



Pre-poll Methodology for *Asiamoney* Brokers Poll 2016

Asiamoney's 27th annual Brokers Poll is scheduled for launch on 4th July, we invite senior institutional investors at fund management companies, hedge fund & private equity firms, insurance and wealth management companies from around the world to assess their sell-side banks and brokerage firms for Asian equities investment.

The poll is located at: www.globalcapital.com/asiamoney-brokerspoll

Banks and brokers can distribute this link to their clients and encourage them to vote.

The questionnaire features 18 different sections:

Regional	Hong Kong (local, non-China)	Korea	Singapore	Hedge Fund and Prime Broking
Australia	India	Malaysia	Taiwan	
China (A-shares)	Indonesia	Pakistan	Thailand	
China (H-shares, Red chips, P- shares)	Japan	Philippines	Vietnam	Equity Derivatives

Sections and Award Categories

The questionnaire includes the following sections and categories:

Regional (Asia ex-Australia & Japan) Section

- Overall combined regional research & sales for Asia (ex Australia & Japan)
- Overall regional research for Asia (ex Australia & Japan)
- Overall regional sales for Asia (ex Australia & Japan)
- Overall regional research for Asia (ex Australia & Japan) as voted by most active traders*
- Overall regional sales for Asia (ex Australia & Japan) as voted by most active traders*

Regional Equity Sales

- Best overall regional brokerages for sales services
- Best regional sales people
- Best regional sales traders

- Best regional brokerages for execution

Regional Equity Research

The industries covered are those given the highest weighting in the MSCI Asia ex-Japan index as of April 2015 – please refer to the below classifications for industry definitions.

- Strategist
- Economist
- Quantitative / technical analyst
- Banks analyst
- Consumer discretionary analyst
- Consumer staples analyst
- Diversified financials analyst
- Energy analyst
- Health Care
- Industrial (aka conglomerates/capital goods) analyst
- Insurance analyst
- Materials analyst
- Real estate analyst
- Semiconductors & semiconductor equipment analyst
- Software, Internet & services analyst
- Technology hardware & equipment analyst
- Telecommunication services analyst
- Transportation analyst
- Utilities analyst
- Most independent research brokerage
- Least independent research brokerage

Note: To qualify for the regional categories, firms, analysts and sales personnel need to receive votes from three or more sovereign countries/independent markets, where more than 40% of their votes come from investors based outside their home territory, to reflect that they are truly regional. For such purposes Hong Kong is not considered a sovereign country/independent market but an extension of the mainland China market. For example, for Chinese banks/brokers and their staff to be considered regional, more than 40% of their nominations for any particular category must originate from outside China and Hong Kong.

* Regarding Overall regional research for Asia (ex Australia & Japan) as voted by most active traders and Overall regional sales for Asia (ex Australia & Japan) as voted by most active traders, Asiamoney will tabulate ranks for these categories using data from respondents:

- who previously have passed Asiamoney Brokers Poll auditing in 2014
- nominated several banks/brokers in both 2014 and 2015 Broker Polls
- are featured in client lists from various banks/brokers
- whose firms have over US\$2 billion in annual trading volume
- whose firms have over US\$501 million in AUM

Hedge Fund Section - asked hedge funds their views on various categories relating to hedge fund services and prime broking.

Country/Market Sections

- Most improved brokerage, across both research & sales, over the last 12 months
- Best local brokerage

Equity Sales

- Best overall sales service
- Best sales persons
- Best sales traders
- Best brokerage for sales trading
- Best execution

Corporate Access

- Best for events and/or conferences
- Best for roadshows and company visits

Equity Research

- Best overall country research
- Best analysts per sector
- Best research coverage for strategy, macroeconomics, small caps and each of the weighted and most frequently traded industries in that market.
- Most independent research brokerage

Calculation of Results

Points for place

For all categories, a first place vote was awarded three points; second place two points and third place one point.

