

ASEAN Investment Challenge 2024 Grading Criteria

Round 1 – Country Level

Grading Parameters	Weightage	Description
E-Learning Modules	20%	0 - <75% completed: 0% 75 - <100% completed: 15% 100% completed: 20%
Profit and Loss	40%	20% - Portfolio's total profit or loss at the end of the trading challenge 20% - Outperformance Benchmark Return FTSE ASEAN 40 Index (20%) *applicable to Malaysia, Singapore & Thailand students only Jakarta Stock Exchange Composite Index (20%) * applicable Indonesia students only
Risk Management	20%	<u>Drawdown Risk</u> 0% - Participant incurred net trading losses exceeding 20% of initial capital 3% - Participant incurred net trading losses of more than 10% but not exceeding 20% of initial capital 6% - Participant incurred net trading losses of no more than 10% of initial capital
		<u>Diversification</u> 0% - Traded no more than 3 stocks across two or more sectors 3% - Traded between 4 and 7 distinct stocks across two or more sectors 6% - Traded more than 8 distinct stocks across two or more sectors
		<u>Risk-Reward</u> Risk-reward refers to the measure of average losses on losing trades against average earnings on winning trades Risk:Reward ratio defined as: (average earnings on all winning trades) / (average losses on all losing trades) Points are stacked 4%: Risk reward ratio is more than 1.0 4%: Risk reward ratio is more than 2.0
ESG	20%	Trade a minimum of 3 local ESG-friendly stocks in our provided list of local stocks. 0% will be awarded if the minimum number of ESG stocks are not traded.

Round 2 – Final Presentation

Grading Parameters	Weightage	Description	Individual Weightage
Portfolio Performance Malaysia, Singapore & Thailand students are expected to form a portfolio with a return that outperform FTSE ASEAN 40 Index. Indonesia students are expected to form a portfolio with a return that outperform Jakarta Stock Exchange Composite Index.	20%	<u>Portfolio Performance</u> Outperform benchmark by below range: 5% - (>0% , <=10%) 10% - (>10%, <=15%) 20% - (>15%)	20%

Risk Management Students are expected to exercise good risk management practices in their investment portfolio, resulting in a well-diversified portfolio with a good risk-reward ratios. Additionally, investment decisions should be based on sound fundamental and technical analysis.	15%	<u>Drawdown Risk</u> Participant should have necessary stop-losses in place to prevent any losing trades from exceeding the maximum loss setout in their submitted trading plans.	5%
		<u>Diversification</u> Participants' trades should be of multiple companies across different sectors, reflecting a strong understanding of a well diversified portfolio	5%
		<u>Risk:Reward</u> Participants should identify and execute trades that maximise their risk / reward ratios. Participants must clearly show and explain how they determined their risk / reward planning	5%
ESG Students are expected to have gone through e-learning materials and demonstrate deep understanding of the course content. The presentation should encapsulate how well the students have progressed in their understanding of sustainability topics in relation to investment. A section of the presentation should specifically address "sustainability", hitting the areas as highlighted in the assessment rubrics.	20%	<u>Portfolio ESG Objectives</u> Identify participants' ESG objectives and key themes, and clearly explain reasons for the objectives.	5%
		<u>Choice of Stocks</u> Identify stocks whose business operations align with Portfolio's ESG objectives with clear explanations.	5%
		<u>Analysis of ESG Factors</u> Perform analysis and draw conclusions on how ESG factors can impact stock performance and overall P&L	5%
		<u>Material Issues to Sector</u> Accurately identified material issues and macro trends in the sector that can evaluate stock performance against expectation	5%
Presentation Students are expected to have clear understanding of their trades and be able to confidently articulate their investing strategies to the judges	45%	<u>Presentation Skills</u> Participant should be able to confidently and eloquently explains their thought process behind their decisions, reflecting a deep understanding and confidence of their trades.	25%
		<u>Q&A</u> Participant confidently and clearly answers judges' queries with logical analysis, reflecting a deep understanding and confidence of their trades.	20%