



Malaysian Capital Market



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MIFC
MALAYSIA INTERNATIONAL
ISLAMIC FINANCIAL CENTRE

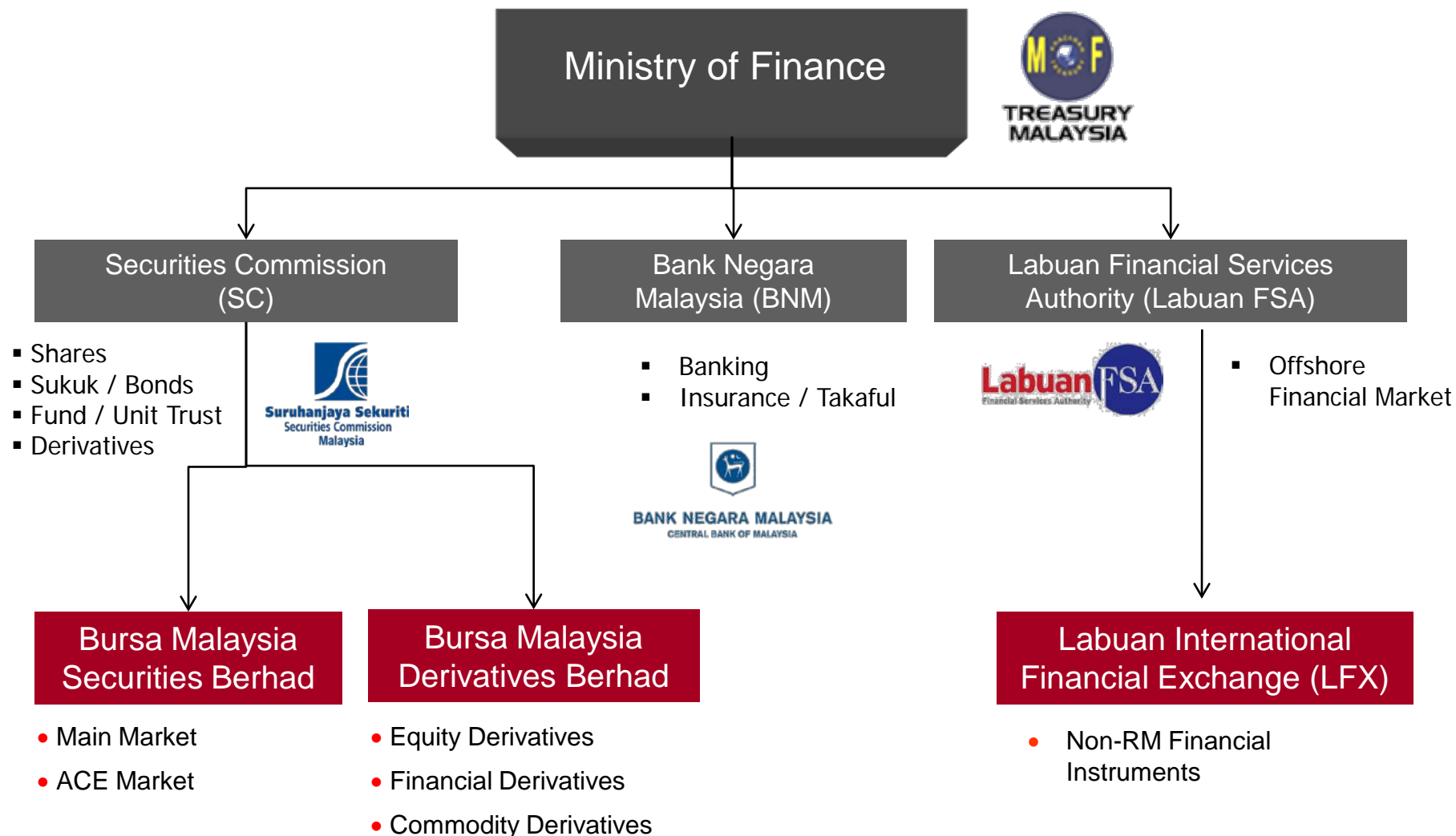
shaping MALAYSIA
islamic **together**
finance



