

## NEWS RELEASE

### **CITY INDEX ASIA ENDS A STERLING 2008 WITH STRONG TRADING VOLUMES**

**SINGAPORE, 30 December, 2008** – City Index Asia Pte Ltd (“City Index Asia”), a leading provider of online contract for differences (“CFD”) and leveraged foreign exchange (“FX”) trading services in Asia, said today that 2008 has been a sterling year for the company with strong trading volumes despite the difficult economic and market environment. Not only did the company’s business grow on track, its two trading platforms that it re-launched in June 2008 have been very well received by investors.

Mr David Grant, Chief Executive Officer of City Index Asia, said, “We are very pleased with what we have achieved in 2008 even though there has been unparalleled turmoil in the financial markets. Since June 2008, when we re-launched our trading platforms and supported it with a marketing campaign, our monthly trading volumes have surged. We have seen the monthly trading volumes on our FX and CFD trading platforms surge 120% and 316% respectively during the six months to November.”

Besides recording good growth in revenue, City Index Asia has also seen its customer base grow. For instance, the number of CFD clients has doubled in 2008, with the frequency and size of trades also rising. On the FX front, the increase in customer accounts was a more significant 5.2 times in 2008.

By category, the most traded CFDs are those on individual stocks listed on the Singapore Exchange, followed by stock indices CFDs and currencies CFDs. The Appendix provides a list of the ten most active CFD ‘counters’ traded on City Index Asia during the year. It also includes a list of the ten currency pairs most popular with City Index Asia investors.

Mr Grant commented, “Notable CFD trends we have observed include increased trading activity on indices and currencies since October when new short selling rules on stocks were imposed in some markets. We have also noticed clients extracting value from even small price movements due to the extreme volatility of some market indices.

He added, "In terms of FX, our customers tend to trade what they are familiar with and this is reflected in their selection of currency. The popular currencies also provide higher liquidity compared to the less traded ones. Investors have seized opportunities when they see increased precariousness in a particular currency. An example of this was in October when there was a spike in the trading volume of Australian Dollar-included currency pairs when the value of the currency depreciated significantly against a basket of other currencies."

CFD trading, which was only introduced to Singapore some four years ago, has gradually gained acceptance among investors who view it as a good alternative to investing in traditional equities. City Index Asia entered the Singapore market in September 2005 and its successful investor education programmes have contributed to the growth of the sector.

On how Singapore's CFD market and FX market would perform in 2009, Mr Grant said, "The new year is going to remain a challenging year for the financial markets. Most economies have revised their GDP forecasts and the general global economic climate is pessimistic in 2009.

"However, asset prices are at very low levels currently and volatility is expected to remain high in the first quarter of 2009. This presents trading opportunities for CFD investors, especially the currencies CFDs. We would also expect a return in popularity of single stock CFDs especially when volatility eases and some CFD traders choose to hold for a longer timeframe. "For FX, we expect retail trading on our FX platform to continue to be robust in 2009."

-Ends-

*Please see Appendix for most traded CFDs and currency pairs on City Index Asia from June to December 2008.*

## **About City Index Asia Pte Ltd**

Incorporated in Singapore in January 2004, City Index Asia Pte Ltd (Co Reg.No: 200400922K) is a wholly owned subsidiary of City Index Limited, which has more than 25 years of experience in delivering market-leading retail trading services.

Widely-acclaimed for being innovative and forward-looking, City Index specializes in the provision of derivative and foreign exchange trading services. Its award-winning online trading platform is one of the best in the industry and it provides Contracts for Differences and Foreign Exchange trading with unrivalled technology. City Index transacts in excess of 1.5 million trades every month for individuals in over 50 countries worldwide.

City Index has a Capital Markets Services License from the Monetary Authority of Singapore and a Commodity Broker's License from International Enterprise Singapore.

For more information, please visit [www.cityindexasia.com](http://www.cityindexasia.com)

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## Appendix

Most traded CFDs in 2008 by months. (In no particular order)

June	July	August	September	October	November	December
CapitaLand	DBS Group Holdings	UK 100	UK 100	UK 100	Sembcorp Marine	NZD/USD
Yangzijiang Shipbuidling	Germany 30	GBP/AUD	GBP/USD	GBP/USD	AUD/JPY	Sembcorp Marine
DBS Group Holdings	Neptune Orient Lines	AUD/USD	AUD/USD	AUD/USD	Singtel	USD/JPY
Wall Street	China Shenhua	Ping An Insurance	Wall Street	Wall Street	EUR/JPY	SP 500
Cosco Corp	AUD/USD	NZD/USD	Hong Kong 40	Hong Kong 40	Germany 30	AUD/USD
Singapore Exchange	Cosco Corp	Singapore Exchange	Singapore Exchange	USD/JPY	EUR/USD	UK 100
Keppel Corp	NZD/USD	DBS Group Holdings	DBS Group Holdings	Japan 225	AUD/USD	Hong Kong 40
USD/JPY	Noble Group	EUR/USD	Cosco Corp	Germany 30	UK 100	EUR/USD
NZD/USD	Singapore Exchange	Yanlord Land Group	United Overseas Bank	EUR/JPY	Hong Kong 40	GBP/USD
AUD/USD	UK 100	Neptune Orient Lines	City Developments	SP 500	Wall Street	Wall Street

Most traded currency pairs in 2008. (In no particular order)

June to 15 December 2008
EUR/USD
GBP/USD
USD/JPY
EUR/JPY
AUD/USD
GBP/JPY
USD/CAD
EUR/GBP