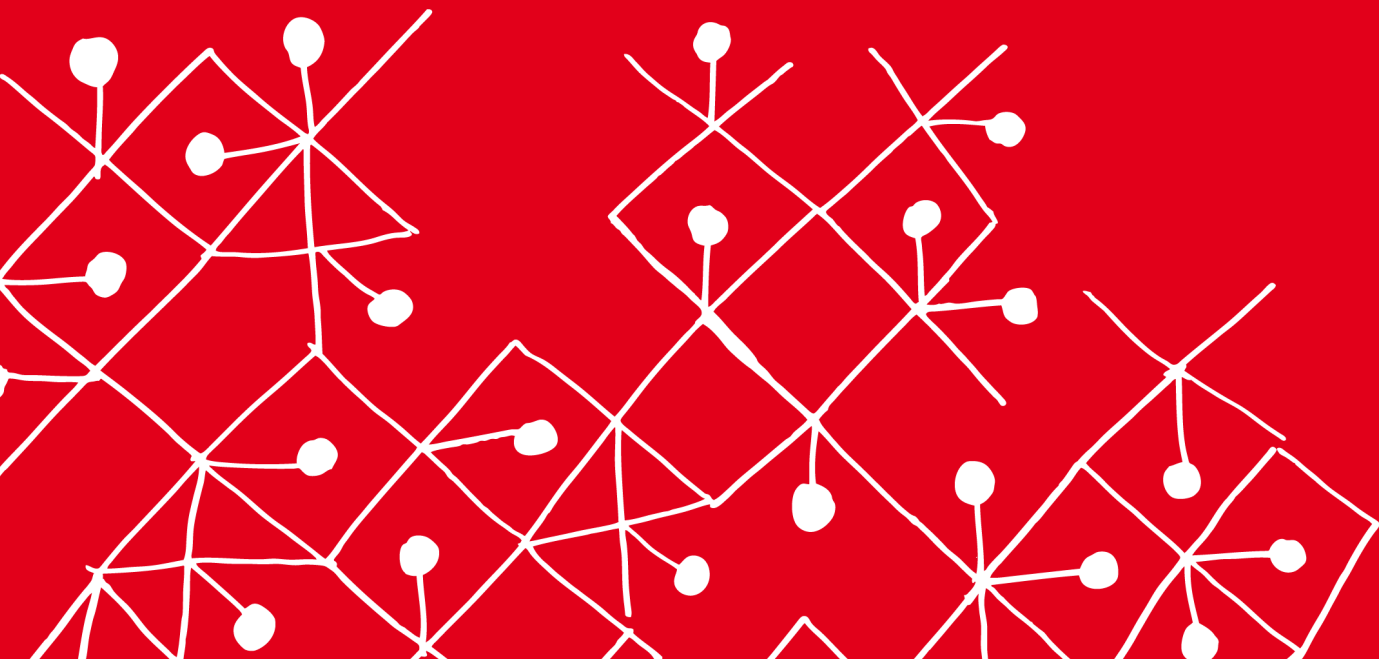


**Polska**



POLAND TO BE RECLASSIFIED AS A  
DEVELOPED MARKET FROM AN  
ADVANCED EMERGING MARKET

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FTSE Russell announces results of FTSE annual country classification review, according to which Poland, currently an Advanced Emerging market, will be reclassified as a Developed market.

FTSE Russell announced the results of the FTSE Annual Country Classification Review for 2017. FTSE Russell formally reviews country classifications within its FTSE Global Equity Index Series (FTSE GEIS) each September using a comprehensive, transparent and consistent methodology. This annual review incorporates ongoing country classification research and feedback from the independent FTSE Russell external advisory committees to designate markets as Developed, Advanced Emerging, Secondary Emerging or Frontier.



*Marek Dietl, President of The Warsaw Stock Exchange Management Board  
This is an "important step" in the development of our capital market.*

Following the September 2017 annual review, FTSE Russell confirms the following:

- Poland, currently an Advanced Emerging market, to be reclassified as a Developed market
- Kuwait, currently unclassified, to be included as a Secondary Emerging market
- Saudi Arabia close to upgrade and will be assessed again in March 2018
- China A-Shares to remain on the Watch List for possible inclusion as a Secondary Emerging market
- Iceland to be added to the Watch List for possible inclusion as Frontier market
- Nigeria and Mongolia to drop off the Watch List

FTSE Russell congratulates Poland and Kuwait on meeting the requirements for attaining Developed and Secondary Emerging market status respectively. The reclassification of Kuwait is in recognition of the recent market enhancements implemented by the Capital Market Authority of Kuwait and Boursa Kuwait. The implementation of Poland and Kuwait's revised market status will commence from September 2018.

*Marek Dietl, President of The Warsaw Stock Exchange Management Board*

*This is the first case when a country from Central or Eastern Europe is to be reclassified as a Developed market. It is an appreciation of the development level of the Polish economy, our capital market and an important step in its future growth. Poland has all the advantages of developed markets, including safety of trading and post-transaction services, as well as advanced infrastructure. The Warsaw Stock Exchange operates on the basis of a modern trading system, and listed companies meet high standards in terms of corporate governance and communication. In addition, the dynamic development of the Polish economy is a good argument for global investors to consider it as a perfect place for investment. Attaining Developed market position by Poland is also a big challenge and at the same time brings growing expectations regarding the capital market, which we are ready to face.*



Saudi Arabia is to be congratulated on the pace of the recent market reforms which are widely acknowledged as being positive. As a result of these reforms, it is anticipated that Saudi Arabia will meet the requirements for inclusion as a Secondary Emerging market from early 2018 when further enhancements to the Independent Custody Model (ICM) are scheduled to be introduced. Accordingly, FTSE Russell will proceed with the launch of stand-alone Saudi Arabia country indexes and global and regional Saudi Arabia inclusion indexes to assist domestic and international investors who wish to seek early index-based exposure to the market.

Because of the size of the international investor flows that follow a change to a country's classification status, the FTSE country classification process for the FTSE GEIS requires that, in addition to meeting the requirements, the practical operation of changes to market structures be demonstrated before a change in a country's classification can be confirmed. Accordingly, FTSE Russell will work closely with the Saudi Arabian authorities and index users over the coming months to ensure the efficacy of the recent and intended reforms and the readiness of index users and market practitioners. In recognition of the pace of change in Saudi Arabia, FTSE Russell proposes to bring forward the next formal assessment of Saudi Arabia's classification status to March 2018 at which point a further announcement on the timing of Saudi Arabia's inclusion in the FTSE GEIS will be made.

*Chris Woods, Managing Director Governance, Risk and Compliance, FTSE Russell*

*We thank all the major institutional investors who have participated in our country classification review. Our strong, transparent governance structure is an integral part of our business and we will continue to consult with all participants to ensure our indexes are an accurate representation of global markets.*

Since the 2016 annual review, the Chinese authorities have sought to improve the attractiveness of the Stock Connect programme to international investors. The Shenzhen-Hong Kong Connect route was opened in December 2016 and there are plans for investors to be able to access cross-border IPOs via the Primary Equity Connect initiative. However, the coverage of the Connect programmes, daily quota limits, the number of trading holidays and the comparatively high level of stock suspensions continue to present concerns to international investors. FTSE Russell will continue to work with the Chinese authorities and index users to address these problems. In the meantime we maintain China A Shares on the Watch List.

Source: [FTSE Russell website](#)



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