<table>
<thead>
<tr>
<th>Country listing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asia</strong></td>
</tr>
<tr>
<td>China</td>
</tr>
<tr>
<td>Hong Kong</td>
</tr>
<tr>
<td>India</td>
</tr>
<tr>
<td>Indonesia</td>
</tr>
<tr>
<td>Malaysia</td>
</tr>
<tr>
<td>Philippines</td>
</tr>
<tr>
<td>Singapore</td>
</tr>
<tr>
<td>South Korea</td>
</tr>
<tr>
<td>Sri Lanka</td>
</tr>
<tr>
<td>Taiwan</td>
</tr>
<tr>
<td>Thailand</td>
</tr>
<tr>
<td>Vietnam</td>
</tr>
<tr>
<td><strong>Eastern Europe</strong></td>
</tr>
<tr>
<td>Bulgaria</td>
</tr>
<tr>
<td>Coatia</td>
</tr>
<tr>
<td>Czech Republic</td>
</tr>
<tr>
<td>Hungary</td>
</tr>
<tr>
<td>Iceland</td>
</tr>
<tr>
<td>Kazakhstan</td>
</tr>
<tr>
<td>Latvia</td>
</tr>
<tr>
<td>Lithuania</td>
</tr>
<tr>
<td>Poland</td>
</tr>
<tr>
<td>Romania</td>
</tr>
<tr>
<td>Russia</td>
</tr>
<tr>
<td>Serbia</td>
</tr>
<tr>
<td>Slovakia</td>
</tr>
<tr>
<td>Turkey</td>
</tr>
<tr>
<td>Ukraine</td>
</tr>
<tr>
<td><strong>Middle East</strong></td>
</tr>
<tr>
<td>Bahrain</td>
</tr>
<tr>
<td>Israel</td>
</tr>
<tr>
<td>Jordan</td>
</tr>
<tr>
<td>Kuwait</td>
</tr>
<tr>
<td>Oman</td>
</tr>
<tr>
<td>Qatar</td>
</tr>
<tr>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>United Arab Emirates</td>
</tr>
<tr>
<td><strong>Africa</strong></td>
</tr>
<tr>
<td>Algeria</td>
</tr>
<tr>
<td>Botswana</td>
</tr>
<tr>
<td>Egypt</td>
</tr>
<tr>
<td>Kenya</td>
</tr>
<tr>
<td>Mauritius</td>
</tr>
<tr>
<td>Morocco</td>
</tr>
<tr>
<td>Nigeria</td>
</tr>
<tr>
<td>South Africa</td>
</tr>
<tr>
<td>Tanzania</td>
</tr>
<tr>
<td>Tunisia</td>
</tr>
<tr>
<td><strong>Latin America</strong></td>
</tr>
<tr>
<td>Argentina</td>
</tr>
<tr>
<td>Brazil</td>
</tr>
<tr>
<td>Chile</td>
</tr>
<tr>
<td>Colombia</td>
</tr>
<tr>
<td>Costa Rica</td>
</tr>
<tr>
<td>Mexico</td>
</tr>
<tr>
<td>Peru</td>
</tr>
</tbody>
</table>
Asia
Currency restrictions
Yes
The People’s Bank of China restricts the delivery of CNY to residents of China (onshore)
It is partly convertible and offshore trades non-deliverable except in HK
Settlement of CNY deliverable in Hong Kong, see section on CNH

Local market hours
Order Matching System: 09:30-15:30 Beijing time (GMT+8)
Price enquiry (OTC) system: 09:30-16:30 Beijing time (GMT+8)

Day count
Actual 365

Important information
• PBOC responsible for monetary policy; SAFE responsible for exchange control regulation
• As of 22 July 2005, the Yuan-Renminbi is managed relative to an undisclosed basket of currencies including USD, EUR, JPY and KRW
• USD/CNY is quoted in the interbank market within a band of 0.5% either side of the central parity rate and 3% around the central parity rate for CNY against other quoted currencies (EUR, JPY, HKD, GBP, MYR, RUB, AUD, CAD) in the interbank market
• As of 4 January 2006 the parity rates are published by CFETS at 9:15am Beijing time
• USD/CNY parity is based on unadvised weighted average of market maker levels at 9:00am, excluding the highest and lowest offers. Weights are determined by CFETS in line with the (undisclosed) transaction volumes of market makers
• Onshore USD/CNY trades are booked through the automatic price-matching system of CFETS and displayed on Reuters page CNY = CFXS
• Effective 4 January 2006, OTC (Enquiry System) transactions were introduced and market makers are being encouraged to provide two-way quotations in the interbank market
• Prior to 22 July 2005 it was effectively fixed to the USD at 8.2760 with a daily trading band of 0.02%
• On 22 July 2005 China announced a 2.1% one-off revaluation fixing the currency at 8.1700/USD
• The big four local banks still have significant market share – Bank of China, Industrial and Commercial Bank of China, China Construction Bank, Agricultural Bank of China

ING Capabilities
• ING holds a QFII license and a branch license in Shanghai and can provide clients access to local funding, domestic equity and Renminbi-denominated assets in 25 of the mainland's major cities
• ING Shanghai can quote USD/CNY spots and forwards, money market, bonds, interest rate swaps and cross currency swaps
• ING Shanghai can provide non-local currency derivatives
• ING in Singapore is an active participant in NDF and NDS, NDIRS market up to ten years and ND FX options
• ING also produces a more detailed China handbook – if you require more details please ask for a copy

Contact:
Marc Choo
Head of Financial Markets
T: +8621 2020 8288
Important information (cont’d)

• The PBOC limits onshore banks’ foreign debt quotas, rates applied on loans and deposits. See PBOC Reuters page
• In 2004 China allowed limited settlement of RMB in HK and Macau. On 19 July 2010 the RMB Trade settlement scheme was expanded again to allow designated business customers and individuals to open RMB accounts. Business loans were permitted in RMB and funds can be transferred across accounts (please see section on CNH)

Reference pages
People’s Bank of China:
http://www.pbc.gov.cn/english

China Securities Regulatory Committee:
http://www.csirc.gov.cn

State Administration for Foreign Exchange:
http://www.safe.gov.cn
People’s Republic of China

Onshore products

**Spot**
- Daily turnover of approximately USD 5 billion
- Standard market size is USD 10-50 million
- Normal conditions: Bid/Ask spread of ten pips (0.0010)
- Exporter and Importer flows dominate the market
- Banks cannot hold long CNY positions and long USD positions overnight limited by SAFE
- All interbank trades must be booked through the China Foreign Exchange Trading System (CFETS)

**Deliverable forwards**
- Available out to three years although longer transactions have been done in the past
- Prior to 9 November 2010 the forward market was liquid out to one year in standard ticket size of USD 10-20 million
- Normal conditions: Bid/Ask spread in 1-3 months of 10-30 pips (0.0010-0.0030)
- On 9 Nov 2010 SAFE announced measures to control inflows to China. Individual banks’ net open positions were now capped at the closing positions reported on 8 November 2010. Net open positions are now calculated on a cash basis WITHOUT netting spot against forwards.
- As of 9 November 2010, the foreign exchange earnings ratio for processing trade industries will be reduced from 30% to 20%

**FX swaps**
- Very liquid market up to 9 November 2010
- New regulations effectively separate FX swaps from outright forwards
- As FX swap transactions are not included in net open position limits, the swap market will function as a short-term funding market only and has no correlation with the outright CNY deliverable

**Bonds**
- Available up to 30 years
- Liquidity is from one year to ten year
- From October 2011, Shanghai, Shenzhen, Guangdong and Zhejiang are allowed to issue local government bonds directly

**Repos**
- Available up to one year, liquid up to one month
- Very liquid with the majority of business in overnight and seven days
- Repo fixing <CNREPOFIX=CFXS> at 11:00 Beijing time

**Interest rate swaps (IRS)**
- Available up to ten years but realistically five years
- Three alternatives available:
  a) Quarterly settled against compounded seven-day Repo – liquid up to five years
  b) Annually fixed against one-year PBOC deposit rate
  c) Quarterly fixed against three-month SHIBOR <SHIBOR> fixing at 11:30 Shanghai time

**Cross currency rate swaps (CRS)**
- Quarterly fixed against three-month USD LIBOR
- Liquidity is not good

**USDCNY FX Option**
- Available up to one year but realistically within one month
- Liquidity is not good
- Normal conditions: Bid/Ask spread of 0.5 to 0.7 vol
- From 1st April 2011 SAFE allows qualified onshore banks write European call/put option to clients and trade currency option in interbank market on registration record base. Clients are not allowed to receive premium from banks
Non-deliverable forwards (NDF)
• Daily turnover of approximately USD 2 billion
• Available up to ten years
• Liquidity remains good out to one year and generally trades below two years
• Normal conditions: Bid/Ask spread in 1-6 months of 30-50 pips (0.0030-0.0050)
• Hedge funds and speculative accounts dominate the market

Non-deliverable swaps (NDS)
• Available up to ten years
• Annual fixed against six-month USD LIBOR
• Only active in Asian time zone and mainly in two to five year tenor
• Corporate hedging requirements dominate the market

Non-deliverable interest rate swaps (NDIRS)
• Available up to ten years
• Quarterly fixed against seven-day Repo which is extremely volatile and driven by local funding conditions
• Much more liquid than its onshore counterpart due to accessibility by all banks
• Dominated by hedge fund and speculative accounts

Non-deliverable options
• Available out to one year but longer tenors have been done in the market
### People’s Republic of China Regulations

<table>
<thead>
<tr>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Spot transactions</strong></td>
<td></td>
</tr>
</tbody>
</table>
| • Allowed for current account transactions, with banks responsible for verifying documentation of underlying commercial activity  
  - Current account transactions broadly include commercial activities (tradable goods and services), plus income transfers (including dividends and debt interest)  
  • All FX must be executed with a Designated FX bank (DFXB). DFXB can square their net CNY positions in the interbank market  
  • Transactions under capital account need SAFE approval  
  - Capital account transactions broadly consist of foreign direct investment in securities and fixed capital (like factories). Repayment and repatriation of principal and interest are capital account items  
  • To obtain SAFE approval, the clients should apply themselves  
  • Approval for direct investment tends to be relatively easy. Approval for financial investment is harder | • Not allowed  
  • Qualified Foreign Institutional Investors (QFIIs) can seek approval to buy CNY and repatriate sale proceeds from shares |
| **Deliverable forwards** | | |
| • Allowed for current account transactions, with supporting documents  
  • Some capital item hedging is permitted  
  • QDIIIs can invest USD overseas | • Not allowed |
## People’s Republic of China

<table>
<thead>
<tr>
<th>Non-deliverable forwards</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Not allowed</td>
<td>• Allowed: Reuters, Bloomberg</td>
</tr>
<tr>
<td>• Residents cannot access any offshore financial market without special approval</td>
<td>• Fixing page: SAEC, NDF</td>
</tr>
<tr>
<td></td>
<td>• Fixing time: 09:15 Beijing time</td>
</tr>
<tr>
<td></td>
<td>• Fixing date: Two business days</td>
</tr>
</tbody>
</table>

### Money markets

- CNY interbank lending up to one year, benchmarked against Shibor
- PBOC’s bills of three-month, six-month and one year
- Government bonds to 20 years, bank bonds, non-bank financial bonds, corporate bonds and CPs
- 33% tax on income from CNY financial bills, bonds and CPs. Government bonds are exempt on interest

- QFII investors may invest up to 20% of money raised in Chinese equities, and must have at least 80% invested in fixed income products

### Options

- Deliverable options are allowed. Corporate clients receive premium only
- Non-CNY options allowed

- Non-deliverable options are available

### Interest rate derivatives

- Allowed for local corporate hedging requirements with documentation

- Deliverable IRD are not allowed
- Non-deliverable swap market available up to five years and ND IRS up to five years against seven-day repo
People’s Republic of China

Important information
• In 2004, China allowed limited settlement of RMB in HK and Macau. On 19 July 2010, the RMB trade settlement scheme was expanded to allow designated business customers and individuals to open RMB accounts. Business loans are permitted in RMB and funds are transferable across accounts.
• The RMB trade settlement scheme allows any corporation (not directly involved in trade with China) and HK individuals to open RMB accounts in HK.
• RMB trade settlement is permitted for all trade and other current account transactions in CNY. In August 2011, this scheme was extended to all provinces across China.
• Cross-border flows of RMB into and out of the mainland must be in compliance with mainland requirements.
• All authorised institutions engaged in cross-border RMB trade settlement can participate in the interbank bond market in China through an agent.

Deliverable spot in HK
• Daily CNH spot volumes approximately USD 1 billion.
• Non-trade-related transactions allowed across accounts held in HK at the interbank CNH rate.
• Companies with trade transactions with Mainland Designated Enterprises must have all transactions done with an agent bank or the clearing bank in HK (Bank of China). Can access onshore spot rate.
• Individuals (HK residents only) have a daily limit for purchases at RMB20,000 per day.
• Expansion of trade settlement denominated in RMB remains the key channel by which RMB deposits can grow in HK.
• CNH started daily fixing at 11:00 HK time displayed on Reuters <CNHFIX=> at 11:15 on 27th June 2011.
• HKMA imposes a cap on net open position of 20% on banks, calculated as the ratio of NOP to the size of the balance sheet.

Deliverable forwards in HK
• RMB funds can be transferred between accounts with participating authorised institutions in HK for any purpose.
• Authorised institutions in HK can offer RMB investment products.
• Permitted conversions for personal and business accounts is up to RMB20,000 per day and RMB20,000 per day for bank notes.

CNY bonds in HK
• Offshore eligible banks and monetary authorities can invest in the interbank bond market for CNY-denominated bonds.
• Corporates, both financial and non-financial, can issue CNY-denominated bonds in HK.

Cross-currency swaps
• CNH CCS available up to three years, Bloomberg CGUSSW1.

Investments
• Banks in HK can take CNH deposits. There is a 25% cash reserve requirement on RMB deposits. On 17 January 2012, HKMA expanded the range of qualifying assets in the computation of reserves.

Funding
• Corporates are allowed to borrow CNH, but individuals are NOT allowed yet.

Deliverable spot in Russia
• In December 2010, PBOC permissioned the quoting of deliverable spot yuan vs ruble (‘CNR’/RUB) cross in coordination with the Central Bank of Russia.
• Quotations are available on MICEX (Moscow Interbank Currency Exchange).
• Volumes are currently tiny, USD 1-2 million daily only.
• Investors must open a ‘CNR’ nostro with a Chinese bank domiciled in Russia.
People’s Republic of China

Rating
S&P: AA- (stable); Moody’s: Aa3 (positive); Fitch: A+ (stable)

Debt
External bonds (sovereign & corporate): USD 32 billion
Domestic bonds (sovereign): USD 1,035 billion
Total: USD 1,067 billion

Bonds
External sovereign benchmark: CHINA 4.75% 10/2013

Derivatives
CDS

Liquidity
Average daily volume:
• Sovereign bonds: not active
• Sovereign CDS: active

Reference pages
http://www.info.gov.hk/hkma

ING Capabilities
• ING actively trades China CDS and facilitates in Sovereign bonds and select corporates

Contacts:
Lang Liew
EM Credit Trading, Singapore
T: +65 6232 6066

NY Hours
Charles Chua
EM Credit Trading, Singapore
T: +65 6232 6019
People’s Republic of China
Equities

Market Cap (Main Exchange)
Shanghai USD 2.357 trillion (RMB 14.837 trillion) (December 2011)
Shenzhen USD 1.054 trillion (RMB 6.638 trillion) (December 2011)

Turnover (Main Exchange)
Shanghai Equities: USD 304.83 billion (RMB 1.97 trillion)
Shenzhen Equities: USD 236.5 billion (RMB 1.52 trillion)

Listed Companies (Main Exchange)
Shanghai: 931 (all domestic) (December 2011)
Shenzhen: 1,411 (all domestic) (December 2011)

Exchange Traded Securities
SSE: A and B shares, funds, closed-end funds, treasury bonds, enterprise bonds and corporate bonds, bond REPO, ETFs, warrants. All these instruments are operated in a scripless environment. Both individual and institutional investors can invest in the Shanghai market. SZSE: A and B shares, funds, closed-end funds, treasury bonds, enterprise bonds and corporate bonds, bond REPO, ETFs, warrants

Settlement
T+0

Derivatives Exchange
China Financial Futures Exchange (CFFEX), Shanghai Futures Exchange, Zhenzhou Commodity Exchange & Dalian Commodity Exchange

ING Capabilities
• Securities Finance – CFD’s & Swaps available
• Derivatives – P Notes

Contacts:
Stephen Friend
Head of Global Equity Products
Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

Alain Flas
Head of Global Equity Products
Sales
T: +322 5571373
alain.flas@ing.be
**Currency restrictions**
None, it is a freely convertible and tradable currency

**Local market hours**
09:00-17:00 HK time (GMT+8)

**Day count**
Actual 365

**Important information**
- The Hong Kong Monetary Authority (HKMA) provides the regulatory framework
- On 23 May 2005, HKMA moved to a two-way band ‘Convertibility Zone’ on the HKD of 7.7500-7.8500
- The top side gradually moved from 7.8 to 7.85, completed on 20 June 2005
- The HKMA intervenes to maintain the spot exchange rate within the ‘Convertibility Zone’. Within the Convertibility Zone, the HKMA may choose to conduct market operations
- In 1983, Hong Kong adopted a currency board and Linked Exchange Rate System. It obliged the HKMA to buy HKD at the linked rate of HKD 7.8 per USD 1. However, there was no obligation to sell HKD
- Anticipation of intervention had the effect of dramatically lowering HIBOR rates (as USD are bought and large amounts of HKD liquidity are injected into the economy). Requests made out to five years

**Reference pages**
Hong Kong Monetary Authority:

**ING Capabilities**
- Full offering of FX spot, forwards, FX options, money market, bonds and interest rate derivatives
- ING in Singapore is an active player in the HKD markets out to ten years

**Contacts:**
**Jack Loh**
Head of Financial Markets
T: +852 2913 8198
**Spot**
- Daily turnover of approximately USD 10 billion
- Standard market size is USD 10 million
- Normal conditions: Bid/Ask spread of five pips (0.0005)
- Good liquidity with spot trading in the convertibility zone of 7.7500-7.8500
- Equity inflows and outflows directly effect the FX market and new issues affect liquidity and short-term interest rates. Another driver is the regulations on Chinese equity flows from the mainland.
- Spot fixing Reuters HKDFIX at 11:00 HK time

**Deliverable forwards**
- Available out to five years
- Liquid out to one year in standard ticket size of USD 50 million. Estimated daily turnover of USD 5 billion
- Normal conditions: Bid/Ask spread in 1-3 months of 5-10 pips (0.0005-0.0010)
- HKMA does monitor the HIBOR bills spread and have issued bills in the past to narrow any excessive widening in the spread
- Market players often buy USD/HKD (carry trade) to benefit from the interest rate differential to the USD given the semi-pegged nature of the currency

**Cross currency rate swaps (CRS)**
- Available up to ten years
- Standard ticket size of USD 30 million up to five years
- Basis swaps most commonly traded, three-month HIBOR against three-month LIBOR

**Interest rate swaps (IRS)**
- Available up to ten years
- Fixed against three-month HIBOR as shown on Reuters Page 9898
- Liquid market with standard ticket size of HKD 100-200 million out to five years

**FX options**
- Available up to five years
- Reasonable liquidity with estimated daily turnover of USD 1 billion and standard size of USD 50 million in 3-6 month tenors

**Bonds**
- Available up to 15 years
- Not a very active market
- Exchange fund (issued by HKMA) bills become active close to large initial public offerings
Hong Kong

**Rating**
S&P: AAA (stable); Moody’s: Aa1 (stable); Fitch: AA+ (stable)

**Debt**
External bonds (sovereign & corporate): USD 67.8 billion (mainly private)
Domestic bonds (sovereign): USD 80.6 billion
Total: USD 148.4 billion

**Bonds**
External sovereign benchmark: HK 5.125% 08/2014

**Derivatives**
CDS

**Liquidity**
Average daily volume:
- Sovereign bonds: not active
- Sovereign CDS: active

**Reference pages**
http://www.info.gov.hk/hkma

---

**ING Capabilities**
- ING trades HK CDS and select HK bank and corporate bonds

**Contacts:**
**Lang Liew**
EM Credit Trading, Singapore
T: +65 6232 6066

**NY Hours**
**Charles Chua**
EM Credit Trading, Singapore
T: +65 6232 6019
Hong Kong
Equities

Market Cap (Main Exchange)
USD 2.258 trillion (HKD 17.53 trillion)
(including GEM Board; December 2011)

Turnover (Main Exchange)
Equities: USD 120.38 billion (HKD 936.7 billion)
(Monthly average, year to December 2011)

Listed Companies (Main Exchange)
1496 (1,472 domestic, 24 foreign)
(Equities; December 2011)

Exchange Traded Securities
Equities, warrants (equity and derivatives), debt securities, unit trusts/mutual funds, exchange traded funds
(ETFs), pilot program stocks, iShares, equity linked instruments and callable bull and bear contracts, Hong
Kong depository receipt (HDR)

Settlement
T+2

Derivatives Exchange
Hong Kong Futures Exchange Limited (Owned by HKEx)

ING Capabilities
• Equity Execution – Care only
• Securities Finance – CFD’s & Swaps, Securities Lending & Repo available
• Derivatives – Single stock & Index

Contacts:
Stephen Friend
Head of Global Equity Products Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

Alain Flas
Head of Global Equity Products Sales
T: +322 5571373
alain.flas@ing.be
**Currency restrictions**
Yes
INR is not allowed to be transferred out of India
INR is not convertible on the capital account

**Local market hours**
09:00-17:00 Mumbai time (GMT+5:30)

**Day count**
Actual 365

**Important information**
There is no band or peg; the RBI monitors the exchange rate on a real effective basis and is very active in the market
RBI sets a daily ‘reference rate’ for the INR against the major currencies
Full current account convertibility from 1995

**Reference pages**
Ministry of Finance:
http://finmin.nic.in/index.html

Reserve Bank of India:
http://www.rbi.org.in

Securities and Exchange Board of India:
http://www.sebi.gov.in

**ING Capabilities**
- ING has a controlling interest in ING Vysya Bank and offers onshore capabilities through this subsidiary
- ING Vysya Bank is an active participant in spot, forwards, and interest rate derivatives onshore
- ING in Singapore is an active participant in NDF and NDS market up to two years

**Contact:**
Phani Shankar
Head of Financial Markets
T: +91 22 3309 5701
India
Onshore products

Spot
• Daily turnover of approximately USD 5 billion
• Standard market size is USD 5 million
• Normal conditions: Bid/Ask spread of one pips (0.01)
• Equity inflows and outflows dominate the market along with local oil company demands
• Foreign direct investment can be large for infrastructure and real estate
• The Reserve Bank (RBI) does intervene in the market through state owned banks
• Some corporate can execute arbitrages if they have an offshore vehicle
• Onshore banks have individual open overnight limit in USD dollars, limits were tightened in December 2011

