

FTSE QUALITY OF MARKETS CRITERIA (AMERICAS) as at September 2014

CRITERIA	COUNTRY NAMES										
	DEV	Canada	USA	ADV EMG	Brazil	Mexico	EMG	Chile	Colombia	Peru	FRONTIER
World Bank GNI Per Capita Rating, 2013		High	High		Upper Middle	Upper Middle		High	Upper Middle	Upper Middle	
Credit Worthiness		Investment	Investment		Investment	Investment		Investment	Investment	Investment	
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	X
Fair and non-prejudicial treatment of minority shareholders	X	Pass	Pass	X	Restricted	Pass		Pass	Pass	Not Met	
Non or selective incidence of foreign ownership restrictions	X	Pass	Pass	X	Pass	Restricted		Pass	Pass	Pass	
No objection to or significant restrictions or penalties applied to the investment of capital or the repatriation of capital and income	X	Pass	Pass	X	Pass	Pass	X	Pass	Pass	Pass	X
Free and well-developed equity market	X	Pass	Pass	X	Pass	Pass		Pass	Pass	Not Met	
Free and well-developed foreign exchange market	X	Pass	Pass	X	Restricted	Pass		Pass	Pass	Pass	
Non or simple registration process for foreign investors	X	Pass	Pass	X	Pass	Pass		Pass	Pass	Pass	
Custody and Settlement											
Settlement - Rare incidence of failed trades	X	Pass	Pass	X	Pass	Pass	X	Pass	Pass	Pass	X
Custody-Sufficient competition to ensure high quality custodian services	X	Pass	Pass	X	Pass	Pass	X	Pass	Pass	Not Met	
Clearing & settlement - T + 3 , T + 5 for Frontier	X	T+3	T+3	X	T+3	T+3	X	T+2	T+3	T+3	X
Stock Lending is permitted	X	Pass	Pass		Pass	Pass		Restricted	Restricted	Restricted	
Settlement - Free delivery available	X	Pass	Pass		Pass	Pass		Restricted	Not Met	Restricted	
Custody - Omnibus account facilities available to international investors	X	Pass	Pass	X	Pass	Pass		Not Met	Pass	Pass	
Dealing Landscape											
Brokerage - Sufficient competition to ensure high quality broker services	X	Pass	Pass	X	Pass	Pass	X	Pass	Pass	Pass	
Liquidity - Sufficient broad market liquidity to support sizeable global investment	X	Pass	Pass	X	Pass	Pass	X	Pass	Restricted	Not Met	
Transaction costs - implicit and explicit costs to be reasonable and competitive	X	Pass	Pass	X	Pass	Pass	X	Pass	Pass	Pass	
Short sales permitted	X	Pass	Pass		Pass	Restricted		Restricted	Restricted	Restricted	
Off-exchange transactions permitted	X	Pass	Pass		Not Met	Pass		Not Met	Pass	Pass	
Efficient trading mechanism	X	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	X
Derivatives											
Developed Derivatives Market	X	Pass	Pass		Pass	Pass		Not Met	Restricted	Not Met	
Size of Market											
Market Capitalisation \$mn (as at 31 December 2013)		2,113,822	24,034,854		1,020,477	526,018		264,150	202,693	80,978	
Total Number of Listed Companies (as at 31 December 2013)		3,810	4,180		352	138		227	72	212	

Market size of USA combines NYSE & Nasdaq



Shading indicates a change from March 2014