

# INVESTMENT MANAGEMENT

## FUND MANAGEMENT

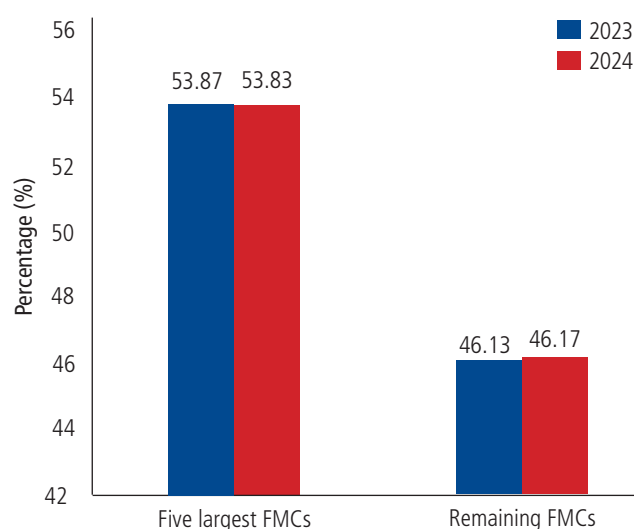
The total AUM of licensed FMCs in Malaysia increased by 9.59% to RM1,069.07 billion as compared to RM975.48 billion in 2023. In 2024, the top 5 FMCs contributed 53.83% of total AUM as compared to 53.87% in 2023 (Chart 1).

Sources of funds under management were largely from unit trust funds (UTFs), EPF, corporate bodies, and wholesale funds (WFs) (Table 1). The funds were allocated in various asset classes and locations, of which, investment inside Malaysia by FMCs amounted to RM724.51 billion, representing 67.77% of the total AUM as at end of 2024 (Chart 2). The bulk of investment was allocated in equities with 50.23% at end of 2024, as compared to 48.65% in 2023 (Chart 3). The asset allocation for investment inside Malaysia continued to focus on equities, fixed income and money market placement, trend is similarly observed last year (Chart 4).

**TABLE 1**  
Source of clients' funds under management

Source of funds	2024 (RM billion)	2023 (RM billion)
UTF	546.08	499.88
EPF	208.30	186.92
Corporate bodies	122.03	107.83
WF	82.60	77.15
Statutory bodies and government agencies	54.00	45.52
Individuals	24.99	21.22
Others	23.46	30.51
PRS	7.61	6.45
<b>TOTAL</b>	<b>1,069.07</b>	<b>975.48</b>

**CHART 1**  
Asset managed by FMCs (%)



**CHART 2**  
Assets invested inside and outside of Malaysia  
(RM billion)

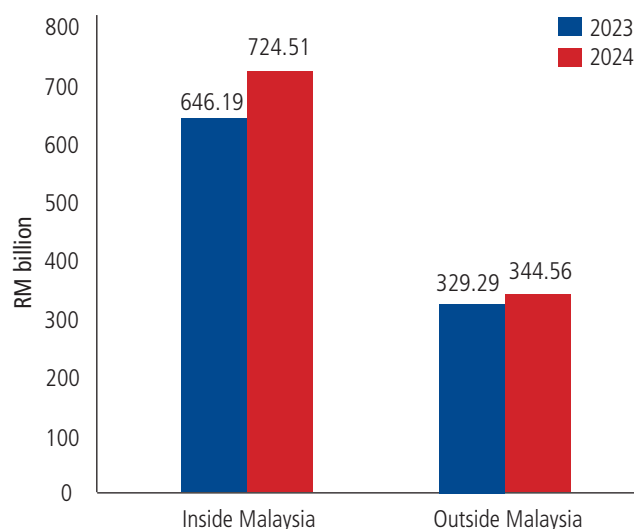


CHART 3  
Asset allocation (%)