“One firm - one vote”

To avoid any one institution having more influence than others of equal size, multiple responses are fractioned according to the total number received from that one institution.

Asset size weightings

Each response was then weighted according to the institution’s approximate asset size (total unleveraged Asian equity funds under management) in Asia-Pacific (ex-Australia & Japan), in Australia or in Japan (depending upon the institution’s allocation of funds). The table below details the weightings according to asset size (hedge fund firms have been weighted at six times their assets to reflect their higher turnover rate):

Asset size (US\$million)	Multiplied by
<50	0.5
50 – 200	1
201 – 500	4
501 – 2,000	8
2,001 – 5,000	12
5,001 – 10,000	16
>10,000	20

Rankings for Overall Combined Regional Research & Sales, Overall Regional Research and Overall Regional Sales

For the Asia (ex-Australia & Japan) rankings a country weighting system was used to compare brokerages as a whole in the region. The rationale is that the importance of markets varies across the region, so the points a brokerage receives in major markets should be weighted more than the points it receives in smaller markets. The MSCI AC Asia ex-Japan (as of 20 April 2016) was used to achieve this. A similar sector weighting system was used to address the importance of the sectors within the region. Please refer to the following tables for a mathematical breakdown:

Weightings for the Overall Research Rankings		
Regional (All)	30.00%	Multiplied by
- Strategy	3.00%	0.48
- Economics	2.00%	0.32
- Quantitative	1.00%	0.16
Banks	3.44%	0.55
Consumer Discretionary	2.25%	0.36
Consumer Staples	1.76%	0.28
Diversified Financials	0.54%	0.09
Energy	1.29%	0.21
Health Care	0.66%	0.11
Industrials	1.80%	0.29
Insurance	0.85%	0.14
Materials	1.13%	0.18
Real estate	1.57%	0.25
Semiconductors & Semiconductor Equipment	0.77%	0.12
Software, Internet & Services	2.69%	0.43
Technology Hardware & Equipment	1.37%	0.22
Telecommunication Services	2.18%	0.35
Transportation	0.61%	0.10
Utilities	1.09%	0.18
Country (All)	70.00%	Multiplied by
- China (H-shares, Red chips, P-chips)	20.96%	3.35
- Hong Kong (Local, non-China)	8.36%	1.34
- India	9.69%	1.55
- Indonesia	2.98%	0.48

- Korea	10.33%	1.65
- Malaysia	3.31%	0.53
- Philippines	1.79%	0.29
- Singapore	3.14%	0.50
- Taiwan	6.68%	1.07
- Thailand	2.77%	0.44
Total	100.00%	

Weightings for the Overall Sales Rankings		
Regional	30.00%	Multiplied by
- Overall sales services	30.00%	4.80
Market (All)	70.00%	Multiplied by
- China (H-shares, Red chips, P-chips)	20.96%	3.35
- Hong Kong (Local, non-China)	8.36%	1.34
- India	9.69%	1.55
- Indonesia	2.98%	0.48
- Korea	10.33%	1.65
- Malaysia	3.31%	0.53
- Philippines	1.79%	0.29
- Singapore	3.14%	0.50
- Taiwan	6.68%	1.07
- Thailand	2.77%	0.44
Total	100.00%	

The scores for Australia, China (A&B share) and Japan Overall Combined Research & Sales are calculated by simply adding together the scores from the categories of Best Overall Country Research and Best Overall Sales Service in each of these countries.

Asiamoney would like to thank those who helped design the questionnaire, as well as all respondents for taking the time to complete and return it. The detailed results will be published online in late Dec./early Jan., full and bespoke country data are available for purchase and released in early November.

