## FTSE QUALITY OF MARKETS CRITERIA (AFRICA) as at September 2023

### COUNTRY NAMES

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>Egypt</th>
<th>South Africa</th>
<th>Botswana</th>
<th>Cote d’Ivoire</th>
<th>Ghana</th>
<th>Kenya</th>
<th>Mauritius</th>
<th>Morocco</th>
<th>Tanzania</th>
<th>Tunisia</th>
</tr>
</thead>
<tbody>
<tr>
<td>World Bank GNI Per Capita Rating (Atlas Method)</td>
<td>Upper Middle</td>
<td>Lower Middle</td>
<td>Upper Middle</td>
<td>Lower Middle</td>
<td>Lower Middle</td>
<td>Lower Middle</td>
<td>Upper Middle</td>
<td>Lower Middle</td>
<td>Lower Middle</td>
<td>Upper Middle</td>
</tr>
<tr>
<td>Credit Worthiness</td>
<td>Speculative</td>
<td>Speculative</td>
<td>Investment</td>
<td>Speculative</td>
<td>Default</td>
<td>Speculative</td>
<td>Investment</td>
<td>Speculative</td>
<td>Speculative</td>
<td>Speculative</td>
</tr>
</tbody>
</table>

### Market and Regulatory Environment

- Formal stock market regulatory authorities actively monitor market (e.g., SEC, FSA, SFC)
- Fair and non-prejudicial treatment of minority shareholders
- No or selective incidence of foreign ownership restrictions
- No objection to or significant restrictions or penalties applied to the investment of capital or the repatriation of capital and income
- No or simple registration process for foreign investors

### Foreign Exchange Market

- Developed foreign exchange market
- Equity Market
  - Brokerage - Sufficient competition to ensure high quality broker services
  - Transaction costs - implicit and explicit costs to be reasonable and competitive
  - Tax – imposition of taxes to be reasonable and comparable between domestic and non-domestic investors
- Stock Lending is permitted
- Short sales permitted
- Developed Derivatives Market
- Off-exchange transactions permitted
- Efficient trading mechanism
- Transparency - market depth information / visibility and timely trade reporting process

### Clearing, Settlement and Custody

- Settlement - costs associated with failed trades
- Settlement Cycle (DvP)
- Central Securities Depository
- Central Counterparty Clearing House (Equities)
- Settlement - Free delivery available
- Custody - Sufficient competition to ensure high-quality custodian services
- Account structure operating at the Custodian level (securities and cash)

### Shading Indicates a Rating Change from March 2023

* Egypt on the Watch List for possible reclassification from Secondary Emerging to Unclassified