Deliverable forwards
• Available out to ten years
• Good liquidity with standard ticket size of USD 20-50 million out to one year
• Normal conditions: Bid/Ask spread in 1-3 months of one pips (0.01)

Bonds
• Available from two up to 30 years
• Very liquid up to ten years with daily turnover of approximately INR 100-150 billion

Repos
• Available up to three months
• Very liquid market with most executions in 1-2 weeks tenors

FX options
• Available out to five years
• Daily turnover of approximately USD 50 million
• Clients may not receive net premium and barrier products are not allowed

Interest rate swaps (IRS)
• Available up to ten years
• Low liquidity
• Three-month MIFOR for one-year tenors, six-month MIFOR used for tenors beyond two years

Cross currency rate Swaps (CRS)
• Available up to ten years
• Good liquidity up to five years
• Floating rate: NSE MIBOR or six-month MIFOR

Overnight index swaps (OIS)
• Available up to ten years
• Good liquidity across all tenors with daily turnover estimated at INR 50 billion

CP
• Available up to 12 months
• Reasonable volumes

FRA
• Available but very illiquid
**India**

**Offshore products**

**Non-deliverable forwards (NDF)**
- Available out to 12 months
- Good liquidity with standard ticket size of USD 10 million out to one year, most active 1-3 months
- Estimated average daily volumes of USD 1.5 billion
- Normal conditions: Bid/Ask spread in 1-3 months of 3-5 pips (0.03 – 0.05)

**Non-deliverable interest rate swaps (NDIRS)**
- Available up to ten years
- NDIRS less liquid than the deliverable; rarely quoted

**Non-deliverable currency swaps (NDS)**
- Available up to five years
- Daily turnover estimates at USD 100 million per week
- Standard size of USD 5 million

**Non-deliverable overnight index swaps (NDOIS)**
- Available up to five years
- Reasonably liquid

**Non-deliverable FX options**
- Available out to five years
- Daily turnover of approximately USD 50 million
- Clients may not receive net premium and barrier products are not allowed
## India Regulations

<table>
<thead>
<tr>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Spot transactions</strong></td>
<td>• Can buy INR from licensed banks onshore with third party payments to onshore</td>
</tr>
<tr>
<td>• Allowed for current account transactions, with banks responsible for verifying documentation of underlying commercial activity</td>
<td>• Not allowed to sell INR without special approval</td>
</tr>
<tr>
<td>• Must execute with dealers registered with RBI</td>
<td>• Nonresidents can access onshore market via authorised banks to hedge trade exposure</td>
</tr>
<tr>
<td>• INR transactions must be settled in India</td>
<td></td>
</tr>
<tr>
<td><strong>Deliverable forwards</strong></td>
<td>• Not allowed</td>
</tr>
<tr>
<td>• Allowed to cover genuine FX exposures with supporting documents; some forecast hedging is permitted based on previous years' requirements. Limits were tightened in December 2011</td>
<td>• FII's registered in India can hedge after completing regulatory process</td>
</tr>
<tr>
<td>• From 15 December 2011, corporates and FII's cannot cancel and rebook forward contracts, FII's can still roll contracts</td>
<td></td>
</tr>
<tr>
<td>• Borrowing from offshore for non-current account transactions face regulatory controls</td>
<td></td>
</tr>
<tr>
<td>• From July 2011, non-residents can hedge INR-denominated trade transactions with onshore banks</td>
<td></td>
</tr>
<tr>
<td>• Net Overnight Open Position Limits (NOOPL) were reduced in December 2011; intraday position cannot exceed existing NOOPL</td>
<td></td>
</tr>
<tr>
<td><strong>Non-deliverable forwards</strong></td>
<td>• Allowed: Reuters, Bloomberg</td>
</tr>
<tr>
<td>• Not allowed</td>
<td>• Fixing page: RBIB, NDFF</td>
</tr>
<tr>
<td></td>
<td>• Fixing time: 11:45-12:15 (random five min sample period) and displayed at 12:30 Mumbai time</td>
</tr>
<tr>
<td></td>
<td>• Fixing date: two business days</td>
</tr>
<tr>
<td><strong>Money markets</strong></td>
<td><strong>Onshore</strong></td>
</tr>
<tr>
<td>-------------------</td>
<td>------------</td>
</tr>
<tr>
<td>• Notice: money borrowing and lending for maturities falling within the reporting fortnight</td>
<td>• FII have access to everything except for CP and CDs</td>
</tr>
<tr>
<td>• Term money up to one year</td>
<td>• FII can freely invest in equities (subject to investor sector wise ceilings) and they can invest in government bonds and corporate bonds within the limits defined</td>
</tr>
<tr>
<td>• Central government bills (T-Bills) of three to 12 months and bonds one to 30 years</td>
<td>• CP and CDs ranging from 15 to 364 days</td>
</tr>
<tr>
<td>• CP and CDs ranging from 15 to 364 days</td>
<td>• Corporate bonds up to ten years; some banks have been allowed to issue perpetual bonds</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Options</strong></th>
<th><strong>Onshore</strong></th>
<th><strong>Offshore</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Vanilla options are allowed for legitimate hedging</td>
<td>• FII registered in India can use deliverable options to hedge after completing the regulatory process</td>
<td></td>
</tr>
<tr>
<td>• Banks require a license from the RBI to run a book</td>
<td>• Same guidelines as forward hedges apply for corporates. Net receipt of premium is not allowed</td>
<td></td>
</tr>
<tr>
<td>• Same guidelines as forward hedges apply for corporates. Net receipt of premium is not allowed</td>
<td>• Non-deliverable options are available</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Interest rate derivatives</strong></th>
<th><strong>Onshore</strong></th>
<th><strong>Offshore</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Allowed</td>
<td>• Deliverable IRD are not allowed</td>
<td></td>
</tr>
<tr>
<td>• Tenors: one to five years</td>
<td>• Non-deliverable swap market available up to five years</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• FII are allowed to execute IRS onshore for hedging purposes with documentation</td>
<td></td>
</tr>
</tbody>
</table>
India

Rating
S&P: BBB- (stable); Moody’s: Baa3 (stable); Fitch: BBB- (stable)

Debt
External bonds (sovereign & corporate): USD 33.4 billion
Domestic bonds (sovereign): USD 454.4 billion
Total: USD 487.8 billion

Bonds
External sovereign benchmark: None (proxy SBIIN 4.5% 14)

Derivatives
No CDS

Liquidity
Average daily volume:
• Sovereign bonds: not active
• Sovereign CDS: not active (proxy SBI 5Y active not deliverable into the Sovs)

Reference pages
http://www.rbi.org.in/home.aspx

ING Capabilities
• ING actively trades in select Indian bank and corporate bonds and CDS

Contacts:
Lang Liew
EM Credit Trading, Singapore
T: +65 6232 6066

NY Hours
Charles Chua
EM Credit Trading, Singapore
T: +65 6232 6019
**Currency restrictions**
Yes, but freely floating currency
IDR is not allowed to be transferred out of Indonesia
Settlement of IDR is not permitted between non-resident counterparties

**Local market hours**
08:00-17:00 Jakarta time (GMT+7)

**Day count**
Actual 365 for Money market

**Important information**
- All foreign exchange transactions between onshore and offshore entities must be reported to the central bank (BI)
- Documentary proof is required for Rupiah transfers to non-residents over IDR 500 million
- Any parties to incoming or outgoing funds to/from Indonesia above USD 10,000 or equivalent must provide details of the purpose of the payment for reporting basis to the BI
- Generally, if offshore, one cannot borrow IDR or foreign currency from onshore banks, or obtain overdraft facilities
- On 19 January 2001, Bank Indonesia prohibited onshore banks from lending or transferring IDR to offshore accounts, effectively making IDR non-deliverable offshore
- Prior to this Indonesia had a crawling peg regime established in 1986 where the IDR was monitored to a basket of currencies

**Reference pages**
Bank of Indonesia:
http://www.bi.go.id

Ministry of Finance:
http://www.depkeu.go.id

**ING Capabilities**
- ING does not have a branch in Indonesia
- However, ING in Singapore is a participant in the NDF and interest rate markets up to five years and government bonds up to 20 years

**Contact:**
Roestia Budiningsih
Head of Financial Markets
T: +6221 2996 2388
Indonesia
Onshore products

**Spot**
- Daily turnover of approximately USD 600 to 800 million
- Standard market size is USD 2 million
- Normal conditions: Bid/Ask spread of 5 pips (5.00)
- Equity inflows and outflows dominate the market along with local oil company demands and fixed income flows

**Deliverable forwards**
- Available out to 12 months
- Fair liquidity out to six months in standard ticket size of USD 5 million
- Normal conditions: Bid/Ask spread in 1-3 months of 10 pips (10.00)

**Bonds**
- Available up to 30 years, Fixed-rate Government bonds
- Mainly trading on benchmarks. Short dated papers are less liquid.
- Settlement is T+2 to T+5
- Market is driven by capital inflows/outflows

**SBI**
- Nine and 12 month SBI and Rupiah deposit facilities (FASBI) for one to 14 days, six month holding period on SBI
- 30 days to 24 months negotiable certificates of deposits (NCDs) with fixed rate

**FX options**
- Available out to one year but remain illiquid

**Interest rate swaps (IRS)**
- Available up to five years
- Documentation required
- Liquidity is very low
- Reference JIBOR. Bloomberg JIN3M Index; Reuters JIBOR

**Cross currency rate swaps (CRS)**
- Available up to five years
- Documentation required
- Liquidity is very low
Non-deliverable forwards
- Available out to 12 months
- Fair liquidity out to six months in standard ticket size of USD 5 million
- Normal conditions: Bid/Ask spread in 1-6 months of 10-20 pips (10.00 – 20.00)
- Market is active in the one-month tenor with average daily turnover of USD 300-800 million but less liquid in the longer dates

Non-deliverable options
- Available out to one year but longer tenors have been done in the market
- Illiquid market

Non-deliverable interest rate swaps (NDIRS)
- Limited availability

Non-deliverable currency swaps (NDS)
- Available up to five years
- Liquidity is very low
<table>
<thead>
<tr>
<th></th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Spot transactions</strong></td>
<td>• Allowed, no documentation required</td>
<td>• All transactions must be executed with banks registered in Indonesia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Can buy or sell IDR with proof of underlying activity e.g., dividends, IDR securities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Can buy IDR to pay a resident or to fund an account. Trades are usually covered with the correspondent bank</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Can sell IDR funds in your own onshore account with your correspondent bank</td>
</tr>
<tr>
<td><strong>Deliverable forwards</strong></td>
<td>• Allowed, no documentation required</td>
<td>• All transactions must be executed with banks registered in Indonesia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Forwards only permitted up to USD 1 million per counterparty without documentation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Can sell IDR forward with documentation of economic activity</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Can hedge assets with a minimum maturity of three months with documentation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Fines will be imposed for the disposal of hedged assets with a holding period below three months</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• As of 14 July 2005, SBIs are no longer considered an asset for hedging purposes</td>
</tr>
<tr>
<td><strong>Non-deliverable forwards</strong></td>
<td>• Not allowed</td>
<td>• Allowed: Reuters, Bloomberg</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Fixing page: ABSIRFIX01, NDFF</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Fixing time: 11:00 Singapore time</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Fixing date: two business days (apply Singapore and Indonesian holidays)</td>
</tr>
</tbody>
</table>
### Indonesia Regulations (cont’d)

<table>
<thead>
<tr>
<th></th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Money markets</strong></td>
<td>• Allowed</td>
<td>• Not allowed without specific BI approval</td>
</tr>
<tr>
<td><strong>Options</strong></td>
<td>• Allowed</td>
<td>• Deliverable options not allowed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Non-deliverable options are available</td>
</tr>
</tbody>
</table>
| **Interest rate derivatives**  | • Vanilla IRS and CCS are allowed but documenta-
|                                |     tion is required to sell or buy foreign currency
|                                |     against Rupiah                             | • Not allowed without specific BI approval         |
Rating
S&P: BB+ (positive); Moody’s: Baa3 (stable); Fitch: BBB- (stable)

Debt
External bonds (sovereign & corporate): USD 40.5 billion
Domestic bonds (sovereign): USD 70.1 billion
Total: USD 110.6 billion

Bonds
External sovereign benchmark: INDON 5.25% 01/2042

Derivatives
CDS

Liquidity
Average daily volume:
- Sovereign bonds: USD 20-30 million
- Sovereign CDS: active

Reference pages
http://www.bi.go.id/web/id/
Currency restrictions
Yes
MYR must be settled in Malaysia and executed with licensed onshore banks

Local market hours
08:00-17:00 Kuala Lumpur time (GMT+8)

Day count
Actual 365

Important information
• The MYR operates in a managed float. The USD peg was removed on 22 July 2005 and FX regulations are now considerably looser
• Bank Negara Malaysia monitors the exchange rate against a currency basket
• All MYR physical transactions must be executed through authorised dealers onshore
• On 18 August 2010, BNM further liberalised FX administration rules allowing settlement of MYR for international trade between residents and non-residents
• On 31 January 2012, BNM relaxed rules on FX trading, availability of IRD to non-residents and availability of cross-currency swaps to residents

Reference pages
Bank Negara Malaysia:
http://www.bnm.gov.my

Securities Commission:
http://www.sc.com.my

World Bank Malaysia:
www.worldbank.org/my

ING Capabilities
• ING does not have a branch in Malaysia
• However, ING in Singapore is an active participant in the NDF market up to 12 months and NDIRS up to five years
• ING in Singapore trades MYR government bonds (MGS) and treasury bills

Contact:
Mark Newman
Head of Financial Markets
T: +65 6232 6068
Onshore products

**Spot**
- Daily turnover of approximately USD 1.2 billion
- Standard market size is USD 3-5 million
- Normal conditions: Bid/Ask spread of 20-30 pips (0.0020-0.0030)

**Deliverable forwards**
- Available out to 12 months
- Good liquidity out to six months in standard ticket size of USD 20-50 million
- Tenors past six months are less frequently traded
- Normal conditions: Bid/Ask spread in 1-6 months of 5-20 pips (0.0005-0.0020)

**Bonds/money markets**
- Available up to 20 years
- Liquid up to ten years with the majority of execution in three and five years
- Average daily volumes of MYR 1 billion
- Short-term government debt with available with maturities of three, six and 12 months

**Repos**
- Available up to six months
- Very few interbank trades with the majority of trades with the central bank

**FX options**
- Available out to one year
- Average ticket size of USD 20 million with the majority of liquidity in the one month

**Interest rate swaps (IRS)**
- Available up to ten years
- Interest rate options available
- Daily turnover estimated at MYR 500 million
- Floating mechanism is three-month KLIBOR shown on Reuters at 11:00 KL time

**Cross currency rate swaps (CRS)**
- Available up to five years
- Daily turnover estimated at MYR 200 million
Non-deliverable forwards
- Available out to two years
- Liquid out to 12 months in standard ticket size of USD 5-10 million
- Normal conditions: Bid/Ask spread in 1-6 months of 20-30 pips (20.00-30.00)
- Daily volume is approximately USD 1.5 billion

Non-deliverable options
- Available out to one year
- Average ticket size is USD 20 million and the majority of trades are in the one month tenor

Non-deliverable interest rate swaps (NDIRS)
- Available up to ten years
- Fair liquidity with average daily volumes of MYR 1 billion

Non-deliverable currency swaps (NDS)
- Available up to five years
- Liquidity is very low but improving
# Malaysia Regulations

<table>
<thead>
<tr>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Spot transactions</strong></td>
<td>• All transactions must be executed with authorised banks registered in Malaysia</td>
</tr>
<tr>
<td>• Allowed, through authorised dealers in Malaysia, only for current account and permitted financial account transactions</td>
<td>• Non-residents can open MYR accounts with correspondent banks in Malaysia and buy and sell MYR on a deliverable basis for the settlement of international trade</td>
</tr>
<tr>
<td>• As of 31 January 2012 residents are permitted to trade foreign currency crosses with licensed onshore banks – MYR crosses not allowed</td>
<td></td>
</tr>
<tr>
<td><strong>Deliverable forwards</strong></td>
<td>• All transactions must be executed with authorised banks registered in Malaysia or the overseas branch of a licensed onshore bank</td>
</tr>
<tr>
<td>• Allowed, through authorised dealers in Malaysia, only for:</td>
<td>• FX trades allowed to facilitate the settlement of goods and services with residents and Ringgit assets with residents and non-residents</td>
</tr>
<tr>
<td>1) Committed and anticipated current account transactions</td>
<td>• Restrictions on third party payments apply</td>
</tr>
<tr>
<td>2) Committed financial account transactions (subject to investment rules)</td>
<td></td>
</tr>
<tr>
<td>3) Hedging foreign currency exposures of permitted investments in foreign currency assets, other than foreign currency deposits</td>
<td></td>
</tr>
<tr>
<td><strong>Non-deliverable forwards</strong></td>
<td>• Allowed: Reuters, Bloomberg</td>
</tr>
<tr>
<td>• Not allowed</td>
<td>• Fixing page: ABSIRFIX01, NDFF</td>
</tr>
<tr>
<td></td>
<td>• Fixing time: 11:00 Singapore time</td>
</tr>
<tr>
<td></td>
<td>• Fixing date: two business days (apply Singapore and Malaysian holidays)</td>
</tr>
<tr>
<td><strong>Money markets</strong></td>
<td>• All instruments available to residents are also available to non-residents</td>
</tr>
<tr>
<td>• Short-term government debt available with maturities of three, six and 12 months</td>
<td></td>
</tr>
<tr>
<td>• Corporate bonds from two to 20 years</td>
<td></td>
</tr>
</tbody>
</table>
## Malaysia Regulations (cont’d)

<table>
<thead>
<tr>
<th>Options</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Allowed to manage their foreign exchange risk</td>
<td>- Deliverable options not allowed</td>
</tr>
</tbody>
</table>

### Interest rate derivatives

<table>
<thead>
<tr>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Banks require expanded derivatives licenses to quote derivatives</td>
<td>- Offshore entities can hedge their interest rate and FX risk arising from investments in multilateral development banks (MDB) or multi-national corporation (MNC) bonds</td>
</tr>
<tr>
<td>- Allowed for underlying transactions</td>
<td>- Non-deliverable interest rate swaps can be executed out to ten years</td>
</tr>
<tr>
<td>- From January 2012, residents can convert existing ringgit or foreign currency debt obligations into another foreign currency</td>
<td>- From January 2012, licensed onshore banks can offer interest rate derivatives to non-resident non-bank customers</td>
</tr>
</tbody>
</table>
Malaysia

**Rating**
S&P: A- (stable); Moody's: A3 (stable); Fitch: A- (stable)

**Debt**
External bonds (sovereign & corporate): USD 22.1 billion
Domestic bonds (sovereign): USD 104.2 billion
Total: USD 126.3 billion

**Bonds**
External sovereign benchmark: MALAYS 4.646% 07/2021

**Derivatives**
CDS

**Liquidity**
Average daily volume:
- Sovereign bonds: USD 10-15 million
- Sovereign CDS: active

**Reference pages**
http://www.bnm.gov.my

**ING Capabilities**
- ING actively trades Malaysia CDS and sovereign bonds including select quasi, bank and corporate bonds

**Contacts:**
**Lang Liew**
EM Credit Trading, Singapore
T: +65 6232 6066

**NY Hours**
**Charles Chua**
EM Credit Trading, Singapore
T: +65 6232 6019
Currency restrictions
Yes

Local market hours
09:00-12:00, 14:30-16:00 Manila time (GMT+8)

Day count
Actual 360

Important information
• Purchases of PHP are unrestricted
• Sales of PHP are regulated
• 35 banks are members of the Philippine Dealing System (PDS) forming the official market
• Official market prices on Reuters PDSPESO
• Spot transactions are Trade date +1

Reference pages
Bangko Sentral ng Pilipinas:
http://www.bsp.gov.ph

Bureau of the Treasury, Department of Finance:
http://www.treasury.gov.ph

World Bank Philippines:
http://www.worldbank.org/ph

ING Capabilities
• ING Manila Branch is an active participant in the local markets
• ING in Singapore is an active participant in the NDF market up to five years and ND IRS to five years

Contact:
Johnson Sia
Head of Financial Markets
T: +632 479 8840
**Onshore products**

**Spot**
- Daily turnover of approximately USD 1 billion
- Standard market size is USD 1-2 million
- Normal conditions: Bid/Ask spread of three pips (0.03)
- Spot settlement T+1
- Overseas foreign workers remittances average USD 1.75 billion per month and are a dominant feature. Strong demand from oil companies is also sizeable as the country heavily relies on crude imports
- Official market prices on Reuters PDSPESO and Bloomberg BAPH1
- New BPO sector, aside from IPO inflows, is now a major sector in hard currency inflows, contributing USD 0.9 billion per month

**Deliverable forwards**
- Available out to 12 months
- Fair liquidity out to three months in standard ticket size of USD 10-20 million
- Estimated daily turnover of USD 300 million
- Normal conditions: Bid/Ask spread in 1-3 months is 1.5-3 pips (0.015 – 0.03)

**Bonds/money markets**
- Most liquid bonds are so-called jumbo bonds arising from government bond exchanges
- T-bills for 91, 182 and 364 days
- Fixed-rate Treasuries for 2, 3, 4, 5, 7, 10, 15, 20 and 25 years
- Bills with one year tenor or less are often illiquid as local banks long liquidity warehouse the short-dated bills
- Bonds with maturity greater than ten years are also illiquid due to small issue sizes, and insurance companies often keep them in their books on a buy-to-hold basis
- PDSMENU in Reuters for the rate-setting benchmarks for Peso bills/bonds at 11:15 and 16:15

**FX options**
- Available out to one year
- Very illiquid, with no broker or interbank market
- Client-driven transactions

**Interest rate swaps (IRS)**
- Available up to ten years
- Interbank mainly trades up to seven years
- Very illiquid
- Normal conditions: Bid/Ask spread of 40-60bp in the five year
- Standard market size of only USD 1 million and average weekly volume of USD 3-5 million equivalent
- Deals are client-driven
- PHIREF in Reuters for the Philippine reference fixing rate of interest rate swaps set at 11:15 Manila time or Bloomberg PDEX1

**Cross currency rate swaps (CRS)**
- Available up to five years
- Client-driven trades only

- Phibor is the interbank offered rate implied by USDPHP FX forwards, calculated by averaging interest rate offers reported by 20 participating banks. Phibor fixing 11:15 Reuters <Phibor=>
- RTB jumbo issuances now available
- Average daily volume of bonds in PDEX interbank is USD 350 million. Includes QIB mapped trades

**FX options**
- Available out to one year
- Very illiquid, with no broker or interbank market
- Client-driven transactions

