

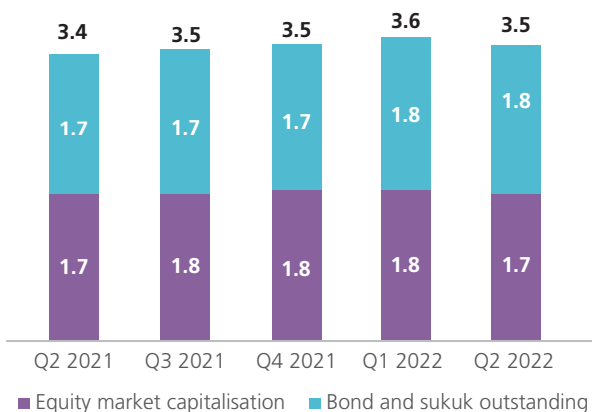
# KEY HIGHLIGHTS

## SIZE OF CAPITAL MARKET AND FUNDRAISING

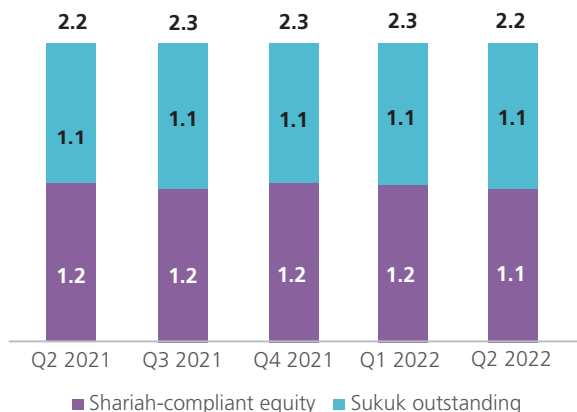
The Malaysian capital market contracted in Q2 2022, driven by lower equity market capitalisation, though total bonds and sukuk outstanding remained firm

The Islamic capital market (ICM) mirrors the overall capital market performance with a decline in Shariah-compliant market capitalisation

Capital market size (RM trillion)\*



Size of ICM (RM trillion)\*



Q3 2021 Q4 2021 Q1 2022 Q2 2022

+2% +0% +1% -3%

Q3 2021 Q4 2021 Q1 2022 Q2 2022

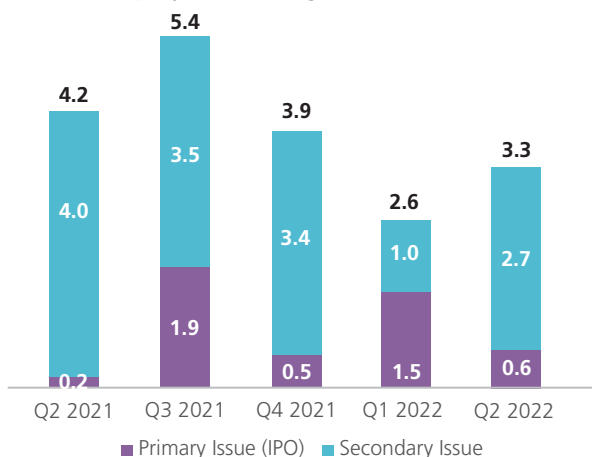
+4% -1% -0% -4%

## Quarterly growth

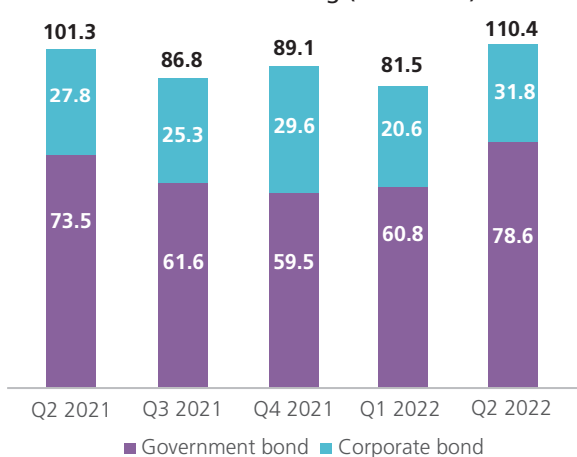
Secondary market issuances rebounded slightly, supported by higher private placement and rights issues while IPO activity remained subdued

Overall bond fundraising rose due to greater public funding needs and expectations of rising interest rates

Equity fundraising (RM billion)\*



Bond fundraising (RM billion)\*



Q3 2021 Q4 2021 Q1 2022 Q2 2022

+30% -28% -34% +27%

Q3 2021 Q4 2021 Q1 2022 Q2 2022

-14% +3% -9% +36%

## Quarterly growth

Note:

