

Stock Market Monthly Report

March 2009

Maldives Stock Exchange

Maldives Stock Exchange had a meeting with Reefside on the 3rd March to identify suitable display screens to display share prices in key areas including partner offices across Male. MSE is working on finding the most suitable software to use for displaying the share prices and the best internet company for project.

On 4th March MSE met with the World Bank to assist them in developing Key Risk Indicators (KRI) platform to monitor developments in the economy and the financial sector. We informed them of the risk factors, mainly the restrictions we face on foreign investments. MSE met with Wataniya on the 5th March about giving stock price information over their SMS service. Wataniya is expected to begin the service to its clients very soon.

On 10th March MSE met with the International Finance Corporation to find out about the possibility of getting financial assistance for a proper trading system. IFC is a member of the World Bank Group who finances private sector investments through equity participation for profit and then exits. The regional Manager advised of the 50% chance of such assistance and has passed our request to their technical assistance division. However, MSE is also exploring other opportunities to secure funding for a more advanced and integrated system.

The regulatory meeting with CMDA was held on the 11th of the month. The possibilities of Dual Listings were discussed. John Keells Group of Sri Lanka is considering listing at the MSE. According to Ms. Shafeega, the Foreign Investment Bill allowing the direct participation of foreign investors will be sent to parliament very soon.

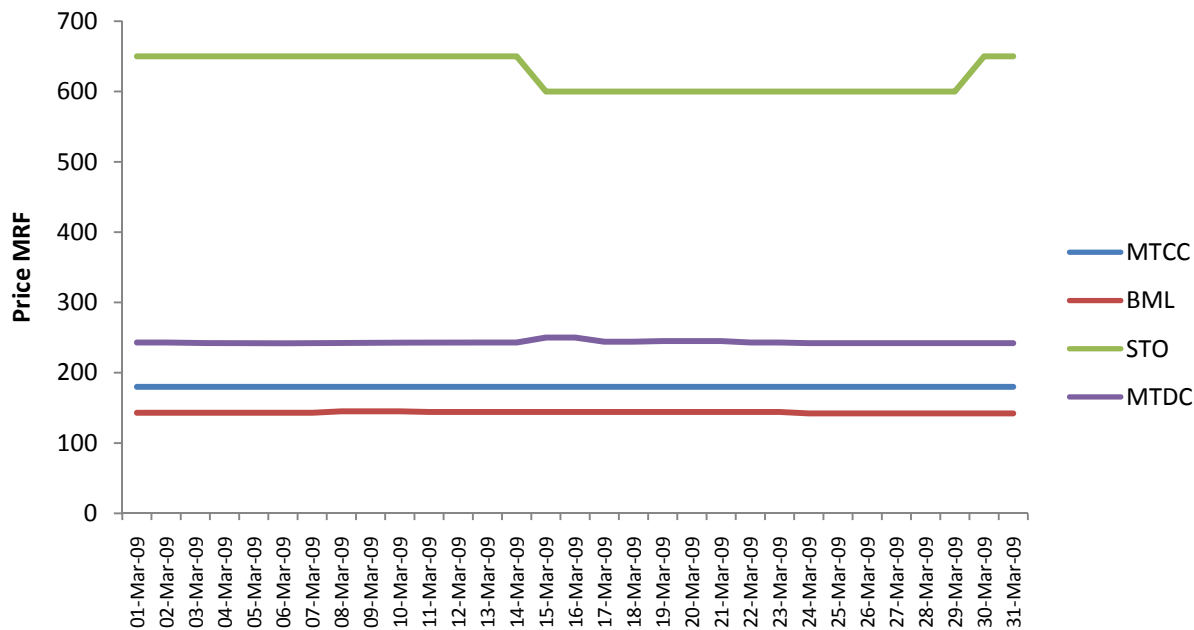
The 1st Quarter Inspection of Brokerage Companies was completed with the inspection of Island Securities and Brokerage Pvt Ltd. ISB was inspected by MSE on 18th March. For the purpose of our Annual Report and the Annual General Meeting, MSE & MSD are being audited by Ernst & Young. The AGM is planned for the next month.

Market Review

Trading during March has slightly dropped compared to previous month. A total of 1138 shares were traded in 25 trades from 1st March 2009 to 31st March 2009. In the same period last year, 20819 shares were traded in 240 trades. The total value of shares traded in March reached MRF 263,391. Market Capitalization at the end of March is MRF 2.2 billion.

Listed Company	Traded Value (MRF)	Monthly Highest Traded Price	Monthly Lowest Traded Price
MTCC	-	-	-
BML	58,326	146	142
STO	30,550	650	600
MTDC	162,515	250	242

Share Price Variance March 2009



Listed Companies News

State Trading Organization has reported their plans to privatize some of its businesses and issue more shares to the public. They intend to issue a further 10% of its share's this year.

Bank of Maldives has reported plans to start mobile banking at the end of the year, which would give people in the atolls access to banking facilities. This would help inject more money into the economy.

Dual Listing

A dual listing is when a company lists its equity shares in more than one stock exchange. A company can be dual listed in the following ways

- Listing at two or more exchanges in the domestic market.
- Listing at a foreign exchange in addition to the domestic exchange.

Motivations for dual listings

- Gain access to capital from larger markets and reach global investors
- Overcome international investment barriers
- Increase visibility with customers by broadening product identification
- Improved information disclosures to potential customers and suppliers by accepting higher levels of disclosure standards by adopting foreign standards like U.S. GAAP
- Improve labour relations in foreign countries by introducing share and option plans for foreign employees

Other implications of dual listings

- Share prices and liquidity may vary at different markets
- Increased pressure on executives due to closer public scrutiny;
- Increased reporting and disclosure requirements
- Additional scrutiny by analysts in advanced market economies
- Additional listing fees.