**Interest rate swaps (IRS)**
- Available up to ten years
- Interbank mainly trades up to seven years
- Very illiquid
- Normal conditions: Bid/Ask spread of 40-60bp in the five year
- Standard market size of only USD 1 million and average weekly volume of USD 3-5 million equivalent
- Deals are client-driven
- PHIREF in Reuters for the Philippine reference fixing rate of interest rate swaps set at 11:15 Manila time or Bloomberg PDEX1

**Cross currency rate swaps (CRS)**
- Available up to five years
- Client-driven trades only
Non-deliverable forwards
- Available out to 12 months
- Daily turnover of approximately USD 500 million
- Standard size of USD 5 million in one month
- Normal market: Bid/Ask spread in one month of 3-5 pips (0.03 – 0.05)
- Majority of liquidity remains during Asian time zone up to six months

Non-deliverable options
- Available out to one year
- Illiquid market
- Average ticket size is USD 10 million

Non-deliverable interest rate swaps (NDRS)
- Available up to ten years
- Illiquid market
- Standard market size of USD 5 million

Non-deliverable currency swaps (NDS)
- Available up to five years
- Liquidity is very low
## Philippines Regulations

### Onshore

<table>
<thead>
<tr>
<th>Spot transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Allowed to purchase PHP</td>
</tr>
<tr>
<td>• Can buy foreign currency with commercial trade documentation which must be presented on settlement date</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deliverable forwards</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Allowed to purchase PHP</td>
</tr>
<tr>
<td>• Can buy foreign currency with commercial trade documentation supporting the future obligation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-deliverable forwards</th>
</tr>
</thead>
<tbody>
<tr>
<td>• A non-deliverable forward market exists onshore in the Philippines, but settlement occurs in PHP and regulations apply as for deliverable forwards</td>
</tr>
<tr>
<td>• NDFs settled in USD are not allowed</td>
</tr>
<tr>
<td>• Market risk weight of NDFs raised to 15% from 10% for banks with effect from January 2012</td>
</tr>
</tbody>
</table>

### Offshore

<table>
<thead>
<tr>
<th>Spot transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Allowed to purchase PHP</td>
</tr>
<tr>
<td>• All purchases of foreign currency, including for repatriation requires investors to obtain a BSP Registration Document (BSRD). Approval can be obtained by presenting:</td>
</tr>
<tr>
<td>• A certificate of conversion</td>
</tr>
<tr>
<td>• A certificate of inward remittance</td>
</tr>
<tr>
<td>• Proof of investment</td>
</tr>
<tr>
<td>• Holding period of 90 days for remittances of funds placed in Peso deposits</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deliverable forwards</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Allowed to purchase PHP</td>
</tr>
<tr>
<td>• Can sell PHP forward to hedge initial capital investment after supplying documentation</td>
</tr>
<tr>
<td>• Declared dividends hedging requires BSP approval</td>
</tr>
<tr>
<td>• Cannot hedge anticipated capital gains or interest</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-deliverable forwards</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Allowed: Reuters, Bloomberg</td>
</tr>
<tr>
<td>• Fixing page: PHPESO, NDFF</td>
</tr>
<tr>
<td>• Fixing time: 11:30 Manila time AM WT AVE</td>
</tr>
<tr>
<td>• Fixing date: one business day</td>
</tr>
</tbody>
</table>
### Philippines Regulations (cont’d)

<table>
<thead>
<tr>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Money markets</strong></td>
<td></td>
</tr>
<tr>
<td>• Foreign currency deposits are allowed</td>
<td>• All instruments available to residents are also available to non-residents except zero-coupon notes</td>
</tr>
<tr>
<td>• 20% final tax on most products</td>
<td>• A withholding tax of 20% is levied on interest at source</td>
</tr>
<tr>
<td></td>
<td>• Capital gains taxes (stock, reinvestment of coupons, etc) of between 5% and 10%</td>
</tr>
<tr>
<td></td>
<td>• Government securities exempt from capital gains tax</td>
</tr>
<tr>
<td><strong>Options</strong></td>
<td></td>
</tr>
<tr>
<td>• Allowed</td>
<td>• Deliverable options not allowed</td>
</tr>
<tr>
<td>• Documentation is required for settlement of PHP trades</td>
<td>• Non-deliverable options are available</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Interest rate derivatives</strong></td>
<td></td>
</tr>
<tr>
<td>• Banks require an expanded derivatives license to quote</td>
<td>• Deliverable IRD require specific BSP approval linked to an underlying commercial requirement</td>
</tr>
<tr>
<td>• Must have underlying requirement</td>
<td>• Non-deliverable swaps are available</td>
</tr>
</tbody>
</table>
Philippines

Rating
S&P: BB (positive); Moody’s: Ba2 (stable); Fitch: BB+ (stable)

Debt
External bonds (sovereign & corporate): USD 33.4 billion
Domestic bonds (sovereign): USD 63.5 billion
Total: USD 96.9 billion

Bonds
External sovereign benchmark: PHILIP 5% 01/2037

Derivatives
CDS and bond options

Liquidity
Average daily volume:
• Sovereign bonds: USD 30-50 million
• Sovereign CDS: active

Reference pages
http://www.bsp.gov.ph

ING Capabilities
• ING actively trades Philippine Sovereign bonds (and CDS) in USD & Euros as well as banks and corporates

Contacts:
Lang Liew
EM Credit Trading, Singapore
T: +65 6232 6066

NY Hours
Charles Chua
EM Credit Trading, Singapore
T: +65 6232 6019
**Currency restrictions**
Restrictions on SGD funding to financial institutions only

**Local market hours**
08:00 to 17:00 Singapore Time (GMT+7)

**Day count**
Actual 365

**Important information**
- The Monetary Authority of Singapore (MAS) manages the currency under an undisclosed trading band based on a basket of various trading partners’ currencies
- Intervention may occur to stem excess volatility
- Corporates can trade unrestricted in all markets for SGD
- The MAS restricts SGD funding to offshore financial institutions
- Regulations are levied based on MAS definition of residents and non-resident financial institutions (NRFI)

**Reference pages**
Monetary Authority of Singapore:
http://www.mas.gov.sg

**ING Capabilities**
- Full offering of FX spot, forwards and interest rate derivatives
- ING in Singapore is an active player in the SGD markets
- ING’s FX operation in Singapore deals in the name of ING Bank NV Amsterdam, but is classified as a resident for regulatory purposes and thus subject to lending restrictions to NRFI

**Contact:**
**Mark Newman**
Head of Financial Markets
T: +65 6232 6068
Spot
• Daily turnover of approximately USD 2-3 billion
• Standard market size is USD 2-5 million
• Normal conditions: Bid/Ask spread of three pips (0.0003)
• Dominant factor is the estimated level of the NEER (basket of currencies based on major trading partners)
• MAS policy uses SGD appreciation to control inflation

Deliverable forwards
• Available out to 12 months or ten years via cross currency swaps
• Liquid out to one year in standard ticket size of USD 20 million
• Estimated daily turnover of USD 400 million excluding daily cash funding requirements
• Normal conditions Bid/Ask Spread in 1-3 months of 1-3 pips (0.0001-0.0003)

FX options
• Available out to five years

Bonds/money markets
• Available up to 20 years for Singapore Government Securities, 15 years for corporate securities
• Primary dealers are required to make two way prices for all issues under all market conditions
• Repos available up to six months but few interbank deals as most trades are squaring cash flows
• Reserve repos to borrow specific issues are rare
• SIBOR is the Singapore Interbank offer rate, but for loans banks must incorporate reserve requirements so the Swap Offer rate SOR is created

Interest rate swaps (IRS)
• Available up to 20 years
• Good liquidity out to ten years
• Standard ticket size of SGD 10-50 million
• Floating rate mechanism is six months Swap offer rate (SOR) on Reuters ABSIRFIX01
• Issuance of government securities and market demand for these securities impacts the direction of interest rates

Cross currency rate swaps (CRS)
• Available up to 15 years
• Market is not very liquid
• Basis swaps has moderate liquidity up to ten years
<table>
<thead>
<tr>
<th></th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Spot transactions</strong></td>
<td>• Allowed</td>
<td>• Allowed</td>
</tr>
<tr>
<td><strong>Deliverable forwards</strong></td>
<td>• Allowed</td>
<td>• Outright forwards are unrestricted</td>
</tr>
<tr>
<td></td>
<td>• Resident financial institutions cannot provide SGD credit exceeding SGD 5 million to non-resident financial institutions (NRFI). This is a total amount outstanding across all branches</td>
<td>• Non-resident financial institutions cannot buy/sell SGD from/to residents</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Due to residents funding restrictions, an offshore SGD swap market exists. The market is closely linked to onshore</td>
</tr>
<tr>
<td><strong>Money markets</strong></td>
<td>• Bank provided negotiable certificates of deposits</td>
<td>• All instruments available to residents are also available to non-residents</td>
</tr>
<tr>
<td></td>
<td>• T-bills for 91 and 364 days</td>
<td>• Foreigners can issue in SGD, but non-resident financial institutions must swap the entire issue to a foreign currency</td>
</tr>
<tr>
<td></td>
<td>• MAS bills for 28 and 56 days</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Variable rate notes which have a coupon linked to a reference index available in various tenors</td>
<td></td>
</tr>
<tr>
<td><strong>Options</strong></td>
<td>• Allowed</td>
<td>• Allowed</td>
</tr>
<tr>
<td><strong>Interest rate derivatives</strong></td>
<td>• Interest Rate Swap and Cross Currency Swaps • Tenors: one to 15 years • Liquidity: good out to ten years • Floating rate: six-month SOR on Reuters ABSIR-FIX01</td>
<td>• Allowed</td>
</tr>
</tbody>
</table>
Rating
S&P: AAA (stable); Moody's: Aaa (stable); Fitch: AAA (stable)

Debt
External bonds (sovereign & corporate): USD 28.4 billion
Domestic bonds (sovereign): USD 89.1 billion
Total: USD 117.5 billion

Bonds
External sovereign benchmark: None (proxy TEMASE 4.3% 10/2019)

Derivatives
No CDS

Liquidity
Average daily volume:
  • Sovereign bonds: not active
  • Sovereign CDS: not active (proxy TEMASEK 5Y active but not deliverable into the Sovs)

Reference pages
http://www.mas.gov.sg

ING Capabilities
• ING actively trades in select Singapore bank & corporate bonds and CDS

Contacts:
Lang Liew
EM Credit Trading, Singapore
T: +65 6232 6066

NY Hours
Charles Chua
EM Credit Trading, Singapore
T: +65 6232 6019
Market Cap (Main Exchange)
USD 598.27 billion (SGD 775.78 billion)
(Domestic equity, excluding investment funds; December 2011)

Turnover (Main Exchange)
Equity: USD 23.76 billion (SGD 29.68 billion)
.Monthly average, year to December 2011

Listed Companies (Main Exchange)
773 (462 domestic plus 311 foreign)
(Equity; Main board & Catalist; December 2011)

Exchange Traded Securities
Securities traded on SGX: equities, corporate bonds, debentures, loan stocks, business trusts, exchange traded funds (ETFs), global depository receipts (GDRs), American depository receipts (ADR), infrastructure funds, real estate investment trusts (REIT), warrants, and extended settlement (ES) contract

Settlement
T+3

Derivatives Exchange
Singapore Exchange Derivatives Trading Limited (SGX-DT)
Singapore Mercantile Exchange (SMX)

ING Capabilities
• Equity Execution – Care only
• Securities Finance – CFD’s & Swaps, Securities Lending & Repo available
• Derivatives – Single stock & Index

Contacts:
Stephen Friend
Head of Global Equity Products Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

Alain Flas
Head of Global Equity Products Sales
T: +32 2 557 1373
alain.flas@ing.be
Currency restrictions  
Yes

Local market hours  
09:00-15:00 Seoul time (GMT+9)

Day count  
Actual 365

Important information  
• Floating exchange rate  
• All KRW physical transactions must be executed with authorised banks onshore  
• Market Average Rate (MAR) is the weighted average of onshore spot transactions. It is know at the end of each trading day but is officially displayed as a ‘fixing’ one business day before settlement on Reuters Page KFTC18

Reference pages  
Bank of Korea:  
http://www.bok.org.kr

Ministry of Strategy and Finance:  
http://www.mosf.go.kr

Bank of Korea:  
http://www.bok.or.kr

Korea Futures Exchange:  
http://eeng.krx.co.kr/

ING Capabilities  
• ING Seoul Branch is an active participant in the local markets  
• ING in Singapore is an active participant in the NDF market up to ten years

Contact:  
Jonghoon Hyun  
Head of Financial Markets  
T: +822 317 1828
South Korea
Onshore products

Spot
- Daily turnover of approximately USD 9-11 billion
- Standard market size is USD 5-10 million
- Normal conditions: Bid/Ask spread of 10-20 pips (0.10-0.20)
- Dominated by importers and exporters and foreign net equity investments

Deliverable forwards
- Available out to ten years
- Very liquid out to one year in standard ticket size of USD 10-50 million
- Daily Volumes of USD 12-14 billion
- Normal conditions: Bid/Ask spread in one months of 20 pips (0.20)

FX options
- Available out to five years
- Majority of trades are less than 12 months.

Bonds/money market
- Commercial paper, NCDs and financial debentures are available up to one year
- Government bonds from one to 20 years
- Corporate debt is mainly one to ten year tenors
- Daily volumes : Bonds USD 25 billion and Money Market USD 40 billion

Interest rate swaps (IRS)
- Available up to 20 years
- Good liquidity out to ten years
- Floating rate: three-month CD on Bloomberg KWCDC Curncy or KSDA4

Cross currency rate swaps (CRS)
- Available up to ten years
- Standard ticket size of USD 10-50 million up to five years

Interest rate options
- Available up to ten years
- Less liquid market
South Korea
Offshore products

Non-deliverable forwards
• Available out to ten years
• Daily turnover of approximately USD 1-2 billion
• Standard size of USD 10 million in one month
• Very good flows during Asian hours supporting large size transactions
• Normal conditions: Bid/Ask spread 1-3 months of 20-50 pips (0.20-0.50)
• Linked closely to the deliverable market as onshore banks can quote NDFs

Non-deliverable options
• Available up to five years
• Very liquid with standard market size transactions of USD 20-50 million up to one year

Offshore/Non-deliverable interest rate swaps (NDIRS)
• Available up to ten years
• Market is active but less liquid than the deliverable market
• Dominated by speculators and hedge funds

Offshore/Non-deliverable currency swaps (NDS)
• Possible up to ten years
<table>
<thead>
<tr>
<th>Spot transactions</th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowed, provided linked to an actual requirement</td>
<td>Allowed to buy KRW, provided linked to actual investment. Best executed through correspondent bank</td>
<td>Sale proceeds from investment in securities can be repatriated</td>
</tr>
<tr>
<td></td>
<td></td>
<td>KRW from the sale of actual investment can be sold after the FX bank receives MOFE approval</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other proceeds can be remitted except for accrued interest. The central bank must be notified of such sales</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Foreigners can open up a non-resident free Won account</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Settlement and reporting requirements strongly support transactions being executed with the custodian bank</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deliverable forwards</th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowed with documentation to support underlying commercial activity on settlement date</td>
<td>Not allowed</td>
<td>Exceptions can be made up two day days forward if linked to a securities trade</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Investors can access the forward market to hedge through their custodian bank after confirming the existence of the investment</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-deliverable forwards</th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowed</td>
<td>Allowed: Reuters, Bloomberg</td>
<td>Fixing page: KFTC18, NDFF</td>
</tr>
<tr>
<td>Restrictions have been placed in the past when the currency came under pressure</td>
<td>Valuation: MAR</td>
<td>Valuation date: two business days</td>
</tr>
<tr>
<td>Money markets</td>
<td>Onshore</td>
<td>Offshore</td>
</tr>
<tr>
<td>---------------</td>
<td>---------</td>
<td>----------</td>
</tr>
<tr>
<td></td>
<td>• Resident corporate investors can hold foreign accounts, however they face restrictions on the movement of funds from Korea to such accounts</td>
<td>• All instruments available to residents are also available to non-residents</td>
</tr>
<tr>
<td></td>
<td>• Foreign-owned companies incorporated in Korea are required to report to the authorities any foreign long-term loan agreements concluded with a parent or affiliate company</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Options</th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Allowed</td>
<td>• Allowed to trade though future/securities companies registered as KOFEX members</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Non-deliverable options are available</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interest rate derivatives</th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Foreign-owned resident companies require approval to terminate or close out derivative transactions or enter certain credit derivatives</td>
<td>• Deliverable IRD are not allowed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• A liquid NDS market is available out to ten years</td>
</tr>
</tbody>
</table>
Rating
S&P: A (stable); Moody’s: A1 (stable); Fitch: A+ (positive)

Debt
External bonds (sovereign & corporate): USD 111.9 billion
Domestic bonds (sovereign): USD 384.7 billion
Total: USD 496.6 billion

Bonds
External sovereign benchmark: KOREA 7.125% 04/2019

Derivatives
CDS

Liquidity
Average daily volume:
• Sovereign bonds: USD 20-25 million
• Sovereign CDS: active

Reference pages
http://eng.bok.or.kr

ING Capabilities
• ING actively trades Korea Sovereign bonds (and CDS) in USD & Euros as well as select banks & corporates

Contacts:
Lang Liew
EM Credit Trading, Singapore
T: +65 6232 6066

NY Hours
Charles Chua
EM Credit Trading, Singapore
T: +65 6232 6019
South Korea
Equities

Market Cap (Main Exchange)
USD 996.139 billion (KRW 1.147 quadrillion)
(Domestic equities, excluding investment funds; KRX group figures, including KOSDAQ; December 2011)

Turnover (Main Exchange)
Equities: USD 169.09 billion (KRW 186.35 trillion) (includes investment funds)
(KRX group figures, including KOSDAQ; monthly average, year to December 2011)

Listed Companies (Main Exchange)
1,803 (1,784 domestic and 19 foreign)
(Equities; KRX group figures, including KOSDAQ; October 2011)

Exchange Traded Securities
Stocks and rights, government and corporate bonds, warrants and certificates of warrants, exchange traded funds (ETFs, including overseas ETFs) and listed derivatives (options & futures on stock indices, equities, interest rate, currencies and commodities), equity-linked warrants (ELWs) and depository receipts (DRs)

Settlement
T+3

Derivatives Exchange
KRX Derivatives Market

ING Capabilities
• Equity Execution – Care only
• Securities Finance – CFD’s & Swaps, Securities Lending & Repo available
• Derivatives – Single stock & Index

Contacts:
Stephen Friend
Head of Global Equity Products Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

Alain Flas
Head of Global Equity Products Sales
T: +322 5571373
alain.flas@ing.be
**Sri Lanka**

**Rating**
S&P: B+ (positive); Moody’s: B1 (positive); Fitch: BB- (stable)

**Debt**
External bonds (sovereign & corporate): USD 3.9 billion
Domestic bonds (sovereign): USD 12.1 billion
Total: USD 16 billion

**Bonds**
External benchmark: SRILAN 6.25% 07/2021

**Derivatives**
CDS

**Liquidity**
Average daily volume:
- Sovereign bonds: USD 5-10 million
- Sovereign CDS: illiquid (no proxy)

**Reference pages**

**ING Capabilities**
- ING actively trades Sri Lanka Sovereign bonds

**Contacts:**
**Lang Liew**
EM Credit Trading, Singapore
T: +65 6232 6066

**NY Hours**
**Charles Chua**
EM Credit Trading, Singapore
T: +65 6232 6019
**Currency restrictions**
Yes

**Local market hours**
09:00-12:00, 14:00-16:00 Taipei Time (GMT+9)

**Day count**
Actual 365

**Important information**
- Classified as a managed floating exchange rate
- TWD must remain onshore; it is non-deliverable offshore
- The TWD is a tightly regulated market. Documentary proof is required for all transactions and can be meticulously controlled
- Spot market shown on Reuters page TAIFX1 or COSMOS1

**Reference pages**
Central Bank of China:
http://www.cbc.gov.tw

Stock Exchange Commission:
http://www.tse.com.tw

**ING Capabilities**
- ING Taipei Branch is an active participant in the local markets
- ING in Singapore is an active participant in the NDF market up to five years

**Contact:**
Philip Chiu
Head of Financial Markets
T: +886 8729 7659
Taiwan
Onshore products

**Spot**
- Daily turnover of approximately USD 1 billion
- Standard market size is USD 5 million
- Normal conditions: Bid/Ask spread of 15 pips (0.015)
- Spot market is limited to commercial flows and net foreign equity flows are monitored for their impact on the FX market directly
- The Central Bank of China (CBC) is very active in the spot market, intervening daily

**Deliverable forwards**
- Available out to ten years
- Very liquid out to one year in standard ticket size of USD 20-50 million
- Normal conditions: Bid/Ask spread in 1-3 months of 10-50 pips (0.010-0.050)
- Onshore banks can trade NDFs up to one-third of their spot limit allowed by the CBC

**FX options**
- Available out to five years
- Majority of trades are less than 12 months

**Bonds/money market**
- Government bills of various types for less than a year
- Government bonds for two to 30 years
- Negotiable certificates of deposit (NCD) are issued daily in the open market up to one year tenor but very little liquidity in the secondary market
- Repo market up to three months, which is very liquid in the 1-2 week tenors

- In November 2010, the Financial Supervisory Commission reinstated a restriction on foreigners’ purchases of government bonds to 30% of their total investments in Taiwan. This new regulation (November 2010) is applicable for all government bonds where previously it was only for paper less than 12 months

**Interest rate swaps (IRS)**
- Available up to ten years
- Good liquidity out to seven years but most active out to five years
- Floating rate: three month secondary market CP on Reuters TWCPBA

**Cross currency rate swaps (CRS)**
- Available up to ten years
- Standard ticket size of USD 10-30 million up to two years
- Strong demand from insurance companies to hedge their offshore investments by selling USD forward in the CRS market
- Banks often square their CRS risk via basis swaps and convert into IRS risk

**Interest rate options**
- Available up to ten years
- Less liquid market
Non-deliverable forwards
- Available out to 12 months
- Daily turnover of approximately USD 600-900 million
- Standard size of USD 5 million in one month
- Very good flows during Asian hours supporting good size transactions

Non-deliverable options
- Available up to five years
- Very liquid with standard market size transactions of USD 20-50 million up to one year

Offshore/Non-deliverable interest rate swaps (NDIRS)
- Available up to ten years but liquidity is poor beyond five years
- Market is active but less liquid than the deliverable market
- Usually a premium of around two bp above the deliverable IRS
- Dominated by speculators

Offshore/Non-deliverable currency swaps (NDS)
- Possible up to five years but liquidity poor beyond two years and standard size of USD 10 million per hit in broker market
## Taiwan Regulations