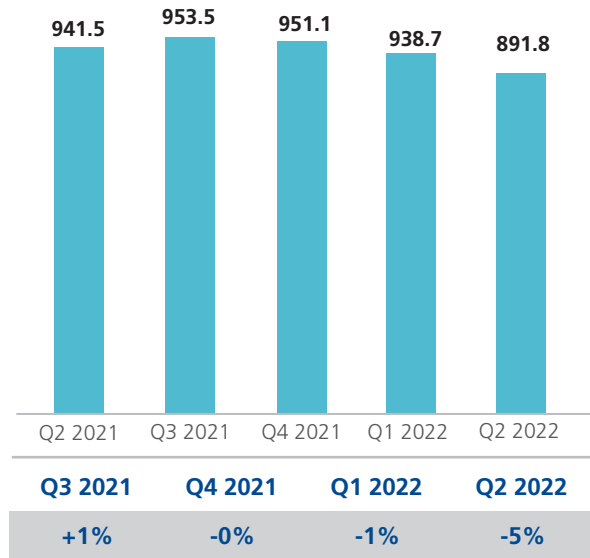
\* Due to the rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

## FUND MANAGEMENT

### Key Highlights

Assets under management (AUM) slid further in Q2 2022 following downward movement of global equity markets

Total AUM (RM billion)\*



### Quarterly growth

Note:

\* Due to the rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

## SHAPING THE STAKEHOLDER ECONOMY

### Strengthening governance culture



**The Principles of Good Governance for Government-Linked Investment Companies (GLIC)(PGG)** was launched by the Minister of Finance to set out the baseline governance requirements and best practices for GLICs

### Building the foundations for sustainable and responsible investment



Continued leveraging of the Joint Committee on Climate Change (JC3) through various initiatives such as **specialised training programmes for the financial sector** and the issuance of the **JC3 Report on the Sustainable Finance Landscape in Malaysia**



A more facilitative sustainable fundraising framework for companies through the **launch of the SRI-Linked Sukuk Framework**



Assisting fund management companies (FMCs) to establish a responsible investment framework via the issuance of the **Guidance Note on Managing Environmental, Social and Governance Risks for Fund Management Companies (Guidance Note on ESG for FMCs)**

# KEY HIGHLIGHTS

## FACILITATE RECOVERY AND COMPETITIVE GROWTH

### Scaling up VC/PE



Further spurred VC activities through the amendment of the **Venture Capital Tax Incentives Guidelines (VCTI Guidelines)** – which provided a tax exemption for registered venture capital companies (VCCs) and venture capital management companies (VCMCs), along with a tax deduction on qualifying investments in startups or VCCs

### Facilitating greater access to fundraising



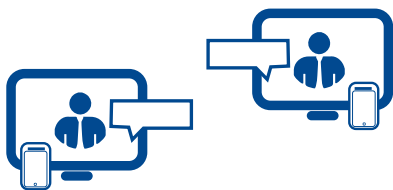
A more facilitative fundraising process for corporate bonds through the revised **Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework**



Creating greater awareness among MSMEs on alternative financing avenues through the third programme of the **NaviGate: Capital Market Green Financing Series**

## ENSURING MARKET RESILIENCE

### Enhancing corporate resilience and board oversight



Strengthened public-listed companies' (PLCs) board oversight of auditors and audit process through engagement between **SC's Audit Oversight Board (AOB) and Audit Committees (AC) of PLCs** via the 'AOB's Conversation with Audit Committees' virtual series

### Greater regulatory clarity and transparency



Greater regulatory clarity through the **amendments to the Prospectus Guidelines** to enhance disclosure requirements and improve transparency for investors

## ENHANCING REGULATORY EFFECTIVENESS

### Enhancing tech capabilities for a data-driven organisation



An enhanced and more facilitative submission process between the SC and industry participants through the roll-out of an **interim digital submission solution** for collective investment funds (CIS)

\*Note: CIS includes unit trust funds, wholesale fund (for submission not available under the LOLA Online Submission System), exchange-traded funds (ETFs), private retirement schemes (PRS) and foreign funds.

### Strengthening regulatory co-operation for financial stability



Greater regulatory, enforcement and supervisory co-operation through the **inking of a new MoU between the SC and the Labuan Financial Services Authority (Labuan FSA)**

## PRIORITISING SUPERVISORY AND ENFORCEMENT EFFICIENCY

### Ensuring continued monitoring and supervision of institutions



Commenced **regulatory assessment on RMO operators** to ensure adequacy and consistency of processes

### Undertake swift and targeted enforcement actions for credible deterrence



**Compounded Serba Dinamik Holdings Bhd**, its chief executive officer, executive director, and two officers for a sum of RM3 million each for submitting false financial statements to Bursa Malaysia

# KEY HIGHLIGHTS

## EMPOWERING INVESTORS THROUGH INVESTMENT OPTIONS AND OUTREACH

### Enhanced focus on investor vulnerabilities



Equipped investors with greater awareness on the *modus operandi* of clone scams through the **sharing of findings of investigations into 10 clone firm scams**, especially on how to detect and avoid scams

### Expanded investor outreach to promote greater inclusivity



Fostered a more financially inclusive society through **the launch of the Agen Bijak Labur Desa (ABJAD) initiative**, which equips the rural population with fundamental financial knowledge and financial management skills