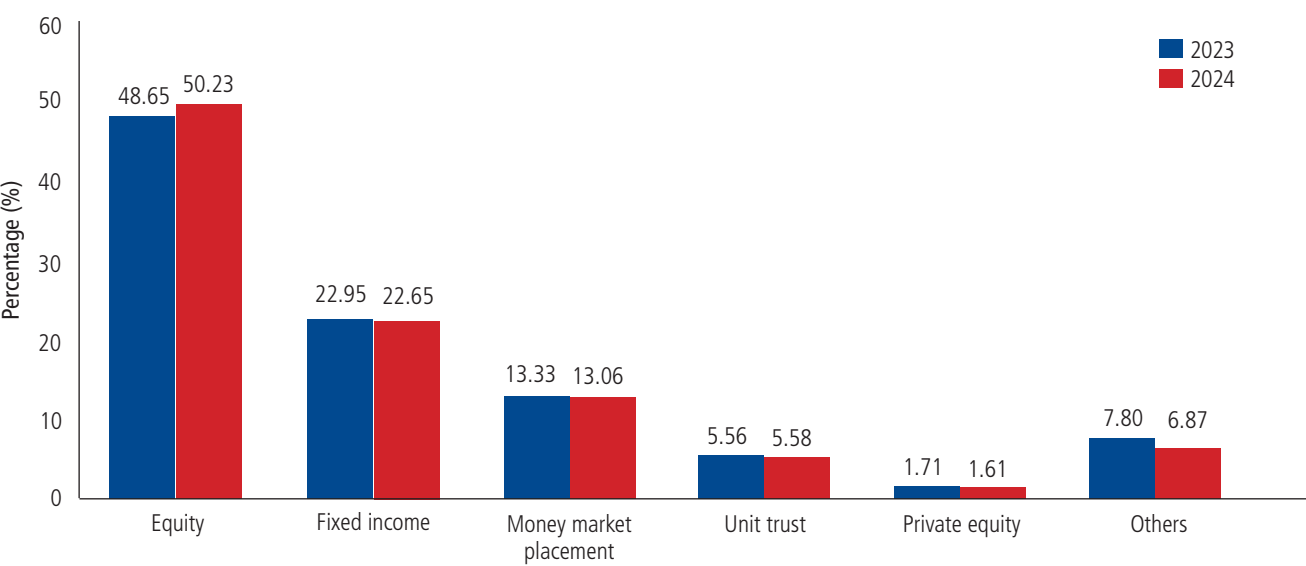
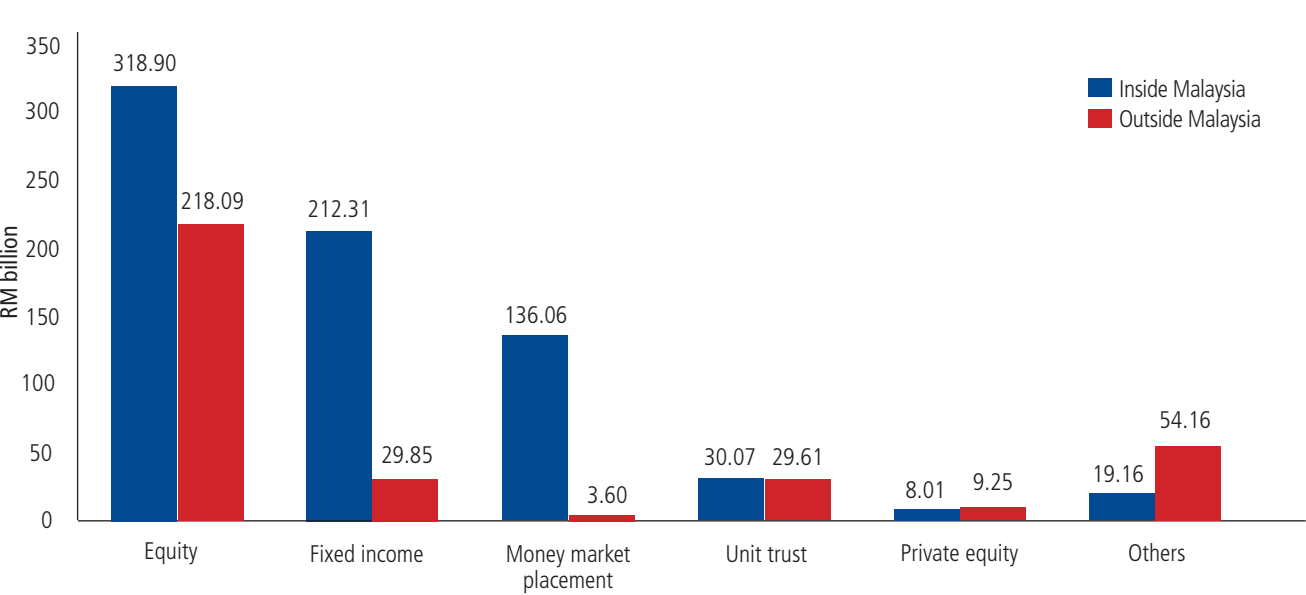


CHART 4  
Asset allocation inside and outside of Malaysia as at 31 December 2024 (RM billion)