<table>
<thead>
<tr>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Spot transactions</strong></td>
<td><strong>Foreign institutional investors (FINI) can buy TWD for investments with documentary proof with their correspondent bank only. Corporates need to seek special approval for TWD purchases</strong></td>
</tr>
<tr>
<td>• Allowed with documentary proof to support all commercial transactions</td>
<td>• <strong>TWD from proceeds of investment can be sold to the correspondent bank</strong></td>
</tr>
<tr>
<td>• Companies face a remittance limit of USD 50 million per year with documentation for non-trade purposes</td>
<td></td>
</tr>
<tr>
<td>• No limits exist for trade purposes</td>
<td></td>
</tr>
<tr>
<td><strong>Deliverable forwards</strong></td>
<td><strong>Only FINI can buy USD:TWD deliverable onshore to remit their investment offshore</strong></td>
</tr>
<tr>
<td>• Allowed with documentation to support underlying commercial activity</td>
<td></td>
</tr>
<tr>
<td><strong>Non-deliverable forwards</strong></td>
<td><strong>Allowed: Reuters, Bloomberg</strong></td>
</tr>
<tr>
<td>• Not allowed</td>
<td>• Fixing page: TAIFX1 or TWDFIX=TPFI</td>
</tr>
<tr>
<td><strong>Money markets</strong></td>
<td>• Fixing time: 11:00 Taipei time</td>
</tr>
<tr>
<td>• All instruments available to residents are also available to non-residents</td>
<td>• Fixing date: two business days</td>
</tr>
<tr>
<td>• 15% tax on bonds applicable for non-resident investors but this is reduced to 10% tax on FINI accounts</td>
<td></td>
</tr>
<tr>
<td>• Non-residents’ purchases of government bonds is capped at 30% of their total investments in Taiwan</td>
<td></td>
</tr>
<tr>
<td><strong>Options</strong></td>
<td><strong>Deliverable option not allowed</strong></td>
</tr>
<tr>
<td>• Allowed with legitimate underlying commercial activities motivating the transaction</td>
<td></td>
</tr>
<tr>
<td><strong>Interest rate derivatives</strong></td>
<td><strong>Deliverable IRD are not allowed</strong></td>
</tr>
<tr>
<td>• Allowed with documentation</td>
<td></td>
</tr>
<tr>
<td><strong>Deliverable forwards</strong></td>
<td><strong>Only FINI can buy USD:TWD deliverable onshore to remit their investment offshore</strong></td>
</tr>
<tr>
<td>• Allowed with documentation to support underlying commercial activity</td>
<td></td>
</tr>
<tr>
<td><strong>Non-deliverable forwards</strong></td>
<td><strong>Allowed: Reuters, Bloomberg</strong></td>
</tr>
<tr>
<td>• Not allowed</td>
<td>• Fixing page: TAIFX1 or TWDFIX=TPFI</td>
</tr>
<tr>
<td><strong>Money markets</strong></td>
<td>• Fixing time: 11:00 Taipei time</td>
</tr>
<tr>
<td>• All instruments available to residents are also available to non-residents</td>
<td>• Fixing date: two business days</td>
</tr>
<tr>
<td>• 15% tax on bonds applicable for non-resident investors but this is reduced to 10% tax on FINI accounts</td>
<td></td>
</tr>
<tr>
<td>• Non-residents’ purchases of government bonds is capped at 30% of their total investments in Taiwan</td>
<td></td>
</tr>
<tr>
<td><strong>Options</strong></td>
<td><strong>Deliverable option not allowed</strong></td>
</tr>
<tr>
<td>• Allowed with legitimate underlying commercial activities motivating the transaction</td>
<td></td>
</tr>
<tr>
<td><strong>Interest rate derivatives</strong></td>
<td><strong>Deliverable IRD are not allowed</strong></td>
</tr>
<tr>
<td>• Allowed with documentation</td>
<td></td>
</tr>
</tbody>
</table>
Taiwan
Equities

Market Cap (Main Exchange)
USD 631.92 billion (TWD 19.24 trillion)
(Domestic equities, excluding investment funds; December 2011)

Turnover (Main Exchange)
Equities: USD 71.27 billion (TWD 2.17 trillion) (includes investment funds)
(Monthly average, year to December 2011)

Listed Companies (Main Exchange)
824 (772 domestic and 52 foreign)
(Equities; December 2011)

Exchange Traded Securities
Instruments traded on TWSE are ordinary shares, preferred shares, government bonds, convertible bonds, beneficiary certificates, warrants, Taiwan depository receipts (TDRs) and exchange-traded funds (ETFs)

Settlement
T+3

Derivatives Exchange
Taiwan Futures Exchange (TAIFEX)

ING Capabilities
• Equity Execution – Care only
• Securities Finance – (CFD's & Swaps – Pending) & Repo available
• Derivatives - Single stock & Index

Contacts:
Stephen Friend
Head of Global Equity Products Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

Alain Flas
Head of Global Equity Products Sales
T: +32 2 5571373
alain.flas@ing.be
**Currency restrictions**  
Yes  
Segregated deliverable fwd market between on-shore and offshore

**Spot liquidity**  
Daily turnover of approximately USD 0.5-1 billion

**Local market hours**  
09:00-17:00 Bangkok time (GMT+7)

**Day count**  
Actual 365

**Important information**  
- Spot transactions are unrestricted but settlement across different types of non-resident accounts are not allowed  
- Non-residents cannot overdraw their nostro accounts  
- Non-residents cannot exceed a cash balance of THB 300 million across all their THB accounts  
- All forward transactions dealt with onshore banks and balance of accounts are reported daily to the Bank of Thailand (BoT)  
- The BoT imposed capital controls in December 2007 when it applied a 30% reserve requirement on investments into Thailand and restricted the movements of THB from onshore to offshore. This created separate onshore and offshore markets for deliverable THB in both spot and forwards  
- Effective 1 March 2008, the BoT removed these capital controls and allowed the spot markets to converge. The 30% RR was abolished but the

**Reference pages**  
Bank of Thailand:  
http://www.bot.or.th/English/Pages/BOTdefault_back.aspx  

Securities Exchange of Thailand:  
http://www.set.or.th/th/index.html

**ING Capabilities**  
- ING does not have a branch in Thailand but has an investment in TMB  
- However, ING in Singapore is an active participant in the deliverable spot and offshore market up to 12 months. ING is an active participant in NDIRS up to five years

**Contact:**  
**Mark Newman**  
Head of Financial Markets  
T: +65 6232 6068
Asia

Thailand

Onshore products

Spot
- Daily turnover of approximately USD 700 million
- Standard market size is USD 3 million
- Normal conditions: Bid/Ask spread of two pips (0.02)
- Exporter and importer flows dominate spot with the Bank of Thailand intervening on occasion to stabilise the market

Deliverable forwards
- Available out to 12 months or ten years via cross currency swaps
- Liquid out to one year in standard ticket size of USD 20 million. Estimated daily turnover of USD 2 billion
- Normal conditions: Bid/Ask spread in 1-3 months of 0.5-2 pips (0.005-0.02)

FX options
- Available out to five years

Bonds
- Available up to 30 years and bank bills 1-6 month tenors. Estimated daily volumes of THB 150 million
- Most liquid tenors are five and ten years
- THB-denominated CDs are issued
- 15% WHT on non-resident investments in local bonds. The WHT was re-imposed for government and quasi-government bonds in November 2010

Interest rate swaps (IRS)
- Available up to ten years
- Good liquidity out to seven years but most active out to five years
- Floating rate mechanism is six months; THB on Reuters THBFIX

Cross currency rate swaps (CRS)
- Available up to ten years
- Market is not very liquid
- Standard ticket size of USD 30 million up to five years
**Thailand**

**Offshore products**

**Offshore forwards**
- Available up to 12 months
- Driven by supply and demand
- No overnight market due to nostro bank controls
- Liquidity is low with estimated daily turnover of USD 100 million

**Non-deliverable forwards**
- Available out to 12 months
- No interbank market so volumes are very low
- Based on client demand due to fears of further regulation
- Priced from the deliverable offshore forward market (usually quoted wider due to banks fixing risk)

**Offshore/Non-deliverable interest rate swaps (NDIRS)**
- Available up to ten years
- Market is very active with estimated daily volumes of THB 13 billion
- Dominated by speculators as customers with underlying requirements can access onshore

**Offshore/Non-deliverable currency swaps (NDS)**
- Possible up to five years
- Very illiquid
### Thailand Regulations

<table>
<thead>
<tr>
<th>Spot transactions</th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Allowed for trade or investment purposes&lt;br&gt;• Resident companies must deal with banks registered in Thailand</td>
<td>• Freely tradable&lt;br&gt;• Value same day or next business day FX with onshore banks is not allowed unless justified by securities transaction&lt;br&gt;• Securities-related trades must be done onshore as there is no movement of THB between NRBS and NRBA accounts</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deliverable forwards</th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Allowed with documentation to support underlying commercial activity&lt;br&gt;• Banks are responsible for ensuring transactions are legitimate hedges. BOT may seek documentary evidence&lt;br&gt;• Resident financial institutions cannot borrow more than THB 10 million from non-residents without an underlying transaction (applicable to FX swaps)&lt;br&gt;• Resident financial institutions are not allowed to lend over THB 300 million in aggregate (all subsidiaries) to non-residents without an underlying transaction (applicable to FX swaps)</td>
<td>• Freely tradable between offshore counterparties&lt;br&gt;• Limited access to onshore market (see onshore)&lt;br&gt;• Need documents to buy/sell THB from/to banks&lt;br&gt;• Cannot sell/buy THB with resident banks for tenors less than three months&lt;br&gt;• Applicable to outright forwards as well&lt;br&gt;• Non-residents can access the onshore forward market to hedge equity and other investments with valid documentation. Hedges must be adjusted for any fall in the underlying asset value&lt;br&gt;• Repatriation of capital loans and equity investments are permitted subject to supporting documentation</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-deliverable forwards</th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Not allowed</td>
<td>• Available but not really traded as there is an offshore deliverable market&lt;br&gt;• Offered to customers upon request</td>
<td></td>
</tr>
<tr>
<td>Money markets</td>
<td>Onshore</td>
<td>Offshore</td>
</tr>
<tr>
<td>---------------------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td>• Residents can open foreign currency accounts</td>
<td>• Residents can open foreign currency accounts</td>
<td>• All instruments available to residents are also available to non-residents</td>
</tr>
<tr>
<td>• Revenues from exports have to be deposited in</td>
<td>• Revenues from exports have to be deposited in Thai banks</td>
<td>• 15% withholding tax applicable</td>
</tr>
<tr>
<td>Thai banks</td>
<td>• Outward investment permitted with varying limits</td>
<td></td>
</tr>
<tr>
<td>• 10-15% taxes on capital gains and interest</td>
<td>• 10-15% taxes on capital gains and interest income</td>
<td></td>
</tr>
<tr>
<td>income</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Options                                           | Allowed with legitimate hedging                                         | Allowed in the offshore deliverable market but illiquid                   |

| Interest rate derivatives                         | Vanilla IRS and CCS                                                    | Allowed with documentation                                                |
**Rating**
S&P: BBB+ (stable); Moody’s: Baa1 (stable); Fitch: BBB (stable)

**Debt**
External bonds (sovereign & corporate): USD 7.1 billion
Domestic bonds (sovereign): USD 72.9 billion
Total: USD 80 billion

**Bonds**
External sovereign benchmark: THAI 7.07% 09/2013

**Derivatives**
CDS

**Liquidity**
Average daily volume:
- Sovereign bonds: not active
- Sovereign CDS: active

**Reference pages:**
http://www.bot.or.th/english/Pages/BOTDefault.aspx

**ING Capabilities**
- ING trades Thai CDS and facilitates in select Thai bank and corporate bonds

**Contacts:**

**Lang Liew**
EM Credit Trading, Singapore
T: +65 6232 6066

**NY Hours**
Charles Chua
EM Credit Trading, Singapore
T: +65 6232 6019
**Currency restrictions**
Yes

**Local market hours**
09:00-11:30, 13:00-16:00 Vietnam time (GMT+7)

**Day count**
Actual 360

**Important information**
- The State Bank of Vietnam (SBV) is responsible for exchange control regulation.
- The SBV fixes the exchange rate each morning and then permits trading +/-1% around this daily rate. The SBV also sets trading bands each day for USD/VND forwards based on official VND yields and the Fed funds.
- The local banks currently provide prices against third currencies creating an effective ‘grey’ market for USD/VND deliverable requirements.
- In 1999, the SBV reintroduced a narrow band mechanism to contain the exchange rate, market volatility and eliminate rapid exchange rate movements. Since this date, the SBV has changed the trading band on a number of occasions. The current band is +/-1%. Refer to Reuters <SBOV-BAND01>

**Reference pages**

**ING Capabilities**
- ING is a participant in the new NDF market for up to one year.

**Contact:**
**Mark Newman**
Head of Financial Markets
T: +65 6232 6068
**Spot**
- Daily turnover of approximately USD 100-200 million
- Standard market size is USD 1 million
- Normal conditions: Bid/Ask spread of 6-10 pips (6.0-10.0)
- Vietnam central bank fixes the spot on a daily basis at 9am Singapore time on Reuters <SBOV>
- Main drivers are foreign inward remittances, foreign direct investment and outflows for oil purchases
- The SBV can supply dollars direct to oil companies for gasoline payments

**Deliverable forwards**
- Available out to three months
- Very illiquid market, few banks quote two way prices

**FX options**
- Some local banks allowed to offer VND options on a trial basis in 2005
- Need deeper liquidity in forwards for this market to develop further

**Bonds**
- Available up to 15 years
- Offshore has demand for one-year bonds but the majority of issues are five years

**Money markets**
- Term deposits and CDs are available
- Treasury Bills for 1, 3, 6, 9 and 12 months
- The T-Bond market is relatively illiquid, and monthly turnover is approximately USD 250 million

**Interest rate swaps**
- Available out to year five years
- Extremely illiquid
**Vietnam**

**Offshore products**

**Non-deliverable forwards**
- Available out to 12 months
- Weekly turnover of approximately USD 10 million
- Standard size of between USD 1-2 million
- Weekly turnover of approximately USD 5-20 million
- Liquidity can dry up significantly in a crisis and the market will revert to an order-only basis

**Non-deliverable interest rate swaps (NDIRS)**
- Available out to three years
- Very low liquidity

**Non-deliverable currency swaps (NDS)**
- Available out to two years
- Low liquidity with USD 5-20 million per month executed
### Vietnam Regulations

<table>
<thead>
<tr>
<th>Spot transactions</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Spot is allowed to fluctuate +/-1% from the day’s published rate by State Bank of Vietnam (<a href="http://www.sbv.gov.vn">http://www.sbv.gov.vn</a>)</td>
<td>• Non-residents can open accounts and buy VND with licensed banks onshore</td>
</tr>
<tr>
<td>• Allowed for current and capital account transactions, with licensed banks:</td>
<td>• There are no barriers to repatriation of USD following compliance with tax authorities</td>
</tr>
<tr>
<td>- Current account transactions broadly include commercial activities (tradable goods and services), plus income transfers (including dividends and debt interest)</td>
<td>• Non-residents cannot openly sell VND or be overdrawn in their VND account</td>
</tr>
<tr>
<td>- Capital account transactions broadly consist of foreign direct investment in securities and fixed capital (like factories)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deliverable forwards</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• USD/VND forward premium is capped at the interest rate differentials between the Fed Funds Rate and the VND Base Rate</td>
<td>• Offshore entities must have underlying documents to support the purchase or sale of VND forward</td>
</tr>
<tr>
<td>• USD/VND forwards allowed for up to one year</td>
<td>• Offshore investors are allowed to buy USD/VND forward outright to hedge onshore assets with licensed banks onshore</td>
</tr>
<tr>
<td></td>
<td>• There is no requirement to match the tenor of the hedge and onshore assets</td>
</tr>
<tr>
<td></td>
<td>• Non-residents are allowed to sell USD on the maturity of the hedge if they choose not to roll over</td>
</tr>
<tr>
<td><strong>Vietnam Regulations (cont’d)</strong></td>
<td></td>
</tr>
<tr>
<td>---------------------------------</td>
<td></td>
</tr>
<tr>
<td><strong>Onshore</strong></td>
<td><strong>Offshore</strong></td>
</tr>
<tr>
<td><strong>Non-deliverable forwards</strong></td>
<td></td>
</tr>
<tr>
<td>• Not allowed</td>
<td>• Allowed: Reuters, Bloomberg</td>
</tr>
<tr>
<td></td>
<td>• Fixing page: ABSIRFIX01, NDFF</td>
</tr>
<tr>
<td></td>
<td>• Fixing time: 11:00 Singapore time</td>
</tr>
<tr>
<td></td>
<td>• Fixing date: two business days</td>
</tr>
<tr>
<td></td>
<td>• First fallback: VNDFIX = VN (11:00am Ho Chi Minh City time)</td>
</tr>
<tr>
<td><strong>Money markets</strong></td>
<td></td>
</tr>
<tr>
<td>• Basic products available</td>
<td>• Repos are not possible for offshore investors</td>
</tr>
<tr>
<td>• The T-bill market is usually used for reserve requirements</td>
<td>• There is no restriction on buying T-bills and deposits for non-residents</td>
</tr>
<tr>
<td></td>
<td>• Non-residents can buy listed government bonds and corporate bonds in primary issues</td>
</tr>
<tr>
<td><strong>Options</strong></td>
<td></td>
</tr>
<tr>
<td>• Foreign currency options are possible</td>
<td>• Deliverable VND options not allowed</td>
</tr>
<tr>
<td>• Deliverable VND options are generally not allowed</td>
<td>• VND options may be developed in future when the liquidity of the NDF market improves</td>
</tr>
<tr>
<td><strong>Interest rate derivatives</strong></td>
<td></td>
</tr>
<tr>
<td>• Approval from central bank needed</td>
<td>• Access to onshore market is not allowed</td>
</tr>
<tr>
<td>• IRD products are permitted based on underlying</td>
<td></td>
</tr>
</tbody>
</table>
Vietnam

Rating
S&P: BB- (negative); Moody’s: B1 (negative); Fitch: B+ (stable)

Debt
External bonds (sovereign & corporate): USD 2.6 billion
Domestic bonds (sovereign): USD 6.1 billion
Total: USD 8.7 billion

Bonds
External benchmark: VIETNM 6.75% 01/2020

Derivatives
CDS

Liquidity
Average daily volume:
• Sovereign bonds: USD 5-10 million
• Sovereign CDS: illiquid

Reference pages

ING Capabilities
• ING trades Vietnam sovereign bonds and CDS

Contacts:
Lang Liew
EM Credit Trading, Singapore
T: +65 6232 6066

NY Hours
Charles Chua
EM Credit Trading, Singapore
T: +65 6232 6019
Eastern Europe
**Spot liquidity**
USD around 80 million, EUR around 700 million; both versus BGN

**Local market hours**
09:00-16:00 (GMT+2)

**Day count**
360

**Currency restrictions**
Bulgaria operates a currency board. The Central Bank buys and sells to local commercial banks unlimited amounts of Euros at the fixing rate of 1.95583 on spot value date

**Reference pages**
- Bulgarian National Bank: [www.bnb.bg](http://www.bnb.bg)
- Financial Supervision Commission: [www.fsc.bg](http://www.fsc.bg)
- Bulgarian Stock Exchange Sofia: [www.bse-sofia.bg](http://www.bse-sofia.bg)

**ING Capabilities**
- ING Sofia is a full branch of ING Bank NV and provides the full suite of existing products

**Contact:**
Emil Asparouhov
Head of Financial Markets, Bulgaria
T: +359 2 917 6716
**Bulgaria**

**Spot transactions**
- BGN is a fully convertible currency
- Two pips bid-offer spread in EURBGN

**Deliverable forwards**
- No legal restrictions
- Low liquidity market, quotes up to one year
- There is no real market but DF for over six months up to one year are negotiable

**Money markets**
- Fixed deposits in BGN up to one year
- Call deposits in BGN with one day pre-notice period; 3 month and one year T-Bills in BGN (from 2006 there have been no new one year T-Bills issued)

**Fixed income**
- BGN-denominated government bonds with maturities up to 10 years
- EUR-denominated local government bonds with maturities up to 15 years
- External debt: Bulgaria EUR 7.5% 2013 and Bulgaria USD 8.25% 2015
- Corporate bonds (local and foreign currency denominated) up to seven years

**FX options**
- Not available

**Interest rate derivatives**
- Not available

**Tax considerations**
- The standard withholding tax on the positive difference between the acquisition and the sale price of stock is 10%
- However, capital gains from transactions involving shares of public companies and tradable rights of public companies and shares and units of collective investment schemes are non-taxable, provided the trade has been executed on the regulated securities market and the capital gain was received by individuals from Bulgaria, EU or European Economic Area member states; block trades and trades which are only subject to registration on the regulated market are not exempted from capital gains tax
- The standard withholding interest is taxed at 10%
- However, interest and discounts on government, municipal and corporate bonds are exempt from interest tax provided the interest is received by individuals from Bulgaria, EU or European Economic Area member states
- Double-taxation treaty agreements apply
Bulgaria

Rating
S&P: BBB (stable); Moody’s: Baa2 (positive)

Debt
External bonds: USD 2 billion
Domestic bonds: USD 3 billion
Total: USD 5 billion

Bonds
USD sovereign benchmarks: Bulgaria 2015

Derivatives
CDS traded regularly

Liquidity
Average daily volume:
• Sovereign bonds: USD 5 million+
• CDS: illiquid

Reference pages
Bulgaria National Bank:
www.bnb.bg

ING Capabilities
• ING trades Bulgaria sovereign CDS and bonds

Contact:
Henry Quinnen
EM Credit Trading, London
T: +44 20 7767 8739
**Bulgaria**

**Equities**

**Market Cap (Main Exchange)**
USD 8.825 billion (BGN 12.17 billion)  
(October 2011)

**Turnover (Main Exchange)**
Equities: USD 65.16 million (BGN 89.87 million)  
(Monthly average, Year to October 2011)

**Listed Companies (Main Exchange)**
390 (October 2011)

**Exchange Traded Securities**
Equities, shares of special purpose vehicles, rights, mortgage and corporate bonds, units of collective investment schemes and compensation instruments, warrants

**Settlement**
T+2

**Derivatives Exchange**
There is no separate derivatives exchange

**ING Capabilities**
- Exchange Member – Yes
- Equity Execution – Care only
- Securities Finance – CFDs, Swaps, & Repo available

**Contacts:**

**Stephen Friend**
Head of Global Equity Products Distribution  
T: +44 207767 8870  
stephen.friend@uk.ing.com

**Alain Flas**
Head of Global Equity Products Sales  
T: +322 5571373  
alain.flas@ing.be
**Spot liquidity**
Onshore average daily turnover EUR 70 million

**Local market hours**
09:30-16:30 Zagreb time (GMT+2)

**Day count**
360

**Currency restrictions**
Managed floating exchange rate – trades in a narrow band against the EUR
Local corporate clients cannot trade offshore

**Spot transactions**
The spot market is freely convertible with a managed peg; the HRK mostly trades against the EUR
EUR 3-5 million

**Forward transactions**
EUR 3-5 million

**Forward liquidity**
Liquidity in the forwards very much depends on local conditions
Implied yields are generally wider than the deposit market might suggest