The Building Blocks

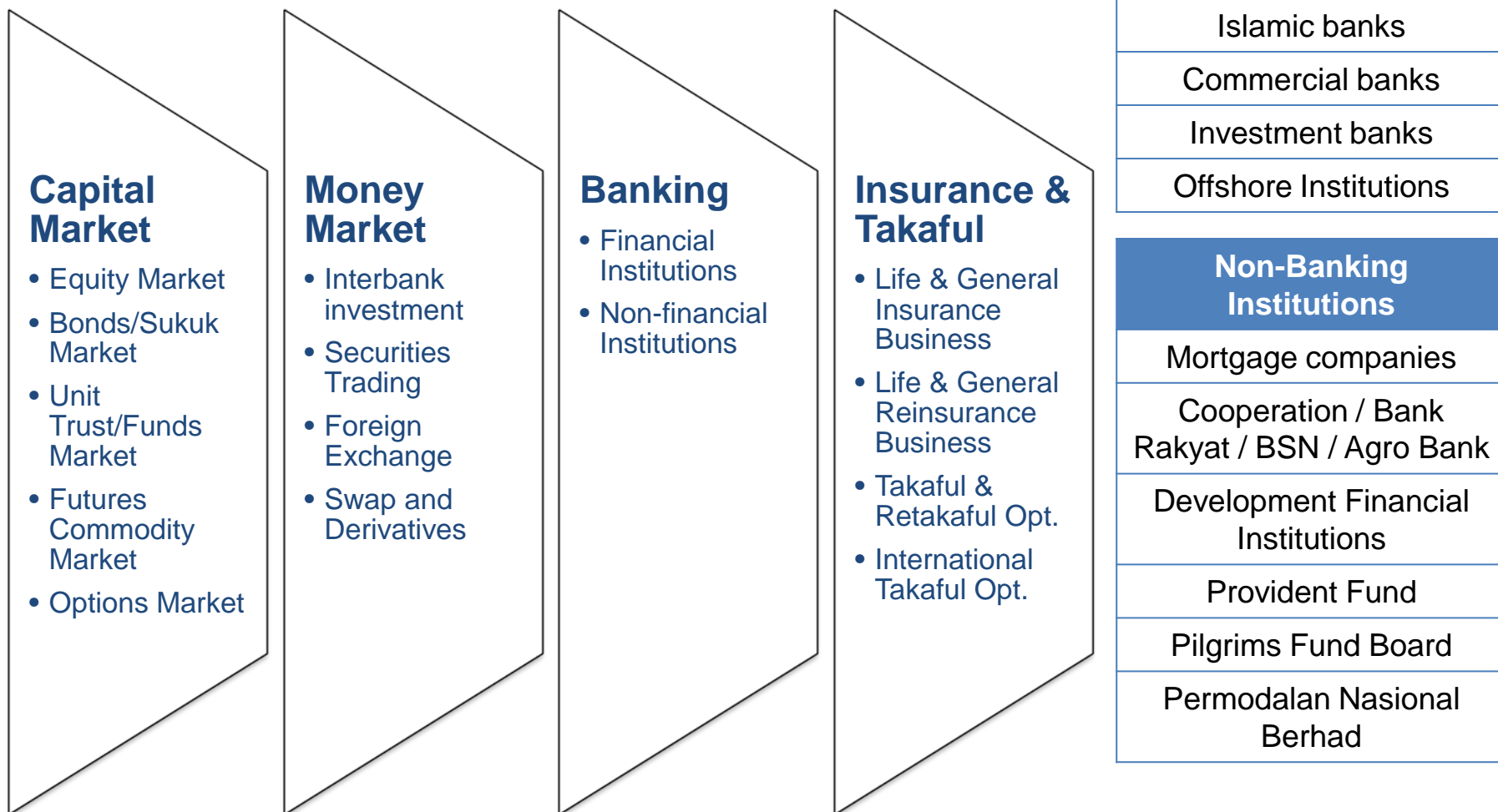
Regulatory Structure

Malaysian Financial System

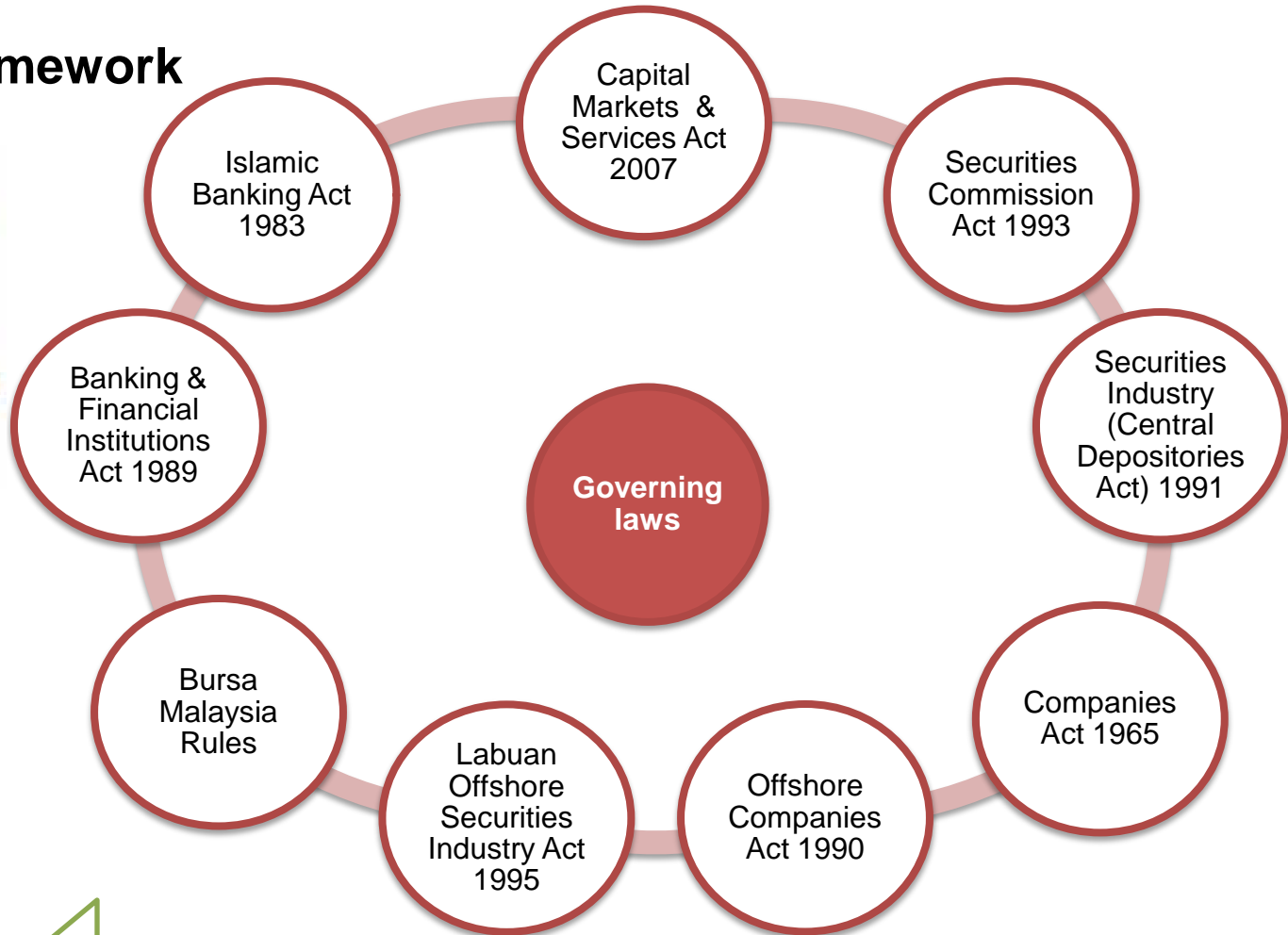


Structure of Malaysian Financial System

Consists of 4 parts:-



Legal Framework



A dedicated High Court in the Malaysian court system to sit in judgment on matters relating to ICM

Kuala Lumpur Regional Centre for Arbitration: platform to resolve disputes on ICM transactions

Shari'ah Framework – National Shari'ah Advisory Council



Majlis Penasihat Syariah SC is responsible as the Shari'ah authority for Islamic capital market business or transaction:

- Each offering of ICM instruments e.g. Sukuk and funds must appoint and maintain a Shari'ah adviser



