

**FTSE QUALITY OF MARKETS CRITERIA (MIDDLE EAST) as at September 2008**

CRITERIA	COUNTRY NAMES													
	DEV	Israel	ADV EMG	SEC EMG	EMG WATCH	Kuwait	UAE	FRONT	Bahrain	Jordan	Oman	Qatar	STAND ALONE	Saudi Arabia
World Bank GNI Per Capita Rating, 2007		High				High	High		High	Lower Middle	High	High		High
<b>Market and Regulatory Environment</b>														
Formal stock market regulatory authorities actively monitor market (e.g., SEC, FSA, SFC)	X	Pass	X	X	X	Not Met	Pass	X	Pass	Pass	Pass	Pass		Pass
Fair and non-prejudicial treatment of minority shareholders	X	Pass	X			Pass	Not Met		Not Met	Not Met	Not Met	Not Met		Pass
Non or selective incidence of foreign ownership restrictions	X	Pass	X			Pass	Restricted		Restricted	Not Met	Restricted	Restricted		Not Met
No objection to or significant restrictions or penalties applied on the repatriation of capital and income	X	Pass	X	X	X	Pass	Pass	X	Pass	Pass	Pass	Pass		Pass
Free and well-developed equity market	X	Pass	X			Restricted	Pass		Not Met	Not Met	Not Met	Restricted		Not Met
Free and well-developed foreign exchange market	X	Pass	X			Not Met	Not Met		Not Met	Not Met	Not Met	Not Met		Not Met
Non or simple registration process for foreign investors	X	Pass	X			Restricted	Restricted		Restricted	Pass	Restricted	Restricted		Not Met
<b>Custody and Settlement</b>														
Settlement - Rare incidence of failed trades	X	Pass	X	X	X	Pass	Pass	X	Pass	Pass	Pass	Pass		Pass
Custody-Sufficient competition to ensure high quality custodian services	X	Pass	X	X	X	Pass	Pass		Restricted	Pass	Restricted	Pass		Not Met
Clearing & settlement - T + 3 , T + 7 for Frontier	X	T+2	X	X	X	T+0, T+1	T+2	X	T+2, pre 30%	T+3	T+3	T+3		T+1
Stock Lending is permitted	X	Pass				Not Met	Not Met		Not Met	Not Met	Not Met	Not Met		Not Met
Settlement - Free delivery available	X	Pass				Not Met	Not Met		Not Met	Not Met	Not Met	Not Met		Not Met
Custody - Omnibus account facilities available to international investors	X	Pass	X			Not Met	Not Met		Not Met	Not Met	Not Met	Not Met		Not Met
<b>Dealing Landscape</b>														
Brokerage - Sufficient competition to ensure high quality broker services	X	Pass	X	X	X	Pass	Pass		Pass	Pass	Pass	Pass		Not Met
Liquidity - Sufficient broad market liquidity to support sizeable global investment	X	Pass	X	X	X	Pass	Pass		Not Met	Not Met	Not Met	Restricted		Pass
Transaction costs - implicit and explicit costs to be reasonable and competitive	X	Pass	X	X	X	Pass	Pass		Pass	Pass	Pass	Restricted		Pass
Short sales permitted	X	Pass				Not Met	Not Met		Not Met	Not Met	Not Met	Not Met		Not Met
Off-exchange transactions permitted	X	Pass				Not Met	Not Met		Not Met	Not Met	Not Met	Not Met		Not Met
Efficient trading mechanism	X	Pass				Pass	Pass		Pass	Pass	Pass	Pass		Pass
Transparency - market depth information / visibility and timely trade reporting process	X	Pass	X	X	X	Pass	Pass	X	Pass	Pass	Pass	Pass		Pass
<b>Derivatives</b>														
Developed Derivatives Market	X	Pass				Restricted	Not Met		Not Met	Not Met	Not Met	Not Met		Not Met
<b>Size of Market</b>														
Market Capitalisation \$mn (as at 31st Dec 2007)		235,056				210,469	265,384		27,101	41,205	26,683	95,521		519,000
Total Number of Listed Companies (as at 31st Dec 2007)		654				198	44 + 56		46	245	154	39		111