**Reference pages**
CB of Croatia:
http://www.hnb.hr/eindex.htm

**ING Capabilities**
- ING operates a Spot and Forward book out to two years

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
### Rating
S&P: BBB (negative); Moody’s: Baa3; Fitch: BBB- (negative)

### Debt
External bonds: USD 5.3 billion  
Domestic bonds: USD 6.6 billion  
Total: USD 18.9 billion

### Bonds
USD sovereign benchmarks: Croatia 2015, Croatia 2019

### Derivatives
CDS traded regularly

### Liquidity
Average daily volume:
- Sovereign bonds: USD 5 million+
- CDS: USD 5 million

### Reference pages
Croatian National Bank:  
www.hnb.hr/eindex.htm

### ING Capabilities
- ING trades Croatia sovereign CDS and bonds

### Contact:
**Henry Quinnen**  
EM Credit Trading, London  
T: +44 20 7767 8739
**Spot liquidity**  
About EUR 0.8-1.3 billion CZK

**Local market hours**  
09:00-17:00 (GMT+1)

**Day count**  
360

**Reference pages**  
Czech National Bank:  
[www.cnb.cz](http://www.cnb.cz)

Ministry of Finance:  
[www.mfcr.cz](http://www.mfcr.cz)

Czech Securities Commission:  
[www.sec.cz](http://www.sec.cz)

Prague Stock Exchange:  
[www.pse.cz](http://www.pse.cz)

**ING Capabilities**  
• ING Prague is a full branch of ING Bank NV and provides the full suite of existing products

**Contact:**  
**Karel Ruzicka**  
Head of Financial Markets, Czech Republic  
T: +420 257 474 410
**Spot transactions**
- 20 pips spreads on market sizes of EUR 5 million

**Deliverable forwards**
- Available up to three years but with most liquidity to one year

**Fixed income**
- Government issues up to 50 years. Liquid market – net issuance about CZK 150 billion
- No significant amount of corporate bonds is available (loans priced at the same level as corporate debt)

**Money markets**
- Very liquid up to one year (mainly via FX Swaps, not Cash Deposits)

**FX options**
- Good liquidity out to two years
- Average ticket size 10-30 million
- Synthetic forward-based structures popular, taking advantage of skew instead of relatively flat forward point curve
- Mainly a client-driven business

**Interest rate derivatives**
- FRAs up to one year, good liquidity, EUR 20 million is normal market amount
- IRS
- IR Options – client-driven

**Tax considerations**
- Domestic corporate tax rate 19%
- No withholding tax on interest for domestic corporates
- 15% withholding tax on interest for foreign corporates and individuals (no tax if tax domicile is covered by double taxation treaty)
Czech Republic
Primary dealer

Rating
S&P: A+ (stable); Moody’s: A1 (stable); Fitch: AA- (stable)

Debt
External bonds: USD 17 billion
Domestic bonds: USD 98 billion
Total: USD 115 billion

Bonds
EUR sovereign benchmarks: CZECH 4.5% 11/2014, CZECH 5% 6/2018, CZECH 4.125% 03/2020
LCL sovereign benchmarks: CZGB 3.55% 10/2012, CZGB 3.40% 9/2015, CZGB 5.0% 4/2019; CZGB 5.7% 5/2024

Derivatives
CDS regularly traded

Liquidity
Average daily volume:
• Sovereign bonds: EUR 5 million
• CDS: USD 5 million

Reference pages
Czech National Bank:
www.cnb.cz

ING Capabilities
• ING is a Primary Dealer in government securities in Czech Republic
• ING trades Czech Republic sovereign CDS and bonds

Contact:
Henry Quinnen
EM Credit Trading
London
T: +44 20 7767 8739
Czech Republic

Equities

Market Cap (Main Exchange)
USD 53.54 billion (CZK 1.03 trillion)
(November 2011)

Turnover (Main Exchange)
Equities: USD 1.66 billion (CZK 31.95 billion)
(Monthly average, year to November 2011)

Listed Companies (Main Exchange)
27 – Domestic: 16 & Foreign: 11
(November 2011)

Exchange Traded Securities
Equity: common and preferred shares, units of mutual funds
Fixed Income: long and short-term corporate bonds, government bonds, ETFs
Derivatives: leveraged certificates, options, warrants, and futures

Settlement
From T+0 up to T+15
T+3 (in case of SPAD, only for trades closed with market makers, otherwise from T+1 to T+15)
Up to T+99 in case of forward, repo or buy-sell transactions

Derivatives Exchange
PSE – Prague Stock Exchange

ING Capabilities
• Exchange Member – Yes
• Equity Execution – Care, DMA & Algo
• Securities Finance – CFDs, Swaps, Securities Lending & Repo available
• Derivatives – Single Stock & Index
• Research Coverage – Yes

Contacts:
Stephen Friend
Head of Global Equity Products Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

Alain Flas
Head of Global Equity Products Sales
T: +32 2 5571373
alain.flas@ing.be
<table>
<thead>
<tr>
<th>SPAD (Price driven trading system)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Trading Phase</strong></td>
<td><strong>Hours</strong></td>
</tr>
<tr>
<td>SPAD closed phase</td>
<td>08:00-09:15</td>
</tr>
<tr>
<td>Continuous trading</td>
<td>09:15-16:20</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical break</td>
<td>16:20-18:15</td>
</tr>
<tr>
<td>Fixing price</td>
<td>08:45-09:10</td>
</tr>
<tr>
<td>Continuous trading</td>
<td>09:10-16:20</td>
</tr>
<tr>
<td>Close of auction</td>
<td>16:20-16:27</td>
</tr>
<tr>
<td>Post trading</td>
<td>17:15-20:00</td>
</tr>
</tbody>
</table>
# Czech Republic Equities

**KOBOS (Order driven trading system)**

<table>
<thead>
<tr>
<th>Trading Phase</th>
<th>Hours</th>
<th>Trading Guidelines</th>
<th>Orders Accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td>KOBOS closed phase</td>
<td>08:00-08:45</td>
<td>Orders can be entered, modified and deleted. No trading</td>
<td>Market &amp; Limit orders</td>
</tr>
<tr>
<td>Fixing price</td>
<td>08:45-09:10</td>
<td>Determination of the opening price based on the situation of the order book. This can deviate by a maximum of 5% from the previous days closing</td>
<td>N/A</td>
</tr>
<tr>
<td>Continuous trading</td>
<td>09:10-16:20</td>
<td>Orders can be entered, modified and deleted.</td>
<td></td>
</tr>
<tr>
<td>Close of auction</td>
<td>16:20-16:27</td>
<td>Random print</td>
<td></td>
</tr>
<tr>
<td>Post trading</td>
<td>17:15-20:00</td>
<td>Orders entered for pre-opening period for the following day</td>
<td></td>
</tr>
</tbody>
</table>
**Spot liquidity**
Around EUR 550 million

**Local market hours**
08:30-17:00 (GMT+1)

**Day count**
360

**Reference pages**
National Bank of Hungary:  
www.mnb.hu

Hungarian Financial Supervisory Authority:  
wwwpszaf.hu

Budapest Stock Exchange:  
www.bse.hu

---

**ING Capabilities**
- ING Hungary is a full branch of ING Bank NV and provides the full suite of existing products

**Contact:**

**Marian Tatar**
Head of Financial Markets, Hungary  
T: +361 235 8711
Spot transactions
• 20 pips spread in EUR 5 million

Deliverable forwards
• Available up to two years but with most liquidity to one year

Fixed income
• Government issues up to 20 years. Liquid market; EUR 2.1 billion net issue in HUF, EUR 5.1 billion issue in foreign currency in 2012
• Currently lion’s share of financing through market, if needed IMF/EU loan in place
• No significant amount of corporate bonds available, mainly mortgage backed (loans priced at same level as corporate debt)

Money markets
• Very liquid up to one year (mainly via FX Swaps, not Cash Deposits)

Option
• Good liquidity out to two years
• Average ticket size 10-30 million
• Directional strategies popular (eg: call spreads, RKOs) with recent high volatilities and spot
• Small interbank market, mainly client-driven business
• Exotics recently not spreading that well in client business
• Currently main focus on plain vanilla products

Interest rate derivatives
• FRAs up to two year, good liquidity, EUR 20 million – normal market amount
• IRS up to 15 years, EUR 10 million – normal market amount

Tax consideration
• No interest and capital gains withholding tax for foreign corporate
• For foreign individual recipients a 16% withholding tax on interest and capital gains from stock exchange transactions, subject to treaty provisions
• For foreign individual recipients a 16% withholding tax on dividends applies, being listed on a recognised stock exchange, subject to treaty provisions
• Domestic corporate tax rate 19% having yearly revenue above HUF 500 million, 10% having yearly revenue under HUF 500 million
**Rating**
S&P: BBB- (negative); Moody’s: Baa3 (negative); Fitch: BBB (negative)

**Debt**
External bonds: USD 22 billion
Domestic bonds: USD 53 billion
Foreign loan: USD 23 billion
Total: USD 98 billion

**Bonds**
EUR sovereign benchmarks: REPHUN 6.75% 07/2014, REPHUN 5.75% 06/2018
LCL sovereign benchmarks: HTB 12/2012, HGB 7.75% 08/2015, HGB 6.75% 11/2017, HGB 7.0% 06/2022, HGB 6.75% 10/2028

**Derivatives**
CDS have good liquidity

**Liquidity**
Average daily volume:
- Sovereign bonds: EUR 5 million
- CDS: USD 5 million

**Reference pages**
Hungarian Central Bank: [www.mnb.hu](http://www.mnb.hu)

**ING Capabilities**
- ING is a Primary Dealer in government securities in Hungary
- ING trades Hungary sovereign CDS and bonds

**Contact:**
Henry Quinnen
EM Credit Trading, London
T: +44 20 7767 8739
Market Cap (Main Exchange)
USD 20.96 billion (HUF 4.73 trillion)
(Equities; November 2011)

Turnover (Main Exchange)
Equity: USD 1.65 billion (HUF 322.86 billion)
(Monthly average; year-to-November 2011)

Listed Companies (Main Exchange)
54 (51 domestic, 3 foreign)
(November 2011)

Exchange Traded Securities
Equities, government bonds, corporate bonds, T-bills, investment funds, compensation notes and mortgage bonds, futures, options and certificates

Settlement
T+3

Derivatives Exchange
No separate derivatives exchange has been established in Hungary. Derivative products are traded on the BSE in a separate section

ING Capabilities
- Exchange Member – Yes
- Equity Execution – Care, DMA & Algo
- Securities Finance – CFDs, Swaps, Securities Lending & Repo available
- Derivatives – Single Stock & Index
- Research Coverage – Yes

Contacts:

Stephen Friend
Head of Global Equity Products Distribution
T: +44 207767 8870,
stephen.friend@uk.ing.com

Alain Flas
Head of Global Equity Products Sales
T: +322 5571373
alain.flas@ing.be

*BUX = Blue Chips
†BUMIX = Small/Mid Caps
## Trading Guidelines

<table>
<thead>
<tr>
<th>Trading Phase</th>
<th>Hours</th>
<th>Trading Guidelines</th>
<th>Orders Accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening order-collection</td>
<td>08:30-09:00/09:01</td>
<td>Orders can be entered, modified and deleted. No trades occur. Random end to this</td>
<td>Limit orders only</td>
</tr>
<tr>
<td></td>
<td></td>
<td>period to prevent price manipulation</td>
<td></td>
</tr>
<tr>
<td>Opening Fixing</td>
<td>09:00/09:01-09:02</td>
<td>Determination of opening price</td>
<td>None</td>
</tr>
<tr>
<td>Continuous trading</td>
<td>09:02-17:00</td>
<td>Orders can be entered, modified and deleted. Trades continuously occur as orders</td>
<td>Market &amp; Limit orders</td>
</tr>
<tr>
<td></td>
<td></td>
<td>match at price/time priority</td>
<td></td>
</tr>
<tr>
<td>Closing order-collection</td>
<td>17:00-17:05/17:06</td>
<td>Orders can be entered, modified and deleted. Random end to this period to prevent</td>
<td>Limit orders only</td>
</tr>
<tr>
<td></td>
<td></td>
<td>price manipulation</td>
<td></td>
</tr>
<tr>
<td>Closing fixing</td>
<td>17:06/17:10</td>
<td>Determination of closing price</td>
<td>Limit orders only</td>
</tr>
</tbody>
</table>

*BUX = Blue Chips
†BUMIX = Small/Mid Caps
**Iceland**

**Spot liquidity**
Onshore average daily turnover is very light
The local banks trade about EUR 3 million per day

**Local market hours**
10:15-15:15 Reykjavik time (GMT+0)

**Day count**
360

**Currency restrictions**
Onshore market not open to offshore
In reality current ING policy permits clients to exit ISK positions only

**Spot transactions**
EUR 0.1 million

**Forward transactions**
EUR 0.2 million
Forwards are traded on an 'on request basis' in very small size

**Forward liquidity**
Recently liquidity has evaporated
There are very few market makers and spreads are very wide

**Reference pages**
CB of Iceland:
[www.sedlabanki.is](http://www.sedlabanki.is)

**ING Capabilities**
- ING operates a Spot and Forward book out to one year

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
Kazakhstan

**Spot liquidity**
Onshore average daily turnover USD 250 million

**Local market hours**
09:00-17:00 Almaty time (GMT+6)

**Day count**
360

**Currency restrictions**
Fully deliverable, although offshore names mainly trade NDFs – Credit dictates that trades are nearly always on an NDF basis
CB has put in place directives for exchange controls but these are not yet live
Fixing page Reuters AFINEX01 – 11.00 Almaty time

**Spot transactions**
Deliverable USD 1-5 million

**Forward transactions**
NDF USD 5-10 million is the normal size

**Forward liquidity**
Whilst the spot and forward markets are freely convertible liquidity is non existant, the CB intervenes on a daily basis in the spot market

**Reference pages**
CB of Kazakhstan: http://www.nationalbank.kz/
KZT stock exchange: www.kase.kz

**ING Capabilities**
- ING has a rep office in Almaty
- ING London can quote Spot, and NDFs out to two years with further tenors possible on request
- T-bills and NBK bonds are freely available for purchase in the primary and secondary markets

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
Kazakhstan

Rating
S&P: BBB- (stable); Moody's: Baa1 (negative); Fitch: BBB- (negative)

Debt
External bonds: USD 26 billion
Domestic bonds: USD 20 billion
Total: USD 46 billion

Bonds
No sovereign debt
Main corporates traded: Kazmunigas, Kazgold, Kazrail, ATF, Bank Centre Credit

Derivatives
CDS traded regularly

Liquidity
Average daily volume:
• Corporate bonds: USD 2 million
• CDS: USD 5 million

Reference pages
Central Bank of Kazakhstan:
www.nationalbank.kz

Agency on Regulation and Supervision of the Financial Market and Financial Organizations:
www.afn.kz

ING Capabilities
• ING trades Kazakhstan sovereign CDS and bonds and selected corporates

Contact:
James Randall
EM Credit Trading, London
T: +44 20 7767 8427
Spot liquidity
Onshore average daily turnover EUR 40 million

Local market hours
09:30-16:30 Riga time (GMT+1)

Day count
360

Currency restrictions
1% band around pivot of 0.702804
Latvia joined the ERM-II on 02/05/2005

Spot transactions
The spot market is freely convertible, mainly trades against the Euro
Normal size EUR 1.5-2.5 million

Forward transactions
EUR 2 million

Forward liquidity
Liquidity in the forwards very much depends on local conditions
Implied yields are generally wider than the deposit market might suggest

Reference pages
CB of Latvia:
http://www.bank.lv/eng/main/all/

ING Capabilities
• ING operates a Spot and Forward book out to one year

Contact:
John Brierley
Head of FX & Rates Trading,
London
T: +44 20 7767 8567
Market Cap (Main Exchange)
USD 2.399 billion (EUR 1.853 billion)
(equities and bonds list) excluding investment funds (December 2011)

Turnover (Main Exchange)
Equity: USD 8.015 million (EUR 6.19 million) (including investment funds)
(OMX Exchanges; Riga; Monthly average, year-to-December 2011)

Listed Companies (Main Exchange)
Main List: 5, Secondary List: 27
Bonds: 36, Tradable funds: 7
(OMX Exchange; Riga; December 2011)

Exchange Traded Securities
Common shares, corporate bonds, mortgage bonds, government bonds and T-bills, investment fund units

Settlement
T+3

Derivatives Exchange
None

ING Capabilities
• Equity Execution – Care only
• Securities Finance – (CFDs & Swaps – Pending) & Repo available

Contacts:
Stephen Friend
Head of Global Equity Products Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

Alain Flas
Head of Global Equity Products Sales
T: +322 5571373
alain.flas@ing.be
<table>
<thead>
<tr>
<th>Trading Phase</th>
<th>Hours</th>
<th>Trading Guidelines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-opening</td>
<td>09:00-09:45</td>
<td>Orders can be entered, modified, and deleted. All orders entered during this period for execution during the auction have to be limit orders or EP orders. No trades occur</td>
</tr>
<tr>
<td>Opening Auction</td>
<td>09:45-10:00</td>
<td>The opening call will start at 09:45 and finish at 10:00. Market data is visible during the period 09:45-10:00. At approximately 10:00, uncross by Lists and within lists in alphabetical order. Up until a stock uncrosses, orders can be entered, modified and cancelled. Uncrossing takes less than 15 sec</td>
</tr>
<tr>
<td>Continuous Trading</td>
<td>10:00-15:55</td>
<td>Orders can be entered, modified, and deleted. Trades continuously occur as orders match</td>
</tr>
<tr>
<td>Closing Auction</td>
<td>15:55-16:00</td>
<td>The closing calls runs from 15:55 to 16:00. Order entry, modification and deletion is permitted by members. Routine is the same as the opening call</td>
</tr>
<tr>
<td>Closing</td>
<td>16:00-16:30</td>
<td>The post-trade period runs from 16:00 to 16:30. All stocks go into a post-trade period at approximately 16:05 (between 16:00-16:05 is technical break when statistics are calculated). Order modification and deletion is permitted by members</td>
</tr>
<tr>
<td>Market Volatility Auction</td>
<td>As detailed</td>
<td>If a dynamic volatility band of 10%, or a static band of 15%, is reached a volatility auction is triggered. Breach of the dynamic band results in a 60 second auction. Breach of the static band results in a 180 second auction</td>
</tr>
</tbody>
</table>
**Spot liquidity**
Onshore average daily turnover EUR 70 million

**Local market hours**
09:30-16:30 Vilnius time (GMT+1)

**Day count**
360

**Currency restrictions**
Pegged to the EUR at 3.4528

**Spot transactions**
The spot market is freely convertible, mainly trades against the Euro
Normal size EUR 2-5 million

**Forward transactions**
EUR 3 million

**Forward liquidity**
Liquidity in the forwards very much depends on local conditions
Implied yields are generally wider than the deposit market might suggest

**Reference pages**
CB of Lithuania:
http://www.lb.lt/eng/euro/index.htm
**Market Cap (Main Exchange)**
USD 5.8 billion (EUR 4.48 billion) as of December 2011
(Nasdaq OMX Vilnius, equity and bond lists)

**Turnover (Main Exchange)**
Equities: USD 38.03 million (EUR 29.37 million)
average monthly year-to-December 2011

**Listed Companies (Main Exchange)**
Main List – 19 equities, Secondary List – 17 equities
Bond list – 28 bonds, Fund units – 1 fund unit
December 2011 (Nasdaq OMX Vilnius)

**Exchange Traded Securities**
Equities, subscription rights, corporate bonds, government debt securities – Treasury bills (T-bills) and Treasury bonds (T-bonds), fund units

**Settlement**
T+3 – VSE auto-matched trades
T+1-T+6 – VSE negotiated (manual) trades

**Derivatives Exchange**
None

**ING Capabilities**
- Equity Execution – Care only
- Securities Finance – (CFDs & Swaps – Pending) & Repo available

**Contacts:**

**Stephen Friend**
Head of Global Equity Products Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

**Alain Flas**
Head of Global Equity Products Sales
T: +322 5571373
alain.flas@ing.be
# Lithuania

## Equities

**Market Hours:** 10:00-16:00 EET

<table>
<thead>
<tr>
<th>Trading Phase</th>
<th>Hours</th>
<th>Trading Guidelines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-opening</td>
<td>09:00-09:45</td>
<td>Orders can be entered, modified, and deleted. All orders entered during this period for execution during the auction have to be limit orders or EP orders. No trades occur.</td>
</tr>
<tr>
<td><strong>Opening Auction</strong></td>
<td>09:45-10:00</td>
<td>The opening call will start at 09:45 and finish at 10:00. Market data is visible during the period 09:45-10:00. At approximately 10:00, uncross by Lists and within lists in alphabetical order. Up until a stock uncrosses, orders can be entered, modified and cancelled. Uncrossing takes approx 15 sec.</td>
</tr>
<tr>
<td>Continuous Trading</td>
<td>10:00-15:55</td>
<td>Orders can be entered, modified, and deleted. Trades continuously occur as orders match.</td>
</tr>
<tr>
<td><strong>Closing Auction</strong></td>
<td>15:55-16:00</td>
<td>The closing calls runs from 15:55 to 16:00. Order entry, modification and deletion is permitted by members. Routine is the same as the opening call.</td>
</tr>
<tr>
<td>Closing</td>
<td>16:00-16:30</td>
<td>The post-trade period runs from 16:00 to 16:30. All stocks go into a post-trade period at approximately 16:05 (between 16:00-16:05 is technical break when statistics are calculated). Order modification and deletion is permitted by members.</td>
</tr>
<tr>
<td>Market Volatility Auction</td>
<td>As detailed</td>
<td>If a dynamic volatility band of 10%, or a static band of 15%, is reached a volatility auction is triggered. Breach of the dynamic band results in a 60 second auction. Breach of the static band results in a 180 second auction.</td>
</tr>
</tbody>
</table>
**Spot liquidity**
EUR 2-4 billion

**Local market hours**
09:00-17:00 (GMT+1)

**Day count**
365

**Important information**
Poland runs a free float currency regime, but in 2010 embarked on active FX policy with occasional FX interventions. NBP doesn’t target any specific level, its main aim is to lower PLN volatility. The second ‘intervening body’ is state bank BGK, which sells majority of FX proceeds MinFin obtains as a EU funds or from foreign issuances

**Reference pages**
- National Bank of Poland: [www.nbp.pl](http://www.nbp.pl)
- Monetary Policy Council: [www.nbp.pl](http://www.nbp.pl)
- The Polish Financial Supervision Authority: [www.knf.gov.pl](http://www.knf.gov.pl)

---

**ING Capabilities**
- ING Bank Slaski SA is a majority-owned subsidiary of ING Bank NV and provides the full suite of existing products

**Contact:**
**Bohdan Stepkowski**
Head of Financial Markets, Poland
T: +48 22 820 4551
Spot transactions
• Spread 20 pips