Majlis Penasihat Syariah BNM is the Shari'ah authority for Islamic banking business, Takaful business or any other business, which is based on Shari'ah principles and is supervised and regulated by BNM:

- Responsible for validating all Islamic banking and Takaful products
- It advises BNM on any Shari'ah issues relating to Islamic financial business or transactions of BNM as well as other related entities

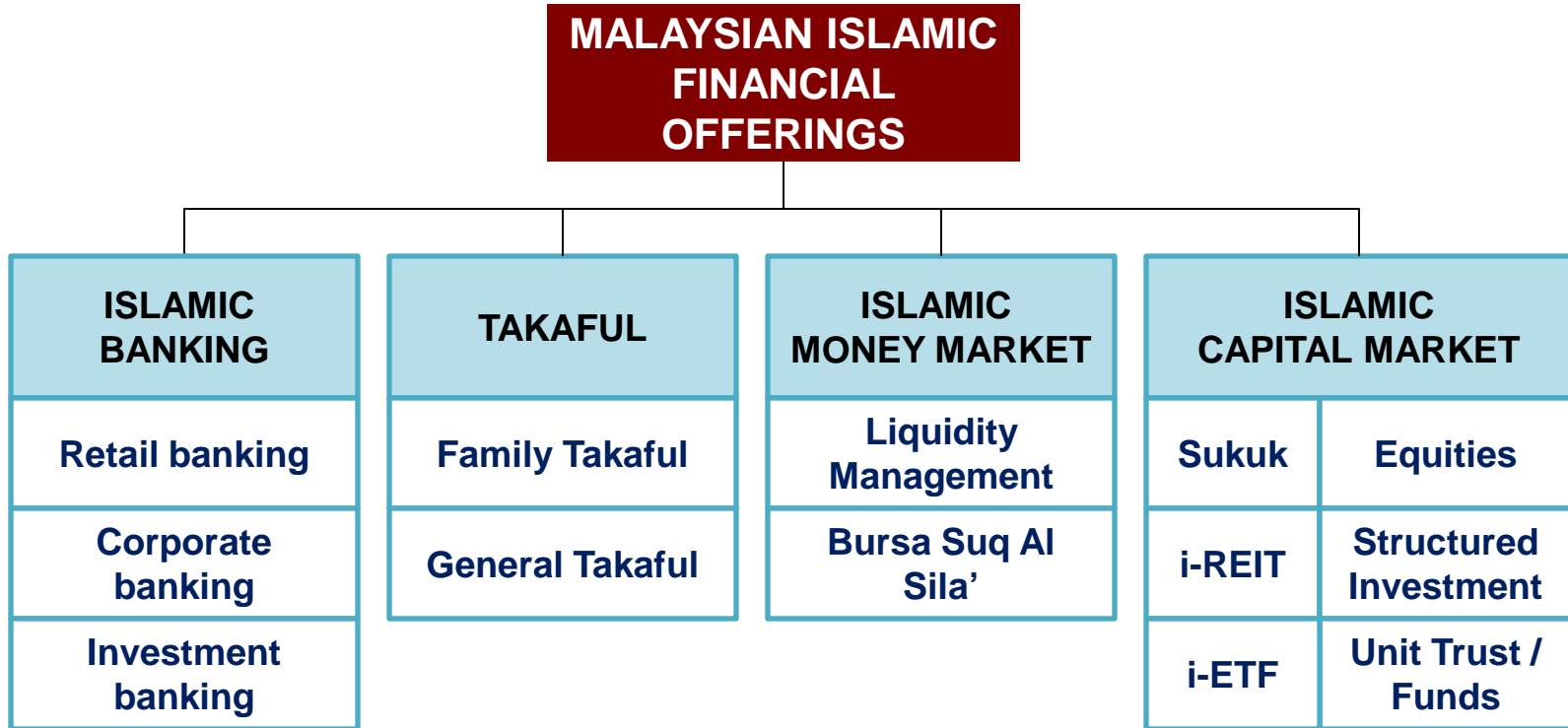
Malaysia International Islamic Financial Centre (“MIFC”)



In August 2006, the Malaysia International Islamic Financial Centre (MIFC) initiative was launched to promote Malaysia as a major hub for international Islamic finance.

