

Brunswick Direct Opens Asia's Markets for Private Investors

Investors gain access to Chinese stocks for the first time

London, 15 January 2001 - Brunswick Direct, the world's first on-line equity brokerage devoted exclusively to emerging markets, today launches trading in Asian stock markets, including the rapidly-growing Chinese market. Trading will be available in selected stocks listed on the markets in China, Malaysia, the Philippines, Indonesia, Hong Kong, Thailand and Singapore, including the best performing stock-market in the world, the Shanghai B index, which rose by 136% in 2000.

Willem De Geer, Chief Executive Officer at Brunswick Direct: "Until now, it has been virtually impossible for retail investors and many institutions to buy directly into Asia's stock markets. We are particularly excited about prospects in China. This is a country of 1.3bn people that is about to join the World Trade Organisation and finally integrate with the global economy and financial system. The Chinese economy is growing by 8% per annum. There are huge opportunities there as the economy reforms and liberalises."

Foreigners who wish to buy Chinese stocks can do so either via the Hong Kong market or through the so-called "B" markets in Shanghai and Shenzhen. The Shanghai B and Shenzhen B markets are exclusively for foreign investors, while Chinese locals trade on the Shanghai A and Shenzhen A markets. The same companies trade on the A and B markets, but they have a much lower price on the B market. Eventually, it is expected that the A and B markets will merge.

Paul Luke, Head of Investment Banking at Brunswick Direct: "China is embracing capitalism. There may be 60 million communist party members in China, but there are now over 50 million share-owners too. We especially like telecom stocks in China. Every month, there are 2 million new telephone lines being installed and over 2 million mobile phone subscriptions. The potential for further growth is huge: 75% of China's population has never made a telephone call."

Brunswick Direct favours stocks in China's telecom sector, especially China Mobile, the world's third biggest mobile phone company, and China Unicom, the country's only fully integrated telecom company. In the utilities sector, Brunswick Direct recommends Zhejiang Southeast Electric and Huaneng Power.

Brunswick Direct (www.brunswickdirect.com) was launched in July 2000. It offers on-line trading in stocks in 26 emerging market countries, with a combined market capitalisation of \$1,200 bn.

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Background information

Brunswick Direct is head-quartered in Stockholm and is owned jointly by the Brunswick Group, founders of the leading investment bank in Russia, Brunswick UBS Warburg, and by Öhman, Sweden's oldest independent investment house.

Setting up an account is simple. Visitors print application forms directly from the site and send them with legal documentation to Brunswick Direct. Clients are then asked to transfer a minimum of USD 2,000 in cash or equities to their account. Cash held in the account currently attracts an interest rate of 3.25%. Share transactions cost 0.75%, with a minimum fee of \$50.

Brunswick Direct has formed partnerships with leading brokerage firms and information providers in each of the markets it offers. Through these partnerships Brunswick Direct provides up-to-date, high quality research information on individual equities, local markets and world trends. Brunswick Direct is committed to maintaining this unique network of best-in-class partners to give its clients the high-quality equity research, breaking news, rapid trading execution and unsurpassed standard of service they deserve. Brunswick Direct's in-house research, featured articles and guest commentators all contribute to helping the investment decision.

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