Deliverable forwards/FX swaps
• Forwards available up to ten years with most up to one year
• FX Swaps, good liquidity up to one year, turnover around EUR 15 billion, spread 15-20 bp

Derivatives
• Interbank trades: FRA up to two years, IRS up to ten years, FX Options up to two years

Money markets
• NBP Bill (tenor one week) main instrument for managing banking system, regular auctions (available only for Polish banks) each Friday and fine-tuning operations usually on Tuesday, settlement same day – convention ACT/360
• After the credit crunch the daily turnover reached much lower levels with the spread 10-20 bp; market active in O/N, T/N and rarely one month
• Short term government papers – Treasury Bills, at the beginning of 2011 historically low outstanding of PLN 14 billion, can increase only marginally, in 1Q four auctions per month, then lower supply, settlement spot (up to 52 weeks) – convention ACT/360
• Government Bonds – benchmark papers 2, 5, 10 and 20 years – convention ACT/ACT – good liquidity
FX options
- Daily turnover around EUR 0.6 billion, typical ticket EUR 10 million, spread 40 bp; good liquidity up to 18 months; most active tenors are one, three and six months

Interest rate derivatives
- Most popular floating rate index three month Wibor;
  - FRA: daily turnover EUR 0.5-1.0 billion, typical ticket EUR 50 million, spread 3-6 bp
  - IRS: daily turnover EUR 0.4-0.65 billion, typical ticket EUR 25m up to one year; EUR 15 million over one year; spread 2-4 bp; liquidity up to ten years
  - Convention: (fix) ACT/ACT, (float) ACT/365
  - CAP/FLOOR: Client driven, limited liquidity, prices on request, tenors up to ten years, standard market amount EUR 1 million based on WIBOR 1-, 3-, 6-month
  - OIS – tenors one week to one year against WIBOR or POLONIA Index, spread 5-15 bp, standard ticket EUR 25 million

Tax considerations
- Corporate: income tax (CIT) at 19%. The interest income and capital gains are part of CIT tax base for corporate bodies
- Private individuals, non-residents: interest income and capital gains – withholding tax 19%
- Most non-residents pay lower withholding taxes due to double taxation treaties (0%, 5% or 10% depending on the investor’s country of residence); Poland has double-taxation treaties (on dividends, royalties and interest) with over 75 countries, including the United States
- Local banks are obligated to hold obligatory reserves (3.5% for all deposits)
Poland
Primary dealer

**Rating**
S&P: A- (stable); Moody's: A2 (stable); Fitch: A- (stable)

**Debt**
External bonds: USD 54 billion
Domestic bonds: USD 178 billion
Total: USD 233 billion

**Bonds**
LCL sovereign benchmarks: POLGB 0% 1/2012, POLGB 5.25% 4/2013, POLGB 5.75% 4/2014, POLGB 6.25% 10/2015, POLGB 5.25% 10/2017, POLGB 5.5% 10/2019, POLGB 5.75% 9/2022, POLGB 5.75% 04/2029

**Derivatives**
CDS thin liquidity

**Liquidity**
Average daily volume:
- Sovereign bonds: EUR benchmarks – EUR 5 million, PLN benchmarks – EUR 20 million

**Reference pages**
National Bank of Poland:
[www.nbp.pl](http://www.nbp.pl)

**ING Capabilities**
- ING is a Primary Dealer in government securities in Poland
- ING trades Poland sovereign bonds

**Contact:**
Henry Quinnen
EM Credit Trading
London
T: +44 20 7767 8739
Poland
Equities

Market Cap (Main Exchange)
USD 143 billion (PLN 471.90 billion)
(Domestic equity, excluding investment funds; January 2012)

Turnover (Main Exchange)
Equity: USD 6.58 billion (PLN 21.71 billion)
(including investment funds)

Listed Companies (Main Exchange)
366 (329 Domestic, 37 foreign)
(January 2012)

Exchange Traded Securities
Equities, allotment certificates, subscriptions warrants, treasury bonds, corporate bonds, investment certificates, future contracts on T-Bonds (minimum value of the issue PLN 5 billion, maturity between 2, 3/4 and 5 years 1/2), indices, currencies, and shares

Settlement
T+3 or T+2 for warrants and rights

Derivatives Exchange
WSE – Warsaw Stock Exchange
WGT – Warszawska Giełda Towarowa (Warsaw Commodity Exchange)

ING Capabilities
• Exchange Member – Yes
• Equity Execution – Care, DMA & Algo
• Securities Finance – CFDs, Swaps, Securities Lending & Repo available
• Derivatives – Single Stock & Index
• Research Coverage – Yes

Contacts:
Stephen Friend
Head of Global Equity Products
Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

Alain Flas
Head of Global Equity Products
Sales
T: +322 5571373
alain.flas@ing.be
<table>
<thead>
<tr>
<th>Trading Phase</th>
<th>Hours</th>
<th>Trading Guidelines</th>
<th>Orders Accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening order-collection</td>
<td>08:00-09:00</td>
<td>Orders can be entered, modified and deleted. No trades occur</td>
<td>Limit</td>
</tr>
<tr>
<td>Opening Fixing</td>
<td>09:00</td>
<td>Determination of opening price</td>
<td>N/A</td>
</tr>
<tr>
<td>Continuous trading</td>
<td>09:02-17:20</td>
<td>Orders can be entered, modified and deleted. Trades continuously occur as orders match at price/time priority</td>
<td>Market &amp; Limit orders</td>
</tr>
<tr>
<td>Pre-closing phase</td>
<td>17:20-17:30</td>
<td>Determination of closing price</td>
<td>Limit orders only</td>
</tr>
<tr>
<td>Closing Price</td>
<td>17:30</td>
<td>Price fixing</td>
<td></td>
</tr>
<tr>
<td>Post auction trading</td>
<td>17:30-17:35</td>
<td>Trades can take place but at the closing price only</td>
<td>Limit orders, closing price only</td>
</tr>
</tbody>
</table>
**Spot liquidity**
- EUR 200-250 million, regular EUR 1.0 million ticket transaction

**Local market hours**
- 09:00-17:30 (GMT+2)

**Day count**
- 360

**Important information**
- Full RON convertibility. Romania has a managed floating currency regime. The central bank intervenes indirectly in the market, relatively often

**Reference pages**
National Bank of Romania: [www.bnro.ro](http://www.bnro.ro)
Finance Ministry: [www.mfinante.ro](http://www.mfinante.ro)
National Securities and Exchange Commission: [www.cnvmr.ro](http://www.cnvmr.ro)
Bucharest Stock Exchange: [www.bvb.ro](http://www.bvb.ro)

**ING Capabilities**
- ING Bucharest is a full branch of ING Bank NV and provides the full suite of existing products
- ING Bucharest has been a primary dealer in government securities since the primary dealer system was instituted in Romania

**Contact:**
**Kamil Stefanski**
Head of Rates and Credit
T: +40 314 0689 50
**Spot transactions**
- 30 pips in EUR 5 million

**Deliverable forwards**
- Available up to five years with most liquidity to one year

**Money markets**
- O/N-three month standard average b/o spread 25 bps; six month-one year standard average b/o spread 15 bps
- Deposit market is illiquid for tenors over one month due to lack of credit lines between counterparties

**Fixed Income**
- Six-month and 12-month RON T-bills issued typically each Monday; outstanding EUR 7.85 billion
- Improving liquidity in the secondary market with standard ticket size RON 10 million (typical spread 15 bps); amounts up to RON 50 million doable
- Three-year, five-year and ten-year are the most liquid bonds; outstanding in bonds is EUR 7.94 billion
- Fair liquidity in the secondary market, standard ticket size RON 10 million, spreads around 10 bps
- No short selling, no domestic REPO market
- Corporate bond market quasi inexistent

**FX options**
- Good liquidity out to one year, limited liquidity to two years
- Average ticket size 5-20 million
- Calendar spreads popular with steep implied volume curve
- Short-date range accruals and DNT’s popular with recent limited spot activity

**Interest rate derivatives**
- Cross currency IRS tradeable in tenor up to five year; standard ticket size EUR 5 million
- IRS and basis swaps sometimes traded but liquidity is poor, due to problems associated with ROBOR

**Tax considerations**
- 16% on interest income and capital gains.
- A different level can be levied in the presence of double-taxation agreements
- 16% withholding tax on interest flows paid to non-residents in cross currency IRS transactions
**Rating**
S&P: BB+ (negative); Moody’s: Baa3 (stable); Fitch: BB+ (negative)

**Debt**
External bonds: USD 5 billion
Domestic bonds: USD 4 billion
Total: USD 9 billion

**Bonds**
Also active: ROMGB 6% 10/2010, ROMGB 8% 10/2011, ROMGB 6.5% 3/2012, ROMGB 8.25% 3/2013

**Derivatives**
CDS traded regularly

**Liquidity**
Average daily volume:
- Sovereign bonds: USD 5 million+
- CDS: USD 5-10 million

**Reference pages**
Banca Nationala a Romaniei:
[www.bnro.ro](http://www.bnro.ro)
**Romania**

**Equities**

**Market Cap (Main Exchange)**
USD 24.935 billion (October 2011)

**Turnover (Main Exchange)**
Equities: USD 291.4 million
(Monthly average year to October 2011)

**Listed Companies (Main Exchange)**
BSE: 78 (October 2011)
RASDAQ: 1241 (August 2011)

**Exchange Traded Securities**
Equities, government bonds, corporate & municipal bonds, allocated certificates and futures

**Settlement**
T+3 – VSE auto-matched trades
T+1-T+6 – VSE negotiated (manual) trades

**Derivatives Exchange**
SIBEX

**ING Capabilities**
- Equity Execution – Care only
- Securities Finance – CFDs & Swaps, Repo & synthetic lending available
- Research Coverage – Yes

**Contacts:**

**Stephen Friend**
Head of Global Equity Products Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

**Alain Flas**
Head of Global Equity Products Sales
T: +32 2 5571373
alain.flas@ing.be
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-open</td>
<td>09:00-10:00</td>
<td>N/A</td>
<td>09:30-10:00</td>
<td>10:00-14:30</td>
</tr>
<tr>
<td>Continuous trading</td>
<td>10:00-16:40</td>
<td>10:00-16:25</td>
<td>10:00-16:25</td>
<td>Only when necessary</td>
</tr>
<tr>
<td>Pre-close</td>
<td>16:25-16:30</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Close</td>
<td>16:30</td>
<td>16:25</td>
<td>16:25</td>
<td>14:30</td>
</tr>
</tbody>
</table>
Russia

**Spot liquidity**
Interbank USD 15-25 billion, Moscow Interbank Currency Exchange USD 4-6 billion

**Local market hours**
10:00-19:00 (GMT+3 summer time, GMT+4 winter time)

**Day count**
Actual/Actual

**Important information**
- There is no restrictions for non-residents to buy/sell RUB
- CBR controls volatility by open market operations according to Monetary Policy Targets
- Current account transactions are mostly hard currency over-supply of energy and commodities export proceeds, with outflows mostly imports of consumer goods, equipment, dividends, external debt and interest payments, with active short-term speculative capital involvement and balancing CBR participation

**Reference pages**
- Central Bank of Russia: www.cbr.ru
- Moscow Interbank Currency Exchange: www.micex.com
- National Foreign Exchange Association: www.nfea.ru

---

**ING Capabilities**
- ING Bank (Eurasia) ZAO is a subsidiary of ING Bank NV and provides the full suite of existing products

**Contact:**
**Niall Carton**
Head of Financial Markets, Russia
T: +7 495 755 5427
<table>
<thead>
<tr>
<th><strong>Spot transactions</strong></th>
<th><strong>Offshore</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>USD 50 million quoted with a spread of 2-4 kopecks, depending on market conditions. Normal deal size USD 10 million, spread one kopeck maximum</td>
<td>Allowed</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Deliverable forwards</strong></th>
<th><strong>Non-deliverable forwards</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Good liquidity up to one year, max tenor seven years</td>
<td>Allowed, and since early 2007 legally enforceable in the Russian Courts</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Fixed income and money market</strong></th>
<th><strong>FX options</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Bank of Russia Bonds up to three months (local licensed entities)</td>
<td>Market is developing; tenors up to five years</td>
</tr>
<tr>
<td>Sovereign bonds (MinFin issued) up to 30 years</td>
<td>Traded, tenors up to five years</td>
</tr>
<tr>
<td>Municipal bonds up to ten years</td>
<td>X-CCY IRS for tenors up to seven years. 90% of liquidity is within three years. Normal deal size USD 10-20 million, spread 10-15bp</td>
</tr>
<tr>
<td>Corporate bonds up to ten years</td>
<td></td>
</tr>
<tr>
<td>Repo with the Central Bank and counterparties (up to one year)</td>
<td></td>
</tr>
<tr>
<td>Depos (up to three months)</td>
<td></td>
</tr>
<tr>
<td>FX swaps (up to two years)</td>
<td></td>
</tr>
<tr>
<td>OIS (up to one year) ag RUONIA (<a href="http://www.nfea.ru">www.nfea.ru</a>)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Interest rate derivatives</strong></th>
<th><strong>Tax considerations</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>IRS ag three months MosPrime (<a href="http://www.nfea.ru">www.nfea.ru</a>) and X-CCY for tenors up to seven years</td>
<td>Interest payments on sovereign bonds are subject to a withholding tax of 15% for both residents and non-residents (if there is no exemptions according to double taxation agreement for non-residents)</td>
</tr>
<tr>
<td>FRA up to one year ag MosPrime</td>
<td>Capital gains on sovereigns, interest payments and capital gains on other types of bonds are subject to a 20% profit tax only for residents. For non-residents there is a 20% tax only on interest payments on bonds (other than sovereigns)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>FX options</strong></th>
<th><strong>Interest rate derivatives</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>No reservation requirements.</td>
<td>X-CCY IRS for tenors up to seven years. 90% of liquidity is within three years. Normal deal size USD 10-20 million, spread 10-15bp</td>
</tr>
<tr>
<td>Offshore FX Swaps up to 5Y</td>
<td></td>
</tr>
<tr>
<td>RUB REPO OTC trading with Russian counterparties up to 1Y under GMRA</td>
<td></td>
</tr>
</tbody>
</table>
Rating
S&P: BBB (stable); Moody’s: Baa1 (stable); Fitch: BBB (positive)

Debt
External bonds: USD 152 billion
Domestic bonds: USD 203 billion
Total: USD 355 billion

Bonds
USD sovereign benchmarks: Russia ’30 and others
All RUB benchmarks
Main corporates traded: Gaprom, Russag, VTB, VIP, Evraz, Severstal, TNK, Sberbank and many more

Derivatives
• CDS traded regularly on Russia, Gazprom, VTB, Sberbank and Russian Agricultural Bank
• Less liquid: Gazprombank, BKMOS, Alrosa, Evraz, Lukoil, Severstal, MTS, MDM, Severstal, VIMPL, TNK, Rosneft

Liquidity
Average daily volume:
• Sovereign USD 100-500 million, Quasi’s USD 35-55 million, Liquid Corps USD 20-30 million, Others USD 10 million+
• CDS: highly liquid

Important information
• Changes in the Currency Control enforced in July 2006 made the Russian Ruble fully convertible and cancelled all special reserve requirements imposed by the Central Bank of Russia for certain placements/investments. The currency control regulations for corporate clients remain in place
• The CBR controls volatility through open market operations according to monetary policy targets
• Corporate bonds are normally issued by Special Purpose Vehicles as Loan Participation Notes

Reference pages
Central Bank of Russian Federation: www.cbr.ru
Federal Commission on Financial Markets: www.fcsm.ru
CBONDS: www.cbonds.com

ING Capabilities
• ING actively participates in all segments of the Eurobond and RUB bond markets and the CDS market
• ING Bank (Eurasia) ZAO is a subsidiary of ING Bank NV
• ING is a Primary Dealer in government securities

Contacts:
James Randall
EM Credit Trading, London
T: +44 20 7767 8427
**Russia**

**Equities**

**Market Cap (Main Exchange)**
USD 854.39 billion (RUB 25.85 trillion)
(October 2011)

**Turnover (Main Exchange)**
Equities: USD 43.05 billion (RUB 1.248 trillion)
(Monthly average, October 2011)

**Listed Companies (Main Exchange)**
Domestic: 254 & Foreign: 1
(October 2011)

**Exchange Traded Securities**
Equities, sub-federal bonds, federal bonds (OFZ/ long, OGSZ (bonds of state saving loan)), municipal bonds, corporate bonds, central bank bonds, exchange bonds, two-level listing, units of mutual funds, derivatives, and foreign securities, as well as Eurobonds issued by the Russian Government

**Settlement**
MICEX = T+0, RTS = T+4

**Derivatives Exchange**
RTS, MICEX

**ING Capabilities**
- Exchange Member – Yes
- Equity Execution – Care & DMA
- Securities Finance – CFDs, Swaps, Securities Lending & Repo available
- Derivatives – Single Stock & Index
- Research Coverage – Yes

**Contacts:**

**Stephen Friend**
Head of Global Equity Products Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

**Alain Flas**
Head of Global Equity Products Sales
T: +322 5571373
alain.flas@ing.be
<table>
<thead>
<tr>
<th>Trading Phase</th>
<th>Hours</th>
<th>Trading Guidelines</th>
<th>Orders Accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Trading Mode (pre-trading period)</td>
<td>9:45-10:00</td>
<td>Orders can be entered, modified and deleted. No trades occur</td>
<td>Limit orders only</td>
</tr>
<tr>
<td>Main Trading Mode (trading session)</td>
<td>10:00-18:45</td>
<td>Orders can be entered, modified and deleted. Trades continuously occur as orders match at price/time priority</td>
<td>Market &amp; Limit orders</td>
</tr>
<tr>
<td>Main Trading Mode (post-trading period)</td>
<td>18:45-18:50</td>
<td>Orders can be entered, modified and deleted</td>
<td>Limit orders only</td>
</tr>
<tr>
<td>Odd Lots Trading Mode</td>
<td>14:00-18:45</td>
<td>Orders can be entered, modified and deleted in quantities less than the standard lot size</td>
<td></td>
</tr>
</tbody>
</table>

• Trading session is based on the ‘order-driven market’ principle
• Post-trading period, orders are collected and trades are made at the average weighted price (AWP) determined during the latest 30 minutes of the trading session. If no trades were made in the security in question during the latest 30 minutes of the trading session, its AWP is taken as the price of the post-trading period
• For the basic trading mode and ‘Deficient Lots’ mode there is a limit of:
  - ±30% from the previous closing price for Quote Lists A1, A2, and B
  - ±40% from the closing price for Others
### RTS Classica

<table>
<thead>
<tr>
<th>Trading Phase</th>
<th>Hours</th>
<th>Trading Guidelines</th>
<th>Orders Accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Trading Session</td>
<td>06:00-14:45</td>
<td>Orders can be entered, modified and deleted. No trades occur</td>
<td>Limit orders only</td>
</tr>
<tr>
<td>Evening Trading Session</td>
<td>15:00-19:50</td>
<td>Orders can be entered, modified and deleted. Trades continuously occur as orders match at price/time priority</td>
<td>Limit orders only</td>
</tr>
</tbody>
</table>

- RTS Classica, the only trading platform in Russia that allows for settlement in both rubles and foreign currency. RTS Classica is equally accessible to both Russian and foreign investors. The standard settlement cycle is T+4 DVP. There are no requirements to deposit securities and cash before a trade. Over 500 securities are trading on this market.
- RTS Board, the quote-driven market for unlisted stocks and bonds.
**Spot liquidity**
Onshore average daily turnover EUR 50 million

**Local market hours**
09:00-16:00 Belgrade time (GMT+1)

**Day count**
360
Currency restrictions
Fully deliverable managed float

**Spot transactions**
EUR 1 million

**Forward transactions**
EUR 3-5 million

**Forward liquidity**
Liquidity is very thin with little volume going through the forward market
Most local borrowing and most local deposits are in EUR

**Reference pages**
National Bank of Serbia:
www.nbs.rs

---

**ING Capabilities**
- ING operates a Spot and Forward book out to one year

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
Local market hours
08:30-17:00 (GMT+1)

Important information
• Slovakia adopted the EUR as of 1 January 2009
• National Bank of Slovakia (NBS) supervises banks and the equity market
• All FM products available locally or via ING Amsterdam

Tax considerations
• Income tax is 19% (double taxation treaty might apply)

Reference pages
National Bank of Slovakia:
www.nbs.sk The National Bank is acting as well as the Financial Markets Authority

Bratislava Stock Exchange:
www.bsse.sk

ING Capabilities
• ING Bratislava is a full branch of ING Bank N.V and provides the full suite of existing products

Contact:
Ondrej Ivanco
Head of Financial Markets, Slovakia
T: +421 259 346 240
Slovakia

Equities

**Market Cap (Main Exchange)**
Equity: USD 5.01 billion (EUR 3.58 billion)
(October 2011)

**Turnover (Main Exchange)**
Equity: USD 47.47 million (EUR 33.4 million) (Electronic Book Order and Negotiated Deals)
(monthly average, year to October 2011)

**Listed Companies (Main Exchange)**
99 Equity issues & 139 Bond issues
(October 2011)

**Exchange Traded Securities**
Shares, bonds (government, municipal, corporate, bank and mortgage backed securities) and T-bills

**Settlement**
T+3

**Derivatives Exchange**
None

---

**ING Capabilities**
- Equity Execution – Pending
- Securities Finance – (CFDs & Swaps – Pending) & Repo available

**Contacts:**

**Stephen Friend**
Head of Global Equity Products Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

**Alain Flas**
Head of Global Equity Products Sales
T: +32 2 557 1373
alain.flas@ing.be
Turkey

Spot liquidity
Onshore average daily turnover USD 4 billion

Local market hours
08:30-17:00 Istanbul time (GMT+2)

Day count
360

Currency restrictions
Fully deliverable free float

Spot transactions
USD 5 million

Forward transactions
USD 20 million

Forward liquidity
Liquidity is typically good out to one year

FX Option
Good liquidity out to two years
Average ticket size 20-30 million
DCDs and selling of short-date lower delta strikes popular with local counterparties

Interest rate derivatives
Cross currency swaps up to ten years, Fixed TRY
Ann A360 vs three-month USD Libor
Market amount: USD 10-20 million
Also interest rate swaps

Reference pages
CB of Turkey: www.tcmb.gov.tr
Turkish Treasury: www.treasury.gov.tr
Istanbul Stock Exchange: www.ise.org/

ING Capabilities
- ING Istanbul is a subsidiary of ING Bank NV and provides the full suite of existing products

Contact:
Erdal Cetin
Head of Financial Markets
Turkey,
T: +90 212 335 1901
**Turkey**

**Primary dealer**

**Rating**
S&P: BB (positive); Moody’s: Ba2 (positive); Fitch: BB+ (positive)

**Debt**
External bonds: USD 78 billion  
Domestic bonds: USD 287 billion  
Total: USD 365 billion

**Bonds**
USD sovereign benchmarks: Turkey 2030 LCL sovereign benchmarks traded

**Derivatives**
CDS traded regularly

**Liquidity**
Average daily volume:  
- Sovereign bonds: USD 50 million+  
- CDS: highly liquid

**Reference pages**
Central Bank of the Republic of Turkey:  
[www.tcmb.gov.tr](http://www.tcmb.gov.tr)

---

**ING Capabilities**
- ING is a Primary Dealer in government securities  
- ING London/Istanbul actively trades Turkey sovereign CDS and bonds

**Contact:**
**Henry Quinnen**  
EM Credit Trading, London  
T: +44 20 7767 8739
Turkey

Equities

**Market Cap (Main Exchange)**
USD 197.074 billion (TRY 372.194 billion)
(December 2011)

**Turnover (Main Exchange)**
Equity: USD 32.82 billion (TRY 53.89 billion)
(Monthly average, year to December 2011)

**Listed Companies (Main Exchange)**
263 – domestic & 1 – foreign
(December 2011)

**Exchange Traded Securities**
Equities, rights, government bonds, eurobonds, T-bills, money market instruments, depository receipts, corporate bonds, asset-backed securities, stripped bonds, real estate certificates, ETF, warrants instruments (including covered warrant), derivatives and leasing/rent certificate instruments (such as Sukuk)

**Settlement**
T+2

**Derivatives Exchange**
TURKDEX (Turkish Futures/Options Market)

**ING Capabilities**
- Exchange Member – Yes
- Equity Execution – Care & DMA
- Securities Finance – CFDs, Swaps, Securities Lending & Repo available
- Derivatives – Index & Single stock
- Research Coverage – Yes

**Contacts:**
**Stephen Friend**
Head of Global Equity Products Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

**Alain Flas**
Head of Global Equity Products Sales
T: +322 5571373
alain.flas@ing.be
## Turkey Equities

<table>
<thead>
<tr>
<th>Trading Phase</th>
<th>Hours</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1st Session 09:30-12:30</td>
<td>2nd Session 14:00-17:30</td>
</tr>
<tr>
<td>Opening Session</td>
<td>09:30-09:50</td>
<td>14:00-14:20</td>
</tr>
<tr>
<td>i) Subscription Period</td>
<td>09:30-09:45</td>
<td>14:00-14:15</td>
</tr>
<tr>
<td>ii) Opening Price Determination</td>
<td>09:45-09:50</td>
<td>14:15-14:20</td>
</tr>
<tr>
<td>Continuous Trading and Continuous Trading with Market Maker</td>
<td>09:50-12:30</td>
<td>14:20-17:30</td>
</tr>
<tr>
<td>Single Price Auction*</td>
<td>09:50-12:30</td>
<td>14:20-17:30</td>
</tr>
<tr>
<td>i) Subscription Period</td>
<td>09:50-12:25</td>
<td>14:20-17:25</td>
</tr>
<tr>
<td>ii) Single Price Determination</td>
<td>12:25†</td>
<td>17:25†</td>
</tr>
</tbody>
</table>

* Securities of the Group C, some securities in the Collective Products Market and all the securities in the Watchlist Companies Market are only traded with the single price auction method.