The MIFC initiative comprises a community network of financial and market regulatory bodies, Government ministries and agencies, financial institutions, human capital development institutions and professional services companies that are participating in the field of Islamic finance.

Malaysian Islamic Financial Offerings



Malaysia

Gateway to tap the World's largest Islamic Markets

Islamic banking

No. of local Islamic banks	17
No. of International Islamic banks	5
% to total Malaysian banks	36%
Total assets	US\$ 99.7 bil

Islamic capital market

Sukuk issuance (%)	67.29%
No. of Sukuk listing @ Bursa	19 Sukuk
Shari'ah-compliant securities	836 companies
No. of Islamic unit trust funds	160 out of 586
No. of Islamic REITs	3
No. of Islamic ETFs	1

Others

Islamic Fund Management Co.	16 out of 84
No. of Fund Management Co. (UTF)	40
No. of Fund Manager (WF)	33

Takaful

No. of Takaful Opt.	11
No. of Int. Takaful Opt.	1
No. of Re-Takaful Opt.	4
Total assets	US\$ 4.93 bil

Stockbroking Companies (SBC)

No. of SBC (Industry)	35
Total of Islamic SBC	6
- Full fledged Islamic SBC	1
- Islamic SBC Windows	5



Current State of Play

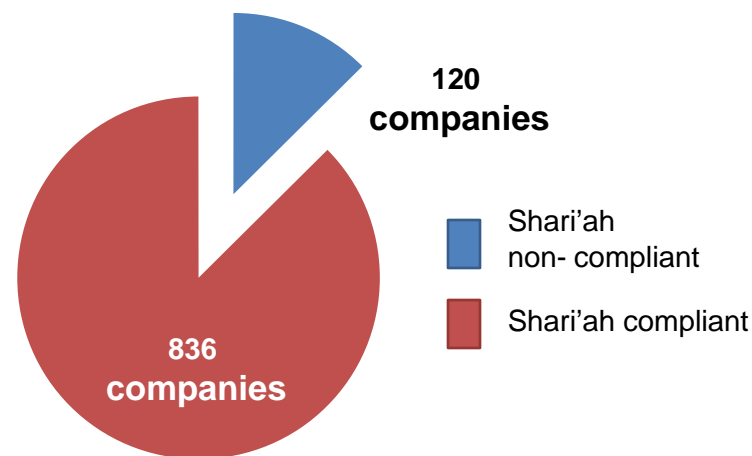
Securities Market

As of 31 August 2011

Total No. of Listed Securities	956 companies
Shari'ah-compliant Securities	
Main Market	725 companies
ACE Market	111 companies
% to total listed securities	87.45%
Market capitalization	US\$ 256.37 billion
% to total market capitalization	61.52%

