



## FTSE to create Gulf stock index by end of the year

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London: Index compiler FTSE expects to create a regional index for the Gulf by the end of the year, helping broad international investment in the region's stock markets, a senior manager said on Tuesday.

Imogen Dillon-Hatcher, FTSE Group's managing director for Europe, the Middle East and Africa, said the index would meet growing demand for access to the Gulf by international investors.

"People want to take a regional play," she said.

Creating such an index is not easy, however, due to the size and differences of the region.

"You have a very disparate landmass, with different days of market openings, different hours of operation [and] you have umpteen different currencies," she said.

### **Different rules**

Dillon-Hatcher said rules on investment also varied greatly across the region. In Saudi Arabia, for example, there are different rules for Saudi, other Arab and international investors.

Creating an overall Gulf index has therefore taken some time. In the meantime FTSE has been tapping into the region with country indexes created with local players.

Dillon-Hatcher was speaking on the sidelines of a media launch of an exchange-traded fund (ETF) based on the FTSE Coast Kuwait 40 index.

The fund is run by Lyxor Asset Management, the ETF specialist subsidiary of Societe Generale, and Kuwait-based Coast Investment & Development Company.

The promoters say that the fund allows investors to diversify their overall global portfolios, tapping into Kuwait's oil-based economy while focusing on non-oil related stocks.