Trading on the right coupons, official auctions and new equities are realised within the related market segment and within the same trading hours of that market segment. The right coupons are not traded during the opening session.

† Points out that the time may change in accordance with the termination of the transactions.
**Spot liquidity**
About USD 600 million

**Local market hours**
09:00-16:00 (GMT+2)
(FX official session 10:00 to 17:00)

**Day count**
Actual/Actual

**Important information**
- NBU is responsible for monetary policy
- FX is highly regulated
- Proper documentation is required to buy FCY against UAH
- Lending to foreign investors in both UAH and FCY is strictly prohibited
- FX derivatives are prohibited by regulation, except deliverable forwards

**Reference pages**
National Bank of Ukraine:
www.bank.gov.ua

State Commission for Securities and Stock Market:
www.ssmse.gov.ua (no English version)

**ING Capabilities**
- ING Bank Ukraine JSC is a subsidiary of ING Bank NV and provides the full suite of existing products
- ING is an active participant on the local markets and a leader in providing brokerage for foreign investors on the local capital market
- ING is an active participant in the offshore NDF market

**Contact:**
**Andrey Potapov**
Head of Financial Markets, Ukraine
T: +380 442 303 014
Onshore | Offshore
---|---
**Spot transactions**
- Allowed, with banks responsible for verifying documentation of underlying activity (when buying FCY against UAH)
- Approx 30 pips spreads for up to USD 1.0 million. National Bank is the biggest market participant, providing liquidity in FX
- Not available

**Deliverable forwards**
- Allowed up to one year on the ground of import contracts
- Not available

**Non-deliverable forwards**
- Prohibited by regulation
- Available but low liquidity

**Money markets**
- Up to three month NBU CDs
- Up to five years fixed rate Treasury Bonds (UAH, USD and USD linked)
- Corporate Bonds from one to three years (normally with annual put option)
- Term deposits in LCY for non-resident investors allowed for tenors one year and longer
- Term deposits in FCY for non-resident investors allowed for tenors one year and longer
- All instruments (except NBU CDs) are available to non-residents, but offshore settlement is impossible

**FX options**
- Not available
- Not available

**Interest rate derivatives**
- Not available
- Not available

**Tax considerations**
- Capital gains on bonds, interest payment, profits on FX and money market are subject to a 25% corporate profit tax for resident investors
- Interest payments and capital gains on bonds are subject to a 15% withholding tax for non-resident investors (double taxation treaties may apply)
Ukraine

Primary dealer

Rating
S&P: B+ (stable); Moody’s: B2 (stable); Fitch: B (stable)

Debt
External bonds: USD 15 billion
Domestic bonds: USD 9 billion
Total: USD 24 billion

Bonds
USD sovereign benchmarks: Ukraine 2016, 2017, 2020
UAH sovereign benchmarks are traded
Main corporates traded: Azovtl, MHPSA, EXIMUK, METINV, DTEKUA, CITKIE

Derivatives
CDS traded regularly

Liquidity
Average daily volume:
• Sovereign bonds: USD 5 million; Corporate bonds: USD 2 million
• CDS: illiquid

Reference pages
Central Bank of Ukraine:
www.bank.gov.ua

ING Capabilities
• ING is a Primary Dealer in government securities
• ING trades Ukraine sovereign CDS and bonds and selected corporates

Contact:
James Randall
EM Credit Trading, London
T: +44 20 7767 8427
Middle East
**Bahrain**

**Spot liquidity**
Onshore average daily turnover USD 100 million

**Local market hours**
09:30-16:00 Bahrain time (GMT+3)

**Day count**
360

**Currency restrictions**
Fully convertible
The BHD has been pegged at 0.3770 per USD since 12/12/1980
Operates Islamic clearing – weekend is Friday/Saturday

**Spot transactions**
Deliverable – USD 10 million

**Forward transactions**
Deliverable – USD 10-20 million

**Forward liquidity**
Liquidity is reasonable, forwards can be traded out to one year
Transactions are mainly commercially driven

**Reference pages**
CB of Bahrain:
http://www.bma.gov.bh

**ING Capabilities**
- ING operates a Spot and Forward book out to one year

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
**Israel**

**Spot liquidity**
Good onshore average daily turnover USD 1.5 billion

**Local market hours**
08:30-17:00 Tel Aviv time; 08:30-13:00 Fridays (GMT+2)

**Day count**
365

**Currency restrictions**
Fully deliverable free float

**Spot transactions**
USD 5 million

**Forward transactions**
USD 25 million

**Forward liquidity**
Good

**Interest rate derivatives**
IRS, cross currency swaps up to ten years, Ann A365 versus three month Telbor A365
Market amount: ILS 50-100 million two to five years, ILS 25 million ten years
Also FRAs up to two years

**Reference pages**
Bank of Israel:
[www.bankisrael.gov.il](http://www.bankisrael.gov.il)

---

**ING Capabilities**
- ING provides the full suite of market products

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
Israel
Equities

Market Cap (Main Exchange)
USD 156.94 billion (ILS 600.102 billion)
(December 2011)

Turnover (Main Exchange)
Equities: USD 6.836 billion (ILS 24.41 billion)
(Monthly average, year to December 2011)

Listed Companies (Main Exchange)
593 (576 domestic and 17 foreign)
(December 2011)

Exchange Traded Securities
Equities (ordinary and preferred), convertibles (convertible bonds and warrants), corporate bonds (including structured bonds based upon single share and indices), government bonds, T-bills (MAKAMs), index products, options and futures.

Settlement
T+2

Derivatives Exchange
Tel Aviv Stock Exchange

ING Capabilities
• Equity Execution – Care & DMA
• Securities Finance – CFD’s
• Research Coverage – Yes

Contacts:
Stephen Friend
Head of Global Equity Products Distribution
T: +44 207767 8870
stephen.friend@uk.ing.com

Alain Flas
Head of Global Equity Products Sales
T: +322 5571373
alain.flas@ing.be
### Market Hours: 09:00-16:30 EET

<table>
<thead>
<tr>
<th>Trading Phase</th>
<th>Hours</th>
<th>Trading Guidelines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-opening</td>
<td>09:00-09:45</td>
<td>May enter orders in book from 08:30. Price indication from 09:00. Can cancel order until 09:40. After 09:40 cannot cancel if impacting indicated price/volume</td>
</tr>
<tr>
<td>Opening Phase</td>
<td>09:45-09:50</td>
<td>Random time open, maximises the volume to go through at open</td>
</tr>
<tr>
<td>Continuous Trading</td>
<td>Open-16:14/16:15</td>
<td>Closing time of regular session random b/w 16:14-16:15</td>
</tr>
<tr>
<td>Closing Auction</td>
<td>16:23-16:28</td>
<td>Closing auction similar to open. Orders to be entered in system and can be cancelled until 16:25. From 16:25 orders that impact price or volume cannot be cancelled</td>
</tr>
<tr>
<td>Trading Halt/ Suspension</td>
<td></td>
<td>No limit on individual stocks. If TA25 index moves 8%, trading suspended for 45min. After a 12% move the market closes for the day. All stocks are suspended for 45min of trading on any significant announcement (earnings report, M&amp;A etc)</td>
</tr>
</tbody>
</table>
**Spot liquidity**
Onshore average daily turnover USD 15 million

**Local market hours**
09:30-16:00 Amman time (GMT+3)

**Day count**
360

**Currency restrictions**
Pegged to a basket of currencies – weekend is Friday/Saturday
Convertible – however if investors sell JOD, a 0.1% commission must be paid to the CB

**Spot transactions**
Deliverable, USD 1 million
Note: Locals can charge their own commission on top of the CB’s 0.1%
Whilst pegged to a basket of currencies, JOD has been stable at 0.7090/USD since 1989

**Forward transactions**
Deliverable – USD 1-3 million
Note: Locals can charge their own commissions on top of the CB’s 0.1%

**Forward liquidity**
Liquidity is very thin
All transactions are commercially driven

**Reference pages**
CB of Jordan:
**Spot liquidity**
Onshore average daily turnover USD 200 million

**Local market hours**
09:30-16:00 Kuwait time (GMT+3)

**Day count**
360

**Currency restrictions**
Fully convertible
The KWD trades against a basket of currencies as determined by the CB
The basket is not disclosed

**Spot transactions**
Deliverable – USD 10 million

**Forward transactions**
Deliverable – USD 10-20 million

**Forward liquidity**
Liquidity is small, forwards can be traded out to two years
Transactions are mainly commercially driven

**Reference pages**
CB of Bahrain:
http://www.cbk.gov.kw

**ING Capabilities**
- ING operates a Spot and Forward book out to two years

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
**Spot liquidity**
Onshore average daily turnover USD 100 million

**Local market hours**
09:30-16:00 Muscat time (GMT+3)

**Day count**
360

**Currency restrictions**
Fully convertible – pegged to the USD at 0.38500 since January 1986
Operates Islamic clearing – weekend is Friday/Saturday

**Spot transactions**
Deliverable – USD 5-10 million

**Forward transactions**
Deliverable – USD 5-10 million
It is recommended to stick to commercially driven transactions

**Forward liquidity**
Liquidity is thin but can be traded out to one year

**Reference pages**
CB of Oman:
http://www.cbo-oman.org/home.htm

---

**ING Capabilities**
- ING operates a Spot and Forward book out to one year

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
**Spot liquidity**
Onshore average daily turnover USD 200 million

**Local market hours**
09:30-16:00 Doha time (GMT+3)

**Day count**
360

**Currency restrictions**
Fully convertible – Pegged to the USD at 3.6400 since 1980
Operates Islamic clearing – weekend is Friday/Saturday

**Spot transactions**
Deliverable – USD 5 million

**Forward transactions**
Deliverable – USD 5 million
It is recommended to stick to commercially driven transactions

**Forward liquidity**
Liquidity is very thin

**Reference pages**
Qatar CB:
[www.qcb.gov.qa](http://www.qcb.gov.qa)

---

**ING Capabilities**
- ING operates a Spot and Forward book out to one year

**Contact:**

**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
**Spot liquidity**
Onshore average daily turnover USD 1.2 billion

**Local market hours**
09:00-17:00 Riyadh time (GMT+3)

**Day count**
360

**Currency restrictions**
Fully convertible – Pegged to the USD at 3.7500 since January 1986
SAMA monitors all transactions closely

**Spot transactions**
Deliverable – USD 25 million

**Forward transactions**
Deliverable – USD 25 million

**Forward liquidity**
Liquidity is good but sensitive to oil prices and market speculation of revaluation ahead of the Gulf currency union

**Interest rate derivatives**
IRS up to five years, Ann A360 versus three month SIBOR A360
Market amount SAR 20 million
Also FRAs up to two years

**Reference pages**
CB of Saudi Arabia:
http://www.sama.ksa.org

**ING Capabilities**
- ING provides the full suite of market products

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
United Arab Emirates

**Spot liquidity**
Onshore average daily turnover USD 500 million

**Local market hours**
09:00-16:00 Abu Dhabi time (GMT+3)

**Day count**
360

**Currency restrictions**
Fully convertible – Pegged to the USD at 3.6730 since November 1980
Onshore banks cannot lend dirhams to offshore and forwards must be commercially driven

**Spot transactions**
Deliverable – USD 5-10 million

**Forward transactions**
Deliverable – USD 10-20 million

**Forward liquidity**
Liquidity is reasonable but sensitive to oil prices and market speculation of revaluation ahead of the Gulf currency union

**Interest rate derivatives**
IRS, FRAs up to two years, Ann A360 versus three month EBOR A360
Market amount AED 20 million

**Reference pages**
CB of Abu Dhabi:
http://www.cbuae.gov.ae

ING Capabilities
- ING provides the full suite of market products

Contact:
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
**Spot liquidity**
Onshore average daily turnover USD 40 million

**Local market hours**
09:30-16:00 Algiers time (GMT+1)

**Day count**
360

**Currency restrictions**
Managed float – partly deliverable on spot. Investors can only buy DZD on spot, to sell DZD, investors need proof of a commercial transaction and investors also need to deal with their own nostro

**Spot transactions**
USD 1-5 million, subject to the above restrictions

**Forward transactions**
Not Allowed

**Reference pages**
CB of Algeria:
http://www.bank-of-algeria.dz/

---

**ING Capabilities**
- ING London can quote Spot, subject to the above restrictions

**Contact:**

**John Brierley**
Head of FX & rates Trading, London
T: +44 20 7767 8567
**Botswana**

**Spot liquidity**
Onshore average daily turnover USD 15 million

**Local market hours**
09:15-15:00 Gaborone time (GMT+2)

**Day count**
365

**Currency restrictions**
Crawling trade-weighted peg, approx. 65% ZAR, 35% SDR
Note: the Pula is quoted inverse – BWP/USD

**Spot transactions**
USD 1 million

**Forward transactions**
USD 5 million

**Forward liquidity**
Liquidity is thin

**Reference pages**
Bank of Botswana:
www.bankofbotswana.bw

**ING Capabilities**
- ING operates a Spot and Forward book out to one year

**Contact:**

**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
**Spot liquidity**
Onshore average daily turnover USD 65 million

**Local market hours**
09:30-16:00 Cairo time (GMT+1) from Sunday to Thursday

**Day count**
365

**Currency restrictions**
Managed float – deliverable on spot if you are buying or selling EGP assets
Otherwise NDF

**Spot transactions**
Deliverable – USD 10 million, subject to the above restrictions

**Forward transactions**
Deliverable – USD 10 million, subject to the above restrictions
NDF – usually trades in lots of USD 5-10 million

**Forward liquidity**
Liquidity is thin
NDFs are fixed T+2 12:00 Cairo time, published on Reuters FEMF

**Reference pages**
CB of Egypt:
http://www.cbe.org.eg/

**ING Capabilities**
- ING can quote Spot, subject to the above restrictions
- ING can quote NDFs

**Contact:**

**John Brierley**
Head of Trading, London
T: +44 20 7767 8567
Spot liquidity
Onshore average daily turnover USD 50 million

Local market hours
09:00-16:00 Nairobi time (GMT+3)

Day count
365

Currency restrictions
Fully deliverable managed float – Restrictions introduced by the CBK in 2011 make delivery of FX for offshore names difficult. Trades should be restricted to commercial transactions & all transactions over USD 10,000 have to be reported to the CB.

Spot transactions
USD 1 million

Forward transactions
USD 3 million

Forward liquidity
Liquidity is thin

Reference pages
CB of Kenya:
www.centralbank.go.ke

ING Capabilities
• ING operates a Spot and Forward book out to one year

Contact:
John Brierley
Head of FX & Rates Trading, London
T: +44 20 7767 8567
Mauritius

**Spot liquidity**
Onshore average daily turnover USD 10 million

**Local market hours**
09:00-16:00 Port Luis time (GMT+4)

**Day count**
365

**Currency restrictions**
Fully deliverable managed float

**Spot transactions**
USD 0.5 million

**Forward transactions**
USD 1-3 million

**Forward liquidity**
Liquidity is thin

**Reference pages**
Bank of Mauritius:
[www.bom.intnet/mu](http://www.bom.intnet/mu)

---

**ING Capabilities**
- ING operates a Spot and Forward book out to one year

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
**Spot liquidity**
Onshore average daily turnover USD 120 million

**Local market hours**
09:30-16:00 Rabat time (GMT+1)

**Day count**
360

**Currency restrictions**
Managed float – Pegged to a basket of currencies related to trade/debt
There is a 10% WHT on deposits placed with onshore banks

**Spot transactions**
Deliverable – USD 5-10 million subject to the above restrictions
Domestic Dirhams are not tradable by offshore banks

**Forward transactions**
Deliverable – USD 5-10 million subject to the above restrictions

**Forward liquidity**
Liquidity is small but reasonable amounts can be traded on an order basis

**Reference pages**
CB of Morocco:
http://www.bkam.ma/

---

**ING Capabilities**
- ING can quote Spot, subject to the above restrictions
- ING can quote Forwards to one year, subject to the above restrictions

**Contact:**

**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
**Spot liquidity**
Onshore average daily turnover USD 80 million

**Local market hours**
09:00-15:00 Lagos time (GMT+1)

**Day count**
365

**Currency restrictions**
Heavily managed float
NGN sales forbidden without CCI (Certificate of Capital Importation)
CCI issuance dependant on NGN purchase for qualifying investment

**Spot transactions**
USD 10 million

**Forward transactions**
Deliverable USD 10 million
NDFs USD 5 million

**Forward liquidity**
Liquidity is reasonable (USD 10-20 million typical) six months and under. FX swap market is restricted for foreigners unless the trade constitutes a ‘qualifying investment’. NDFs available out to one year tenor.