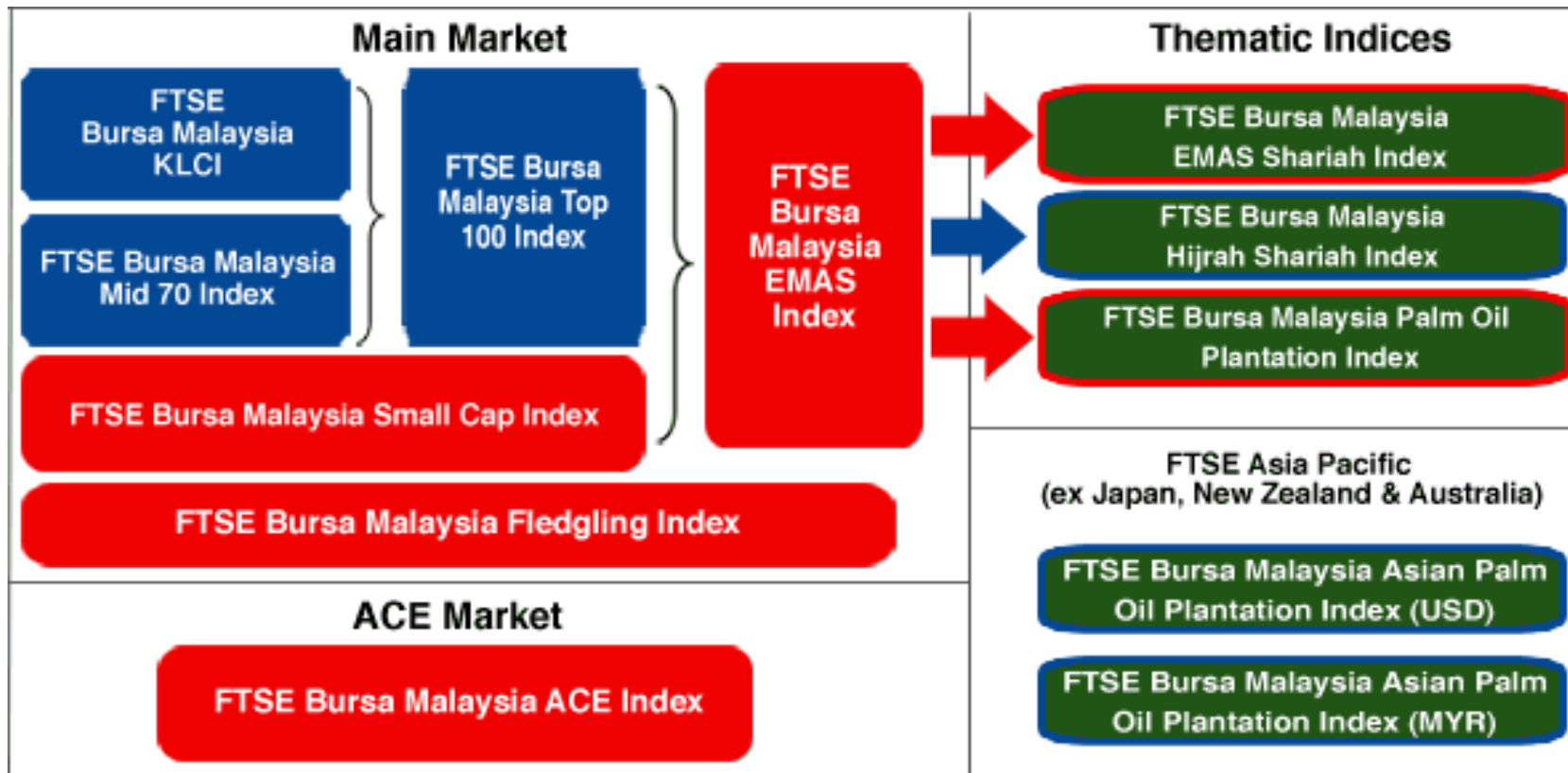
No.	Sector	No. of Co.	%
1	Construction	42	5.0
2	Consumer Products	131	15.7
3	Finance	3	0.4
4	Industrial Products	271	32.4
5	Infra. Project Companies	7	0.8
6	Mining	1	0.1
7	Plantation	39	4.7
8	Property	74	8.9
9	Technology	99	11.8
10	Trading Services	169	20.2

No. of Shari'ah-compliant Securities



- The only regime in the world providing an Islamic IPO framework.
- Periodic review and monitoring by Shari'ah Advisory Council of SC (SAC).
- Information is updated twice a year.

FTSE Bursa Malaysia Index Series



Source: Bursa Malaysia

Funds

Unit Trust Funds & Wholesale Funds

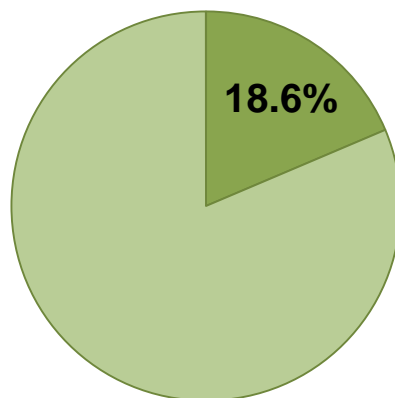
Unit Trust Funds

Wholesale Funds

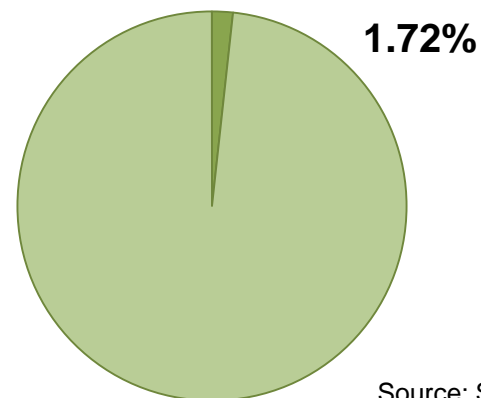
No. of Approved Funds	1H'11	1H'10	1H'11	1H'10
Islamic	160	156	25	20
Total Industry	595	575	133	104
Net Asset Value (NAV)				
Islamic	US\$ 8.78 bil (RM 26.18 bil)	US\$ 7.61 bil (RM 22.69 bil)	US\$ 2.22 bil (RM 6.63 bil)	US\$ 1.53 bil (RM 4.56 bil)
Total Industry	US\$ 83.75 bil (RM 249.61 bil)	US\$ 69.49 bil (RM 207.11 bil)	US\$ 7.76 bil (RM 23.12 bil)	US\$ 5.57 bil (RM 16.60 bil)
% Islamic to total industry	10%	11%	29%	27%

All Industry

% to Bursa Malaysia Mkt. Cap
(1H'11)

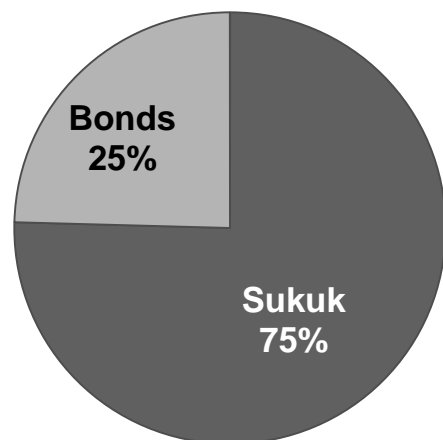


% to Bursa Malaysia Mkt. Cap
(1H'11)