Research sector classifications according to MSCI:

SECTOR	INDUSTRY
ENERGY	ENERGY EQUIPMENT & SERVICES
	OIL, GAS & CONSUMABLE FUELS
	CHEMICALS
MATERIALS	CONSTRUCTION MATERIALS
	CONTAINERS & PACKAGING
	METALS & MINING
	PAPER & FOREST PRODUCTS

INDUSTRIALS (aka CONGLOMERATES/CAPITAL GOODS)	AEROSPACE & DEFENSE
	BUILDING PRODUCTS
	CONSTRUCTION & ENGINEERING
	ELECTRICAL EQUIPMENT
	INDUSTRIAL CONGLOMERATES
	MACHINERY
	TRADING COMPANIES & DISTRIBUTORS
TRANSPORTATION	AIR FREIGHT & LOGISTICS
	AIRLINES
	MARINE
	ROAD & RAIL
	TRANSPORTATION INFRASTRUCTURE
CONSUMER DISCRETIONARY	AUTO COMPONENTS
	AUTOMOBILES
	HOUSEHOLD DURABLES
	LEISURE EQUIPMENT & PRODUCTS
	TEXTILES, APPAREL & LUXURY GOODS
	HOTELS, RESTAURANTS & LEISURE
	DIVERSIFIED CONSUMER SERVICES
	MEDIA
	DISTRIBUTORS
	INTERNET & CATALOG RETAIL
	MULTILINE RETAIL
SPECIALTY RETAIL	
CONSUMER STAPLES	FOOD & STAPLES RETAILING
	BEVERAGES
	FOOD PRODUCTS
	TOBACCO
	HOUSEHOLD PRODUCTS
	PERSONAL PRODUCTS
HEALTH CARE	HEALTH CARE EQUIPMENT & SUPPLIES
	HEALTH CARE PROVIDERS & SERVICES
	HEALTH CARE TECHNOLOGY
	BIOTECHNOLOGY
	PHARMACEUTICALS
	LIFE SCIENCES TOOLS & SERVICES
BANKS	COMMERCIAL BANKS
	THRIFTS & MORTGAGE FINANCE
DIVERSIFIED FINANCIALS	DIVERSIFIED FINANCIAL SERVICES
	CONSUMER FINANCE
	CAPITAL MARKETS
INSURANCE	INSURANCE
REAL ESTATE	REAL ESTATE
	REAL ESTATE INVESTMENT TRUSTS (REITS)
	REAL ESTATE MANAGEMENT & DEVELOPMENT

SOFTWARE, INTERNET & SERVICES	INTERNET SOFTWARE & SERVICES
	IT SERVICES
	SOFTWARE
TECHNOLOGY HARDWARE & EQUIPMENT	COMMUNICATIONS EQUIPMENT
	COMPUTERS & PERIPHERALS
	ELECTRONIC EQUIPMENT, INSTRUMENTS & COMPONENTS
	OFFICE ELECTRONICS
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT	SEMICONDUCTOR EQUIPMENT & PRODUCTS
	SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT
TELECOMMUNICATION SERVICES	DIVERSIFIED TELECOMMUNICATION SERVICES
	WIRELESS TELECOMMUNICATION SERVICES
UTILITIES	ELECTRIC UTILITIES
	GAS UTILITIES
	MULTI-UTILITIES
	WATER UTILITIES
	INDEPENDENT POWER PRODUCERS & ENERGY TRADERS

Verification and Auditing

One to two working days after respondents have submitted the poll, they will receive from *Asiamoney* a validation email; respondents need to click on a validation link in this email to verify their vote submission and thus complete the polling process. Respondents that don't complete the polling process by clicking the link does not mean their vote submission will be voided, *Asiamoney* will follow up and attempt to verify via other means.

Asiamoney will investigate and audit individual responses; responses suspected of being fraudulent will be voided and violating parties may face black listing from *Asiamoney* Polls.

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Disclaimer

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This poll is not based on scientific or representative samples. [As set out in our Methodology, [T]he results of the poll and other related information have been obtained from various opinion-based sources and have not been independently or professionally verified. The results of the poll are therefore statements of opinion of participants of the poll as of the date of participation and not statements of fact.

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