**Reference pages**
CB of Nigeria:
[www.cenbank.org](http://www.cenbank.org)

**ING Capabilities**
- ING can quote NDFs, also deliverable spot and forwards subject to the above restrictions

**Contact**:
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
**South Africa**

**Spot liquidity**
Onshore average daily turnover USD 2 billion

**Local market hours**
08:30-17:00 Johannesburg time (GMT+2)

**Day count**
365

**Currency restrictions**
The financing of short ZAR speculative positions in the domestic market is forbidden and the CB will enforce existing rules to this end

**Spot transactions**
Deliverable – USD 5-10 million

**Forward transactions**
Deliverable – USD 25-50 million

**Forward liquidity**
Liquidity is good. However, prices over one year can sometimes be difficult to source
If the SARB is enforcing rules, then liquidity can drop dramatically

**FX Option**
Good liquidity out to two years
Average ticket size 10-30 million

**Interest rate derivatives**
IRS, Cross currency swaps up to 20 years, Qtrly A365F versus three month Jibar A365F
Market amount: ZAR 250 million 2-5 years, ZAR 100-200 million ten years
Also FRAs up to two years

**Reference pages**
CB of South Africa: [http://www.reservebank.co.za/](http://www.reservebank.co.za/)

---

**ING Capabilities**
• ING London offers the full suite of existing products

**Contact:**
John Brierley
Head of FX & Rates Trading, London
T: +44 20 7767 8567

---

Africa South Africa
South Africa

Equities

Market Cap (Main Exchange)
USD 789.037 billion (ZAR 6.37 trillion)
(Excludes investment funds, listed warrants and convertibles; December 2011)

Turnover (Main Exchange)
Equity: USD 31.01 billion (ZAR 223.37 billion)
(Monthly average, year to December 2011)

Listed Companies (Main Exchange)
JSE 395 (347 domestic, 48 foreign)
(December 2011)

Exchange Traded Securities
Equities, warrants, preference shares, debentures, exchange traded funds and Krugerrands are traded on
the JSE

Settlement
T+5 (expected to move to T+3)

Derivatives Exchange
South African Futures Exchange (SAFEX) – a division within JSE

ING Capabilities
• Equity Execution – Care, DMA & Algo
• Securities Finance – CFD’s & Swaps, Securities Lending & Repo available

Contacts:
Stephen Friend
Head of Global Equity Products
Distribution
T: +44 207 767 8870
stephen.friend@uk.ing.com

Alain Flas
Head of Global Equity Products
Sales
T: +322 557 1373
alain.flas@ing.be
# South Africa
## Equities (cont’d)

<table>
<thead>
<tr>
<th>Trading Phase</th>
<th>Hours</th>
<th>Trading Guidelines</th>
<th>Orders Accepted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening order-collection</td>
<td>06:30-06:35</td>
<td>This is a systemic period during which all orders that have expired overnight will be removed from the system</td>
<td>None</td>
</tr>
<tr>
<td>Opening auction period</td>
<td>06:35-07:00</td>
<td>Orders can be entered, modified and deleted. No trades occur. Random end to this period to prevent price manipulation</td>
<td>Market &amp; Limit orders</td>
</tr>
<tr>
<td>Continuous trading Intra-day liquidity auction call for securities in sector ZA03</td>
<td>07:00-14:50</td>
<td>Orders can be entered, modified and deleted. Trades continuously occur as orders match at price time priority. Liquidity auction for less liquid shares to increase liquidity</td>
<td>Market &amp; Limit orders</td>
</tr>
<tr>
<td>Closing auction period</td>
<td>14:50-15:00</td>
<td>Determination of closing price. Orders can be entered, modified and deleted. Random end to this period to prevent price manipulation. Orders match at price/volume priority</td>
<td>Market &amp; Limit orders</td>
</tr>
<tr>
<td>Runoff period</td>
<td>15:00-16:00</td>
<td>This period is used for general ‘housekeeping’ activities, orders may be modified or cancelled, trades may be modified or reported. No order entry may take place in this phase and no automatic execution will occur</td>
<td>None</td>
</tr>
<tr>
<td>Close</td>
<td>16:00</td>
<td>Systemic closure of the trading system and official end to the trading day</td>
<td>None</td>
</tr>
</tbody>
</table>
**Tanzania**

**Spot liquidity**
Onshore average daily turnover USD 10 million

**Local market hours**
09:00-16:00 Dar es Salaam time (GMT+3)

**Day count**
365

**Currency restrictions**
Fully deliverable managed float – selected by average market rates at set times
Restrictions imposed by the CBT in 2011 make offshore trading difficult

**Spot transactions**
USD 0.5 million

**Forward transactions**
USD 1-2 million

**Forward liquidity**
Liquidity is thin

**Reference pages**
Bank of Tanzania:
www.bot-tz.org

---

**ING Capabilities**
- ING operates a Spot and Forward book out to three months

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
Spot liquidity
Onshore average daily turnover USD 150 million

Local market hours
09:30-16:00 Tunis time (GMT+1)

Day count
360

Currency restrictions
Managed float – Pegged to a basket of currencies related to trade/debt
There is a 10% WHT on deposits placed with onshore banks
Some onshore banks have an offshore licence

Spot transactions
Deliverable – USD 5-10 million subject to the above restrictions
Domestic dinars are not tradable by offshore banks

Forward transactions
Deliverable – USD 5-10 million subject to the above restrictions

Forward liquidity
Liquidity is small but reasonable amounts can be traded on an order basis

Reference pages
CB of Tunisia:
http://www.bct.gov.tn

ING Capabilities
• ING can quote Spot, subject to the above restrictions
• ING can quote Forwards to one year, subject to the above restrictions

Contact:
John Brierley
Head of Fx & Rates Trading, London
T: +44 20 7767 8567
Latin America
Argentina

Currency restrictions
Yes
The Argentine Peso is not a freely convertible currency
There are numerous currency controls meant to smooth currency volatility
All spot transactions must be done locally and through a dealer authorised by BCRA

Local market hours
10:00-15:00 Buenos Aires time (GMT-3)

Day count
360

Important information
BCRA (Banco Central De la Republica) manages the peso (ARS) in a managed floating regime
BCRA interventions are sporadic

Reference pages
BCRA (Central Bank):
www.bcra.gov.ar

Emerging Market Traders Association:
www.emta.org

ING Capabilities
• ING is an active participant in the OTC NDF market up to two years

Contact:
John Brierley
Head of FX & Rates Trading, London
T: +44 20 7767 8567

Latin America
Argentina
Argentina

Spot transactions
- Locally only
- Daily average trading volume +/- USD 200 million

Local non-deliverable forwards/Futures
- Daily average trading volume +/- USD 200 million
- Very liquid out to the one year tenor

Local bonds
- Available in USD and ARS
- In USD available out to 2038
- In ARS available out to 2038

Local swaps
- Fixed ARS/30-day BADLAR
- Available out to one year
- 30/365
- Very illiquid, settled in ARS

Offshore non-deliverable forwards
- Traded OTC under ISDA definitions
- Cash settled at maturity in USD
- Fixing mechanism: EMTA ARS Industry Survey published 12:00 NY Time (EMTA website)
- Fixing is 48 business hours before settlement
- Available up to two years
- Average daily trading volume +/- USD 125 million
- Liquidity is concentrated in the one-month tenor

FX offshore options
- Traded OTC under ISDA definitions
- Cash settled in USD at maturity
- Market quotes up to two years
- Monthly average turnover is USD 100-150 million
- Liquidity is concentrated between tenors of one month and one year

Offshore swaps
- Traded OTC under ISDA definitions
- Cash settled in USD
- 6m Libor/ARS and six month/CER (Coeficiente de Estabilizacion de Referencia – inflation-linked index denominated in ARS)
- Six month Libor in act/360, ARS and CER in 30/360
- Available up to ten years
- Liquidity is concentrated in tenors shorter than five years

External debt
- Bonds available in EUR, USD, and ARS
- All bonds are euroclearable
- Tenors from two years through 30 years

CDS
- Maturities available through ten years
**Spot liquidity**
Average daily volume of USD 2.5 billion

**Local market hours**
09:00-18:00 Brasilia time (GMT-3)

**Day count**
252

**Important information**
BRL is a non-convertible currency

**Reference pages**
Central Bank: 
[www.bcb.gov.br](http://www.bcb.gov.br)

CETIP: 
[www.cetip.com.br](http://www.cetip.com.br)

Ministry of Finance: 
[www.fazenda.gov.br](http://www.fazenda.gov.br)

National Treasury: 
[www.tesouro.fazenda.gov.br](http://www.tesouro.fazenda.gov.br)

Securities Exchange Commission: 
[www.cvm.gov.br](http://www.cvm.gov.br)

Stock and Futures Exchange (BM&FBovespa): 
[www.bmfbovespa.com.br](http://www.bmfbovespa.com.br)

Association of Securities Dealers: 
[www.anbima.com.br](http://www.anbima.com.br)

**ING Capabilities**
- ING Sao Paulo is a full branch of ING Bank NV and provides the full suite of market products

**Contacts:**

**André Maranho**
FX & Rates Trading (onshore)
T: +55 11 4504 6486

**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
<table>
<thead>
<tr>
<th></th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Spot transactions</strong></td>
<td>• Strong liquidity; average ticket of USD 10-20 million but sizes of USD 50-100 million are possible</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Traded OTC in local markets and BMF</td>
<td>• Not allowed</td>
</tr>
<tr>
<td></td>
<td>• Requires central bank registration for all transactions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Settles in two business days</td>
<td></td>
</tr>
<tr>
<td><strong>Non-deliverable forwards</strong></td>
<td>• Liquid up to three years</td>
<td>• Liquid up to two years</td>
</tr>
<tr>
<td></td>
<td>• Up to ten years available</td>
<td>• Up to five years available</td>
</tr>
<tr>
<td></td>
<td>• Average ticket size of USD 5-10 million, but sizes up to USD 50-100 million are possible</td>
<td>• Average ticket size of USD 5-10 million, but sizes up to USD 50-100 million are possible</td>
</tr>
<tr>
<td><strong>Options</strong></td>
<td>• Traded on the Bolsa de Mercadorias &amp; Futuros (BMF)</td>
<td>• Liquid up to two years</td>
</tr>
<tr>
<td></td>
<td>• Liquid up to two years</td>
<td>• Up to three years available</td>
</tr>
<tr>
<td></td>
<td>• Up to two years available</td>
<td></td>
</tr>
<tr>
<td><strong>FX futures</strong></td>
<td>• Traded on the BMF Futures Exchange</td>
<td>• Allowed under resolution 269</td>
</tr>
<tr>
<td></td>
<td>• Up to ten years available</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Liquid up to three years</td>
<td></td>
</tr>
<tr>
<td><strong>Interest rate derivatives</strong></td>
<td>• IRS traded OTC and at the Futures Exchange</td>
<td>• PRE-CDI offshore contract liquid up to four years; available up to seven years</td>
</tr>
<tr>
<td></td>
<td>• Other swaps available include inflation indexes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• ‘DI’ futures:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Underlying is the CDI (interbank overnight rate) differential on the maturity date and settlement</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Average transaction size is USD 30-55 million</td>
<td></td>
</tr>
<tr>
<td>Treasury securities</td>
<td>Onshore</td>
<td>Offshore</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------</td>
<td>----------</td>
</tr>
<tr>
<td>Settlement (primary market): T+1</td>
<td>• Allowed</td>
<td></td>
</tr>
<tr>
<td>American-style weekly auctions. Dutch auctions for NTN-B</td>
<td>• Settlement (secondary market): T+1 (default)</td>
<td></td>
</tr>
<tr>
<td>• Settlement (secondary market): T+1 (default)</td>
<td></td>
<td>• Settled: via Selic</td>
</tr>
<tr>
<td>• Amortisation: bullet and coupon</td>
<td>• Interest accrual: actual Brazilian business days/252</td>
<td></td>
</tr>
<tr>
<td>• Interest accrual: actual Brazilian business days/252</td>
<td></td>
<td>• Security types:</td>
</tr>
<tr>
<td>• Security types:</td>
<td></td>
<td>• LTN (28 days to three years): zero-coupon, fixed-rate notes, average daily volume is USD 1 billion</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• LFT (up to two years): zero-coupon, floating-rate bonds linked to Selic, average daily volume is USD 100 million</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• NTN-B (12 months to 30 years): inflation-linked to IPCA (consumer inflation), pays 6% semi-annually, average daily turnover of USD 500 million</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• NTN-C (12 months to 25 years): inflation-linked to IGP-M (manufacturing inflation), pays 6% semi-annually, up to 30-year tenors. Average daily turnover of USD 50 million</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• NTN-F (two years to ten years): fixed-rate coupon paying bonds, pay 10% semi-annually, average trading volume of USD 500 million</td>
</tr>
</tbody>
</table>
### Brazil

#### Onshore

<table>
<thead>
<tr>
<th>Corporate securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Debentures: traded OTC, variable coupon types, settlement T+1, variable amortisation types, average tenor outstanding five years, amount outstanding BRL 300 billion</td>
</tr>
<tr>
<td>• Commercial paper: traded OTC, variable coupon, settlement T+1, bullet amortisation types, average tenor outstanding 180 days</td>
</tr>
<tr>
<td>• 15% withholding tax applies for foreign investors participating in corporate securities</td>
</tr>
<tr>
<td>- FIDC</td>
</tr>
<tr>
<td>- CRI</td>
</tr>
</tbody>
</table>

#### Offshore

<table>
<thead>
<tr>
<th>Corporate securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Allowed</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Real BRL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
</tr>
</tbody>
</table>

**ING**

**Latin America**
External debt
Government Eurobonds:
• Outstanding: USD 49 billion
• Average daily volume: USD 600 million
Government BRL bonds: (2016, 2022, 2028)
Corporate Eurobonds:
• Outstanding: USD 74 billion
• Average daily volume: USD 600 million

CDS
CDS available to ten years, five years is most liquid

Tax/regulatory considerations
• Foreign investor participation in Brazilian domestic debt, FX and equity markets (financial and capital markets) is regulated by central bank resolution 2689
  - Local custodian required; account must be approved by local securities commission (CVM)
  - Investor must appoint a local representative

Rules applicable to investments in financial and capital markets (denominated 2689 account):
• Withholding tax:
  a) 15% income arising from fixed instruments
  b) 10% income arising from OTC transactions
  c) 0% income arising from listed instruments (tax haven residents will be subject to the same rates applicable to local residents, which varies from 15% to 22.5%, according to the maturity of the investment)
• IOF/Exchange:
  a) 6% over the inflow related to investments in fixed instruments
  b) 0% over the inflow related to investments in listed instruments
 (There is no IOF on the outflow of these funds)

Rules applicable to government bonds:
• Withholding tax: the income arising from the government bonds is, currently, subject to 0% (tax haven residents – rule mentioned above)
• IOF/Exchange: the inflow of funds to local bank accounts (2.689 accounts) is, currently, subject to 6%. (There is no IOF on the outflow of these funds)
Currency restrictions
Yes
The Chilean Peso is not a freely convertible currency
All spot transactions must be done locally and though a dealer authorised by BCCH

Local market hours
09:00-13:30 Santiago time (GMT-3)

Day count
360

Important information
The Chilean Peso (CLP) is a free-floating currency, but occasionally Banco Central de Chile (BCCH) intervenes

Reference pages
BCCH – Banco Central de Chile:
www.bccentral.cl/eng

ING Capabilities
• ING is an active participant the OTC NDF market up to two years

Contact:
John Brierley
Head of FX & Rates Trading, London
T: +44 20 7767 8567
Spot transactions
- Locally only
- Daily average trading volume is USD 800-1000 million

Local deliverable forwards/ Non-deliverable forwards
- Available from local authorised dealers for local clients
- Daily average trading volume is USD 300-400 million

Local bonds
- Central Bank and Treasury Pesos out to 20 years
- Central Bank UF issued out to 30 years (UF is an inflation-linked index denominated in CLP)
- Bond forwards

Local swaps
- Cash settled in CLP
- UF FWD curve through one year
- CLP/CAM (overnight interest rate – six month coupon), UF/CAM
- Basis Swap – Libor/CAM – out to 15 years
- 6m Libor, CAM, CLP and UF in act/360
- Liquidity is concentrated under five years

Offshore non-deliverable forwards
- Traded OTC under ISDA definitions
- Cash settled at maturity in USD
- Fixing mechanism: dólar observado – daily weighted average of all spot transactions, published by CB
- Fixing is 48 business hours before settlement (http://si2.bcentral.cl/BasedeDatosEconomicos/951_455.asp?f=D&s=TC-OBS-DIA&LlamadaPortada=SI)
- Available up to three years
- Average daily trading volume USD 350-550 million
- Liquidity is concentrated in the one-month tenor

FX options
- Traded OTC under ISDA definitions
- Cash settled in USD at maturity
- Market quotes up to two years
- Monthly average turnover USD 250-350 million
- Liquidity is concentrated between 1 and 3 months

Offshore swaps
- Traded OTC under ISDA definitions
- Cash settled in USD
- CLP/CAM (overnight interest rate – 6m coupon), UF/CAM
- Basis Swap – Libor/CAM – out to 15 years
- Six month Libor, CAM, CLP, and UF in act/360
- Available up to 20 years, but liquidity is concentrated under ten years

External debt
- Two bonds available in USD
- Chile 2012 and Chile 2013

CDS
- Maturities available through ten years
**Currency restrictions**
Yes
The Colombian Peso (COP) is not freely convertible
All spot transactions must be done locally and though a dealer authorised by BR (Banco de la Reserva)

**Local market hours**
08:00-13:00 Bogota time (GMT-5)

**Day count**
360

**Important information**
The Colombian Peso is free floating. However, Banco de la Republica (BR) actively participates in the local FX market as part of their reserves accumulation program and to reduce market volatility

**Reference pages**
Banco de la Republica:
www.banrep.gov.co

**ING Capabilities**
- ING is an active participant in the OTC NDF market up to two years

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567

---

**Colombia**
Spot transactions
- Locally only
- Daily average trading volume USD 800-1100 million

Local deliverable forwards
- Available from local authorised dealers for local clients

Local non-deliverable forwards
- Interbank. Daily average trading volume between local non-deliverable forwards and deliverable forwards is USD 300-500 million

Local bonds
- In COP through 2024
- In UVR through 2023 (Unidad de Valor Real – inflation-linked index denominated in COP)

Local swaps
- Cash settled in COP
- COP/six month Libor, available 1-10 years
- UVR/six month Libor, available 1-10 years
- Six month Libor, COP and UVR act/360

Offshore non-deliverable forwards
- Traded OTC under ISDA definitions
- Cash settled at maturity in USD
- Fixing mechanism: TCRM (Tasa Representativa de Mercado): Daily weighted average of all spot transactions, published by the CB
- Fixing is 48 business hours before settlement (http://www.banrep.gov.co/series-estadisticas/see_ts_cam_dia.htm)
- Available up to two years
- Average daily trading volume USD 300-400 million
- Liquidity is concentrated in the one-month tenor

FX options
- Traded OTC under ISDA definitions
- Cash settled in USD at maturity
- Market quotes up to two years
- Monthly average turnover is between USD 150-250 million
- Not very liquid

Offshore swaps
- Traded OTC under ISDA definitions
- Cash settled in USD
- COP/6m Libor, available 1-10 years
- UVR/6m Libor, available 1-10 years
- Six month Libor, COP and UVR act/360

External debt
- COP- and USD-denominated bonds available from 2009 though 2037
- Bonds are euroclearable

CDS
- Maturities available through ten years
Spot liquidity
Average daily volume of USD 7 billion

Local market hours
08:00-14:00 Mexico City time (GMT-6)

Day count
360

Currency restrictions
MXN is a fully convertible currency

Reference pages
Central Bank (Banco de Mexico):
www.banxico.org.mx

Ministry of Finance:
www.shcp.gob.mx

Stock Exchange:
www.bmv.com.mx

ING Capabilities
• ING has an office in Mexico City and provides the full suite of market products

Contact:
John Brierley
Head of FX & Rates Trading, London
T: +44 20 7767 8567
**Mexico**

**Peso MXN**

**Spot transactions**
- Strong liquidity; average ticket of USD 10-20 million but sizes of USD 50-100 million are possible
- Average bid/offer 25 pips

**Deliverable forwards**
- Liquid to 24 months
- Up to five years available
- Average bid/offer spread 5bp

**FX futures**
- Allowed
- Traded on the Mexican Market of Derivatives (MexDer)

**Interest rate derivatives**
- TIIE interest rate swaps: traded OTC, tenors from 28 days to 30 years
- Forward Rate Agreements (FRA): Referenced to the TIIE 28-day rate; tenors from 28 days to five years; contracts begin on third Wednesday of each month
- Cross Currency Swaps (CCS): non-MXN denominated payments (including UDI); traded OTC; usually requires the exchange of principal at start or end of contract

**Treasury securities**
- Settlement (primary market): T+2
- Dutch-style weekly auctions
- Settlement (secondary market): T+2
- Interest accrual: Actual/365
- Security types:
  - Cetes (28 days, 91 days, 182 days and 364 days): Zero-coupon; bullet maturity; average daily volume is MXN 10 billion (real effective exchange). Amount outstanding MXN 343.6 billion
  - Bonos (up to 30 years): Fixed rate coupon; traded on YTM basis; average daily volume is MXN 15 billion; amount outstanding of MXN 985.2 billion
  - Regular Bondes (government resumed issuance this year): Floating-rate bonds; paid semi-annually; quoted on spread to six-month Cetes basis. Amount outstanding MXN 74.7.4 billion
  - Udibonos (10, 20 and 30 years): inflation-linked bonds to UDI rate (daily inflation monetary unit based on daily inflation rate of previous biweekly CPI inflation rate); traded on a real YTM basis; interest accrual Act/360. Amount outstanding MXN 201.7 billion
  - BREM (one and three years): Floating rate coupon paying bonds linked to average banking promissory note rate; pay monthly; interest accrual Act/360. Amount outstanding MXN 2.8 billion (Banco de Mexico already suspended issuance of this instrument)

**Treasury securities**
- Settlement (primary market): T+2
- Dutch-style weekly auctions
- Settlement (secondary market): T+2
- Interest accrual: Actual/365
- Security types:
  - Cetes (28 days, 91 days, 182 days and 364 days): Zero-coupon; bullet maturity; average daily volume is MXN 10 billion (real effective exchange). Amount outstanding MXN 343.6 billion
  - Bonos (up to 30 years): Fixed rate coupon; traded on YTM basis; average daily volume is MXN 15 billion; amount outstanding of MXN 985.2 billion
  - Regular Bondes (government resumed issuance this year): Floating-rate bonds; paid semi-annually; quoted on spread to six-month Cetes basis. Amount outstanding MXN 74.7.4 billion
  - Udibonos (10, 20 and 30 years): inflation-linked bonds to UDI rate (daily inflation monetary unit based on daily inflation rate of previous biweekly CPI inflation rate); traded on a real YTM basis; interest accrual Act/360. Amount outstanding MXN 201.7 billion
  - BREM (one and three years): Floating rate coupon paying bonds linked to average banking promissory note rate; pay monthly; interest accrual Act/360. Amount outstanding MXN 2.8 billion (Banco de Mexico already suspended issuance of this instrument)
**Tax/regulatory considerations**

- All securities trading and investment activity is regulated by Banco de Mexico.
- Bank sector and locally domiciled brokerage houses are regulated by the Commission Nacional Bancaria y de Valores (CNBV) and the Ministry of Finance.
- For local residents, a withholding tax of 0.5% on capital gains made on government debt is applicable.
- For foreign residents, a withholding tax of 4.9% (up to 15% if from non-OECD countries and/or countries with no tax treaties with the state of Mexico) on capital gains made on corporate debt securities is applicable.
- Foreign investors (with no residency) face no restrictions on participating in Mexican securities trading.
- For foreign investors:
  - A local custodial account is required for trading on government securities.
  - All securities are to be held with Indeval (clearing agent) in book entry form.
**Currency restrictions**
No, but there is withholding
The Peruvian Sol is fully deliverable, but because of a financial tax on financial transactions and the necessity for local custody, most dealers try to deal in offshore NDFs.
All spot transactions must be done locally and through a dealer authorised by BCRP (Banco Central de Reserva del Peru).

**Local market hours**
10:00-13:30 Lima time (GMT -5)

**Day count**
360

**Important information**
The Peruvian Sol (PEN) is free floating but occasionally BCRP occasionally intervenes to smooth out volatility.

**Reference pages**
Banco Central de Reserva del Peru: [www.brcp.gob.pe](http://www.brcp.gob.pe)

---

**ING Capabilities**
- ING is an active participant in the OTC NDF market up to one year.

**Contact:**
**John Brierley**
Head of FX & Rates Trading, London
T: +44 20 7767 8567
**Spot transactions**
- Locally only
- Daily average trading volume is USD 400-450 million

**Local non-deliverable forwards**
- Daily average trading volume USD 150-200 million

**Local bonds**
- In PEN, out to 2037
- In PEN indexed to VAC (inflation-linked index) out to 2046
- Bond forwards

**Local swaps**
- Not available

**Offshore non-deliverable forwards**
- Traded OTC under ISDA definitions
- Cash settled at maturity in USD
- Fixing mechanism: SBS (Superintendencia de Banca y Seguros). Daily weighted average of all spot transactions, published by the CB
- Fixing is 48 business hours before settlement (www.sbs.gob.pe/portalsbs/TipoTasa/default_TC.htm)
- Available up to one year
- Average daily trading volume USD 50-100 million
- Liquidity is concentrated in the one-month tenor

**FX options**
- Traded OTC under ISDA definitions
- Cash settled in USD at maturity
- Market quotes up to one year
- Monthly average turnover is less than USD 20 million
- Very illiquid

**Offshore swaps**
- Traded OTC under ISDA definitions
- Cash settled in USD
- Six month Libor/PEN, available 1-10 years – 2-, 5-, 10-year tenors are most common
- Six month Libor/VAC (Valor Actual Constante – inflation-linked index denominated in PEN) very illiquid
- Six month Libor, PEN and VAC act/360

**External debt**
- USD-denominated bonds available from 2012 though 2037
- Bonds are euroclearable

**CDS**
- Maturities available through ten years