Malaysian Sukuk / Bonds Market

% of Sukuk & Bonds Listing by Value (Aug'11)



Sukuk & Bonds Listings (Aug'11)

No.	Sukuk Issuer	Bonds Issuer
1	Cagamas MBS	Cagamas MBS
2	Petronas Global Sukuk Ltd.	Patronas Capital Ltd.
3	G.E Capital Sukuk Ltd.	Ambank (M) Berhad
4	CIMB Islamic Bank Berhad	Asian Development Bank
5	Cherating Capital Ltd.	Malayan Banking Berhad
6	Danga Capital Berhad	
7	Khazanah Nasional Berhad	
8	Paka Capital Ltd.	
9	Rantau Abang Capital Limited	
10	Sime Darby Berhad	
11	1Malaysia Sukuk Global Berhad	
12	Nomura Sukuk Ltd.	
13	Tadamun Services Berhad	
14	AmIslamic Bank Berhad	
15	Malaysia Airports Capital Berhad	
16	IDB Trust Services Ltd	
17	Wakala Global Sukuk Berhad	

Sukuk

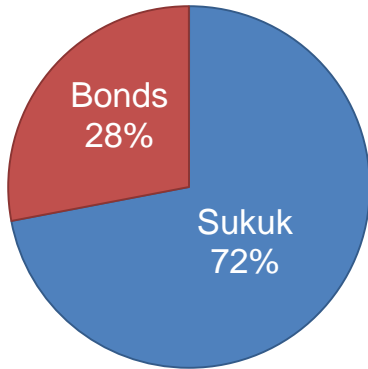
**US\$ 29.6
billion**

Bonds

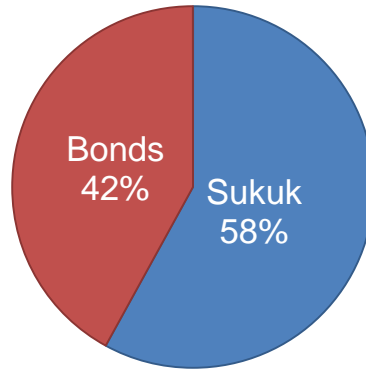
**US\$ 9.65
billion**

Malaysian Sukuk / Bonds Market

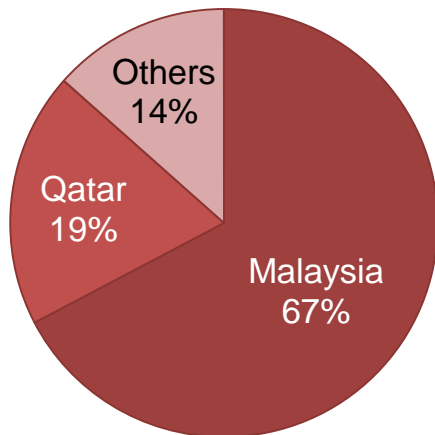
Domestic Sukuk Issuance (1H'11)



Domestic Sukuk Outstanding (1H'11)



Global Sukuk Issuance (1H'11)



Size of Sukuk issued:

US\$ 8.25 billion

(RM 24.6 billion)

Size of Bonds issued:

US\$ 3.19 billion

(RM 9.50 billion)

Size of Sukuk outstanding:

US\$ 65.09 billion

(RM 194 billion)

Size of Bonds outstanding:

US\$ 47.65 billion

(RM 142 billion)

Malaysian REITs Sector

Malaysia is the first country to introduce guidelines for i-REITS

Islamic REITs (i-REITs)

Source: Bursa Malaysia

No.	Launch Date	REITs	Market Cap (Aug 2011)	%
1	10 Aug 2006	Al-Aqar KPJ REIT	US\$ 218.03 mil	22.13 %
2	15 Jan 2007	Al-Hadharah Boustead REIT	US\$ 309.21 mil	
3	3 Aug 2005	Axis REIT	US\$ 309.02 mil	

Conventional REITs

No.	Launch Date	REITs	Market Cap (Aug 2011)	%
1	21 Dec 2006	AmFirst REIT	US\$ 164.10 mil	77.87 %
2	26 Feb 2007	AmanahRaya REIT	US\$ 171.18 mil	
3	2 Apr 2007	Atrium REIT	US\$ 43.32 mil	
4	12 Apr 2006	Tower REIT	US\$ 112.00 mil	
5	4 Dec 2006	Hektar REIT	US\$ 139.58 mil	
6	16 Dec 2005	Starhill REIT	US\$ 346.12 mil	
7	28 Dec 1990	Amanah Harta Tanah PNB	US\$ 33.89 mil	
8	8 Jan 2007	Quill Capita Trust	US\$ 133.52 mil	
9	30 Dec 2005	UOA REIT	US\$ 187.29 mil	
10	16 Jul 2010	CapitaMalls Malaysia Trusts	US\$ 638.21 mil	
11	8 Jul 2010	Sunway REIT	US\$ 973.68 mil	

Malaysian ETFs Sector

Islamic Exchange-traded Funds (i-ETF)

No.	Launch Date	ETFs	NAV (Aug 2011)	%
1	31 Jan 2008	MyETF Dow Jones Islamic Markets Malaysia Titans 25	US\$ 171.49 mil	45.6 %

