

## ASEAN Investment Challenge 2023 Grading Criteria

### Round 1 – Country Level

Grading Parameters	Weightage	Description
E-Learning Modules	20%	0 - <75% completed: 0% 75 - <100% completed: 15% 100% completed: 20%
Profit and Loss	40%	Portfolio's total profit or loss at the end of the trading challenge
Risk Management	20%	<p><b><u>Drawdown Risk</u></b>            0% - Participant incurred net trading losses exceeding 20% of initial capital            3% - Participant incurred net trading losses of more than 10% but not exceeding 20% of initial capital            6% - Participant incurred net trading losses of no more than 10% of initial capital</p> <p><b><u>Diversification</u></b>            0% - Traded no more than 3 stocks across two or more sectors            3% - Traded between 4 and 7 distinct stocks across two or more sectors            6% - Traded more than 8 distinct stocks across two or more sectors</p> <p><b><u>Risk-Reward</u></b>            Risk-reward refers to the measure of average losses on losing trades against average earnings on winning trades            Risk:Reward ratio defined as:            (average earnings on all winning trades) / (average losses on all losing trades)            Points are stacked            4%: Risk reward ratio is more than 1.0            4%: Risk reward ratio is more than 2.0</p>
ESG	20%	Trade a minimum of 3 local ESG-friendly stocks in our provided list of local stocks. 0% will be awarded if the minimum number of ESG stocks are not traded.

## Round 2 – Final Presentation

Grading Parameters	Weightage	Description	Individual Weightage
<b>Risk Management</b>  Students are expected to exercise good risk management practices in their investment portfolio, resulting in a well-diversified portfolio with a good risk-reward ratios. Additionally, investment decisions should be based on sound fundamental and technical analysis.	20%	<b><u>Drawdown Risk</u></b> Participant should have necessary stop-losses in place to prevent any losing trades from exceeding the maximum loss setout In their submitted trading plans.	6%
		<b><u>Diversification</u></b> Participants' trades should be of multiple companies across different sectors, reflecting a strong understanding of a well diversified portfolio	6%
		<b><u>Risk:Reward</u></b> Participants should identify and execute trades that maximise their risk / reward ratios. Participants must clearly show and explain how they determined their risk / reward planning	8%
<b>ESG</b>  Students are expected to have gone through e-learning materials and demonstrate deep understanding of the course content. The presentation should encapsulate how well the students have progressed in their understanding of sustainability topics in relation to investment. A section of the presentation should specifically address "sustainability", hitting the areas as highlighted in the assessment rubrics.	35%	<b><u>Portfolio ESG Objectives</u></b> Identify participants' ESG objectives and key themes, and clearly explain reasons for the objectives.	5%
		<b><u>Choice of Stocks</u></b> Identify stocks whose business operations align with Portfolio's ESG objectives with clear explanations.	5%
		<b><u>Analysis of ESG Factors</u></b> Perform analysis and draw conclusions on how ESG factors can impact stock performance and overall P&L	10%
		<b><u>Material Issues to Sector</u></b> Accurately identified material issues and macro trends in the sector that can evaluate stock performance against expectation	15%
<b>Presentation</b>  Students are expected to have clear understanding of their trades and be able to confidently articulate their investing strategies to the judges	45%	<b><u>Presentation Skills</u></b> Participant should be able to confidently and elequently explains their thought process behind their decisions, reflecting a deep understanding and confidence of their trades.	25%
		<b><u>Q&amp;A</u></b> Participant confidently and clearly answers judges' queries with logical analysis, reflecting a deep understanding and confidence of their trades.	20%