

CIMB ASEAN Stock Challenge Fact Sheet

About CIMB ASEAN Stock Challenge (ASC)

- i. It is a regional stock trading competition opens to university students in Malaysia, Indonesia, Singapore, Thailand and Cambodia
- ii. It offers participants real-time trading experience to compete on five major stock exchanges in the region using virtual cash i.e. Bursa Malaysia, Indonesia Stock Exchange (SET), Singapore Exchange (SGX), Stock Exchange of Thailand (SET) and Hong Kong Stock Exchange.
- iii. The challenge was inceptioned in 2010 and 2016 marks its seventh year.
- iv. The competition is conducted in two stages:

National Round: The National Round involves the Stock Trading competition component where the local teams (in each country) will compete to achieve the highest percentage gain*. The top three teams from each country with the highest percentage gain* at the end of trading period will be announced as the National Level winners, who will then compete to produce the best strategy paper. The team with the best strategy paper will be crowned as the National Champion and represent their country in the Grand Finale (regional) as one of the five finalist teams.

*Percentage Gain refers to the percentage returns on investment made by the team from their stock transactions during the 3 week game period that includes Cash on Hand and Market Value of Shares in Portfolio.

Example: Team starts with a total virtual capital of US\$80,000 and ends the competition with US\$50,000 cash and shares worth US\$100,000 in market value. The Percentage Gain is calculated to be 187.50% $[(50,000 + 100,000)/80,000]$

Regional Round (Grand Finale): At the Regional Round (Grand Finale) the five National Champion teams will present their trading strategies applied throughout the competition period to a distinguished panel of ASEAN judges, made up of the senior management of CIMB Securities and a guest judge from the stock exchange of the host country.

We have also enhanced the judging criteria for the Grand Finale to raise the competition standard level by introducing two new judging criteria to assess teams' short term and long term investment strategies, as well as their stock picking and investment decision-making abilities. This is to also inculcate the mindset of buying a stock with sound fundamentals amongst the participants and not just trade stocks for short term gain.

- a) **Post-game Portfolio:** Each finalist team's portfolio will be captured at the end of the 3 week trading period and their portfolio performance will be reviewed again prior to the Grand Finale. This is to assess team's long term investment strategy.

- b) **On-the-Spot Investment Decision:** Each finalist team will be given five stocks complete with historical data. Teams must select one stock that has made the most gain and explain their decision. This is to assess team's stock picking skills and investment decision-making abilities.

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