Conventional Exchange-traded Funds

No.	Launch Date	ETFs	NAV (Aug 2011)	%
1	13 Jul 2005	ABF Malaysia Bond Index Fund	US\$ 195.35 mil	54.4 %
2	19 Jul 2007	FTSE Bursa Malaysia KLCI	US\$ 1.23 mil	
3	9 Jul 2010	CIMB FTSE Xinhua China 25	US\$ 3.93 mil	
4	9 Jul 2010	CIMB FTSE Asean 40 Malaysia	US\$ 4.03 mil	

Malaysian Derivatives Market

Commodity Derivatives

Crude Palm Oil Futures (FCPO)

USD Crude Palm Oil Futures (FUPO)

Crude Palm Kernel Oil Futures (FPKO)

Financial Derivatives

3-Month KL Interbank Offered Rate Futures (FKB3)

3-Year MGS Futures (FMG3)

5-Year MGS Futures (FMG5)

Equity Derivatives

FTSE Bursa Malaysia KLCI Futures (FKLI)

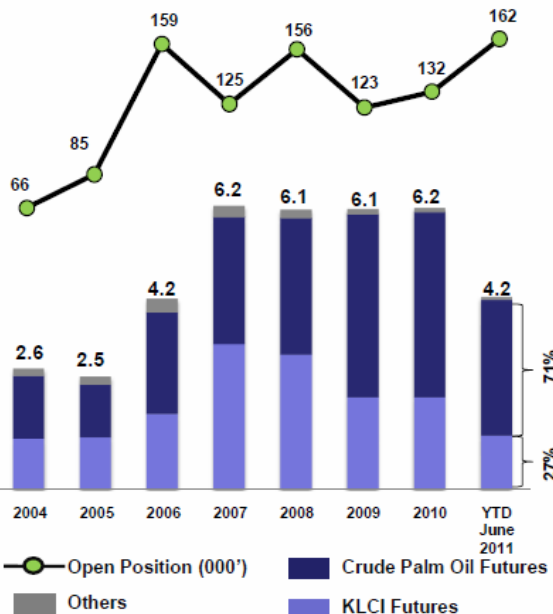
FTSE Bursa Malaysia KLCI Options (OKLI)

Single Stock Futures (SSFs)

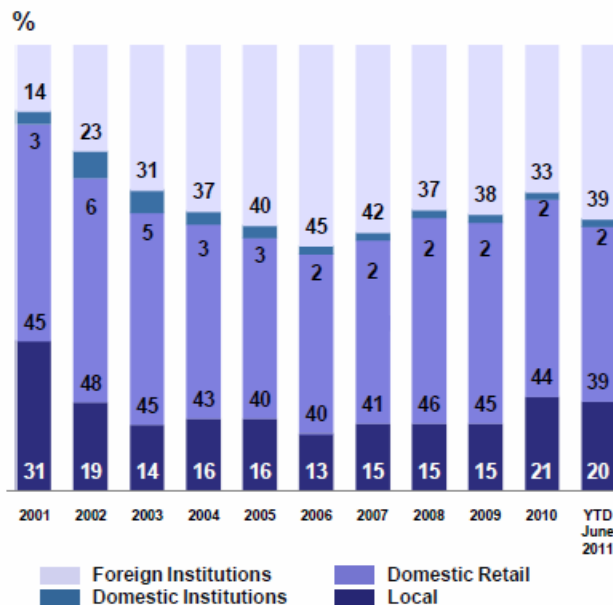
20 Trading Participants

2 Associate Participants

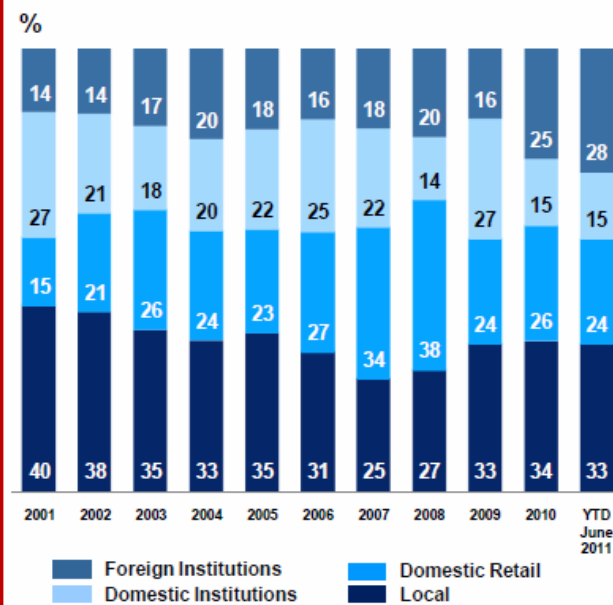
Total Annual Contract (Million)



FKLI



FCPO



Bursa Suq Al-Sila'

- The world's first multi-commodity and multi-currency commodity trading platform to support Murabahah transactions.
- A hybrid market offering members a choice of trading electronically through a secured web-based system or through traditional voice broking.
- Operates in a 15-hour 6-day market.
- Bids and Offers are placed daily and trades are matched electronically.
- Commodities are deliverable upon election of the purchaser.
- Members are governed by a set of trading rules encompassing best market practices and Shari'ah principles



