



Suruhanjaya Sekuriti
Securities Commission

CIRCULAR ON GUIDELINES ON UNIT TRUST FUNDS

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INVESTMENTS IN FOREIGN MARKETS

Clause 10.02(1) of the Guidelines on Unit Trust Funds provides that “the investments of the fund may consist of foreign investments traded in or under the rules of a foreign market approved by the SC.”

2. It is hereby notified that foreign stock exchanges which are recognised by Bursa Malaysia Securities Berhad and futures exchanges specified under the Futures Industry Act 1993 from time to time are deemed as “approved foreign markets” by the SC. As such, the management company does not have to obtain SC’s specific approval for its fund to invest in these foreign exchanges. However, the management company is required to submit a notification to the SC on the foreign exchanges that the fund is going to invest in.

3. It is hereby clarified that where investments of the fund in foreign markets are in securities/instruments that are **NOT** listed or traded on foreign stock exchanges recognised by Bursa Malaysia Securities Berhad or foreign futures exchanges specified under the Futures Industry Act 1993, SC’s prior approval is required for the fund to invest in those foreign markets.

4. For participation of the fund in futures contracts, the management company must ensure that the futures contracts are under the list of approved classes of futures contracts specified under the Futures Industry Act 1993.

5. Investments abroad are subject to the limit approved by BNM. The management company must also comply with all the relevant laws, guidelines and notices in relation to investments in foreign markets issued by the SC from time to time.

Trusts and Investment Management Department
Issues and Investment Division
SECURITIES COMMISSION