pass		Pass	Pass		Pass	Restricted	Not Met	Pass
Off-exchange transactions permitted	X	Pass	Pass		Not Met	Pass		Pass	Not Met	Pass	Pass
Efficient trading mechanism	X	Pass	Pass		Pass	Pass		Pass	Pass	Pass	Pass
Transparency - market depth information / visibility and timely trade reporting process	X	Pass	Pass	X	Pass	Pass	X	Pass	Pass	Not Met	Not Met
Derivatives											
Developed Derivatives Market	X	Pass	Pass		Pass	Pass		Not Met	Not Met	Not Met	Not Met
Size of Market											
Market Capitalisation \$mn (as at 31st Dec 2007)		2,186,550	*19,922,280		1,369,711	397,725		57,070	212,910	101,956	69,386
Total Number of Listed Companies (as at 31st Dec 2007)		3,951	*5,941		404	367		111	241	90	226

* Based on combined figures from Amex, Nasdaq & NYSE data