بورصة سوق السلع
BURSA  **Suq Al-Sila'**

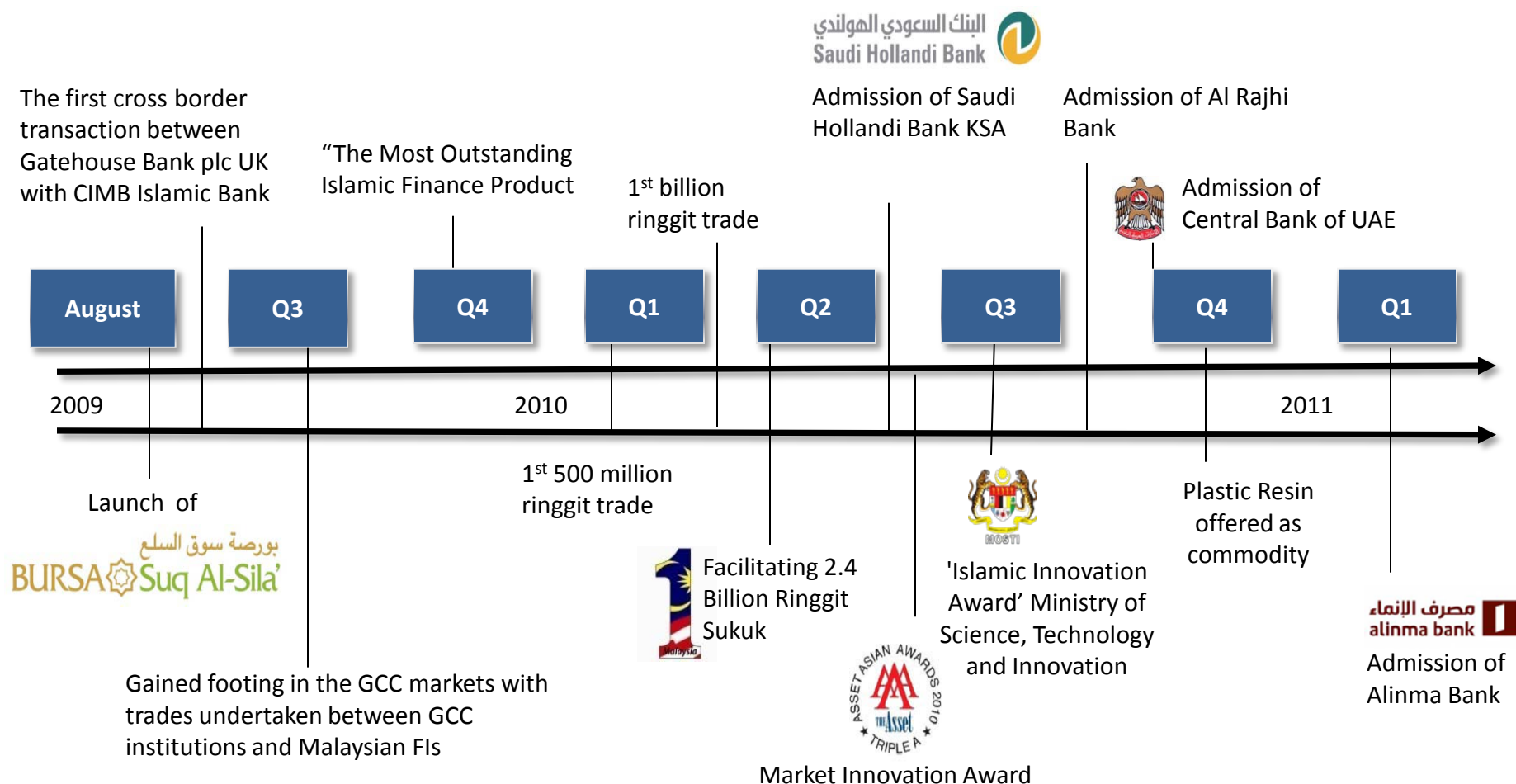


Bursa Suq Al-Sila'

- Launched in August 2009
- To facilitate Islamic liquidity management and financing by Islamic Financial Institutions (IFIs)
- To support of Islamic interbank placements, client deposits and financing as well as Sukuk issuances using the concepts of Murabahah and Tawarruq
- To provide industry players with a regulated framework with defined codes of conduct governing commodity trade
- Integrates the global Islamic financial and commodity markets through one single engine

- **FEATURES**
 - Hybrid market
 - Various currencies
 - Periodical Shari'ah audits

Bursa Suq Al-Sila' - Achievement Highlights



THANK YOU

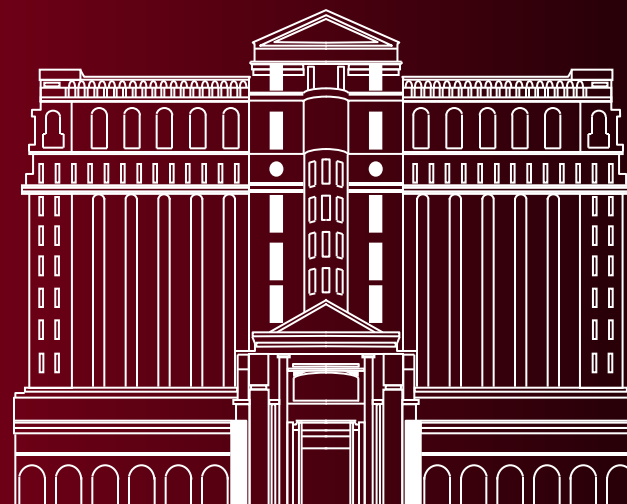
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ISLAMIC MARKETS**

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