

FTSE ST INDEX SERIES

STI Review Changes Overview - March 2009

FTSE Asia Research March 2009

FTSE ASIA RESEARCH

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ComfortDelgro Corp and SMRT Corp will account for 2.14 per cent and 0.95 per cent of the STI turnover respectively

Singapore Telecom will see the largest fall in Index weighting down -0.38 per cent to 15.25 per cent

Keppel Land and Yanlord Land Group before the Index rebalance account for 0.33 per cent and 0.36 per cent of the STI respectively

Review Overview

The STI is the headline index of the FTSE ST Index Series representing the top 30 companies by market capitalisation on the SGX Main Board. The FTSE ST Index Series is reviewed semi-annually in March and September to ensure the Indices remain representative of the underlying Singapore market.

Following the March review, the FTSE ST Advisory Committee have approved the following changes to the STI. Effective on Monday, 23 March 2009, ComfortDelgro Corp and SMRT Corp will be included in the STI, replacing Keppel Land and Yanlord Land Group. The total two-way index turnover will be 6.18 per cent.

The STI Reserve List contains the next 5 highest ranked companies by full market capitalisation – Ascendas Real Estate Investment Trust, STX Pan Ocean, Yangzijiang Shipbuilding Holdings, Singapore Post, and Singapore Land.

An overview of the changes are highlighted below:

Table One: STI Constituent Weightings

Rank	Constituent Name	Subsector Name	Weight in Index before change (%)	Weight in Index after change (%)	Change in Weight (%)	Turnover (2-Way) (%)
1	Singapore Telecom	Fixed Line Telecomms	15.63	15.25	-0.38	0.38
2	DBS Group Holdings	Banks	10.02	9.78	-0.24	0.24
3	Oversea-Chinese Banking	Banks	8.21	8.01	-0.20	0.20
4	United Overseas Bank	Banks	8.15	7.95	-0.20	0.20
5	Capitaland	Real Estate Holding & Dev.	5.33	5.20	-0.13	0.13
6	Jardine Matheson	Diversified Industrials	5.16	5.04	-0.13	0.13
7	Singapore Airlines	Airlines	4.87	4.75	-0.12	0.12
8	Hong Kong Land	Real Estate Holding & Dev.	4.60	4.49	-0.11	0.11
9	Keppel Corp	Diversified Industrials	4.12	4.02	-0.10	0.10
10	Singapore Exchange	Investment Services	3.82	3.72	-0.09	0.09
11	Wilmar International Limited	Food Products	3.14	3.07	-0.08	0.08
12	Singapore Press Holdings	Publishing	3.09	3.02	-0.07	0.07
13	Singapore Technologies Engineering	Aerospace	2.71	2.64	-0.07	0.07
14	City Developments	Hotels	2.62	2.55	-0.06	0.06
15	Fraser and Neave	Diversified Industrials	2.47	2.41	-0.06	0.06
16	Jardine Strategic	Diversified Industrials	2.37	2.31	-0.06	0.06
17	ComfortDelgro Corp	Travel & Tourism	-	2.14	2.14	2.14
18	CapitalMall Trust	Real Estate Investment Trusts	1.89	1.85	-0.05	0.05
19	Golden Agri-Resources	Farming & Fishing	1.69	1.65	-0.04	0.04
20	SembCorp Industries	Diversified Industrials	1.53	1.50	-0.04	0.04
21	Genting Intl	Recreational Services	1.34	1.31	-0.03	0.03
22	Olam International	Food Products	1.33	1.30	-0.03	0.03
23	Jardine Cycle & Carriage	Specialty Retailers	1.09	1.07	-0.03	0.03
24	StarHub	Fixed Line Telecomms	1.08	1.06	-0.03	0.03
25	SMRT Corp	Travel & Tourism	-	0.95	0.95	0.95
26	Sembcorp Marine	Commercial Vehicles & Trucks	0.97	0.95	-0.02	0.02
27	Noble Group	Diversified Industrials	0.80	0.78	-0.02	0.02
28	Cosco Corp	Commercial Vehicles & Trucks	0.54	0.53	-0.01	0.01
29	Neptune Orient Lines	Marine Transportation	0.47	0.46	-0.01	0.01
30	Sia Engr	Transportation Services	0.27	0.27	-0.01	0.01
-	Yanlord Land Group	Real Estate Holding & Dev.	0.36	-	-0.36	0.36
-	Keppel Land	Real Estate Holding & Dev.	0.33	-	-0.33	0.33
	Total		100.0	100.0	-	6.18

Source: FTSE Group, data as at 13th March 2009

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Travel & Leisure will see the largest change in Index weighting, up 2.88 per cent to 11.71 per cent

Real Estate will see the largest fall in Index weighting, down -0.97 per cent to 11.53 per cent

Table Two: Sector Breakdown

Industry/Sector Name	Number of Constituents after changes	Change in Constituents	Weight in Index before inclusion (%)	Weight in Index after inclusion (%)	Change in Weight (%)	Turnover (2-Way) (%)
Industrials	11	0	21.42	20.90	-0.52	0.52
Aerospace & Defense	1	0	2.71	2.64	-0.07	0.07
General Industrials	6	0	16.46	16.06	-0.40	0.40
Industrial Transportation	2	0	1.51	1.48	-0.04	0.04
Support Services	2	0	0.74	0.72	-0.02	0.02
Consumer Goods	3	0	6.16	6.02	-0.15	0.15
Beverages	3	0	6.16	6.02	-0.15	0.15
Consumer Services	7	2	13.01	15.79	2.78	3.41
General Retailers	1	0	1.09	1.07	-0.03	0.03
Media	1	0	3.09	3.02	-0.07	0.07
Travel & Leisure	5	2	8.83	11.71	2.88	3.31
Telecommunications	2	0	16.71	16.31	-0.40	0.40
Fixed Line Telecommunications	2	0	16.71	16.31	-0.40	0.40
Financials	7	-2	42.69	40.99	-1.70	1.70
Banks	3	0	26.37	25.73	-0.64	0.64
Real Estate	3	-2	12.51	11.53	-0.97	0.97
General Financial	1	0	3.82	3.72	-0.09	0.09
Total	30	4	100.00	100.00	-	6.18

Source: FTSE Group, data as at 13th March 2009

Table Three: STI Estimates Data

Index	Estimated Volatility (%)	Estimated Correlation	Estimated Tracking Error (%)	Estimated Beta
STI	22.44	0.9955	2.22	0.97
FTSE ST All-Share Index	22.95	1.0000	-	1.00

Source: FTSE Group / Estimates data provided by emapplications.com, data as at 13th March 2009

After the STI review changes have been applied, the estimated tracking error and estimated correlation to the FTSE ST All-Share will be 2.22 per cent and 0.9955 respectively

FTSE ST Index Series Family Tree