## COLLECTIVE INVESTMENT SCHEMES AND PRIVATE RETIREMENT SCHEMES

### Unit Trust Funds

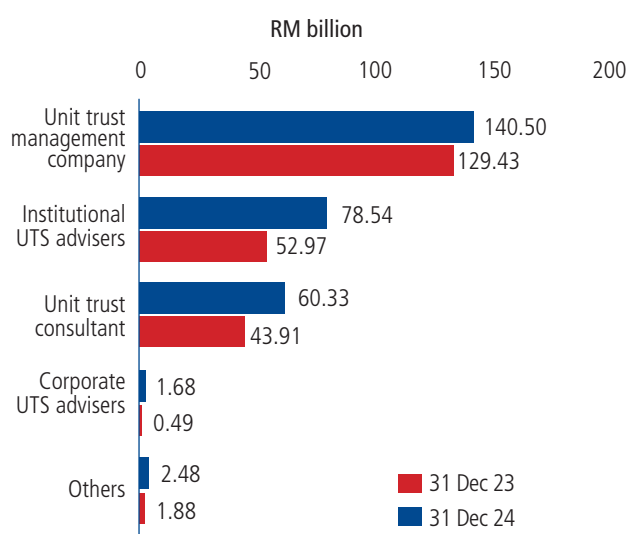
Unit trust funds continued to be the largest component of the Malaysian CIS industry with a total net asset value (NAV) of RM546.08 billion recorded as at 31 December 2024 (2023: RM499.88 billion). The percentage of the total NAV of the unit trust fund industry against Bursa Malaysia Securities Bhd's (Bursa Malaysia) market capitalisation was 26.25% (2023: 27.83%). In 2024, a total of 33 unit trust funds were launched while 12 funds were terminated and 3 funds matured, which brought the total number of unit trust funds offered by 39 locally-incorporated unit trust management companies to 775 funds as at 31 December 2024 (Table 2).

The unit trust fund industry recorded total gross sales (excluding reinvestment of distribution) of RM283.54 billion (2023: RM228.68 billion), the majority of which were distributed by unit trust management companies with total gross sales of RM140.50 billion (Chart 5). Overall, the unit trust funds industry recorded net redemptions (excluding reinvestment of distribution) of -RM8.59 billion in 2024 (2023: -RM25.19 billion).

### Wholesale Funds

In the wholesale funds segment, a total NAV of RM82.60 billion was recorded as at 31 December 2024 (2023: RM77.15 billion). A total of 61 funds were launched under LOLA Framework to sophisticated investors while

**CHART 5**  
Distribution Channels



**TABLE 2**

Overall status of UTF industry

	31 December 2024	31 December 2023
No. of funds offered	775	757
– Conventional	476	466
– Shariah-compliant	299	291
Units in circulation (billion units)	757.38	756.79
No. of accounts (million)*	27.39	26.38
Total NAV (RM billion)	546.08	499.88
– Conventional (RM billion)	423.86	386.77
– Shariah-compliant (RM billion)	122.22	113.11
% of NAV to Bursa Malaysia market capitalisation^	26.25	27.83

Note:

\* No. of accounts include number of unit holders accounts with institutional Unit Trust Schemes (UTS) advisers that operate nominee account systems.

^ The comparison made between the total NAV of the unit trust funds industry and Bursa Malaysia's market capitalisation is not an indication of the actual amount invested in Bursa Malaysia by the unit trust funds.

35 funds were terminated, 7 funds were converted to unit trust fund and 8 funds matured in 2024, which brought the total number of wholesale funds offered by 53 fund management companies to 476 funds as at 31 December 2024 (2023: 465 funds).

### SRI Funds

As at 31 December 2024, there were 75 funds offered to investors which have been qualified as sustainable and responsible investment (SRI) funds under the *Guidelines on Sustainable and Responsible Investment Funds* (2023: 68 funds). The 75 funds comprised 45 unit trust funds and 30 wholesale funds with a total NAV as at 31 December 2024 of RM14.44 billion (2023: RM7.70 billion).

### Real Estate Investment Trusts

As at 31 December 2024, there was a total of 19 real estate investment trusts (REITs) listed on the Main Market of Bursa Malaysia with a total market capitalisation (including a stapled group) of RM48.93 billion (2023: RM41.78 billion). The total asset size grew from RM66.95 billion as at 31 December 2023 to RM69.98 billion as at end of 2024. There are 2 unlisted REIT offered to sophisticated investors as of 31 December 2024.

Exchange-Traded funds

With the listing of Eq8 FTSE Malaysia Enhanced Dividend Waqf ETF in 2024, the total number of exchange-traded funds (ETFs) listed on the Main Market of Bursa Malaysia as at 31 December 2024 was 16 (2023: 15) with a total market capitalisation of RM2.36 billion (2023: RM2.21 billion).

Closed-End Fund

As at 31 December 2024, there continued to be only one closed-end fund (CEF) listed on the Main Market of Bursa Malaysia with a market capitalisation of RM405 million (2023: RM392 million).

Private Retirement Schemes

As at 31 December 2024, the number of private retirement schemes (PRS) remained unchanged with 14 schemes comprising 78 funds offered by 9 PRS providers. The total NAV grew 17.98% to RM7.61 billion as at 31 December 2024 (2023: RM6.45 billion), with contributions from members during the year remaining robust where RM938 million was invested into PRS (2023: RM767 million).

The total number of members as at 31 December 2024 increased by 6.61% to 617,000 (from 579,000 as of 31 December 2023), with key PRS demographics as indicated in Charts 6 – 8.

CHART 6  
PRS members by age group

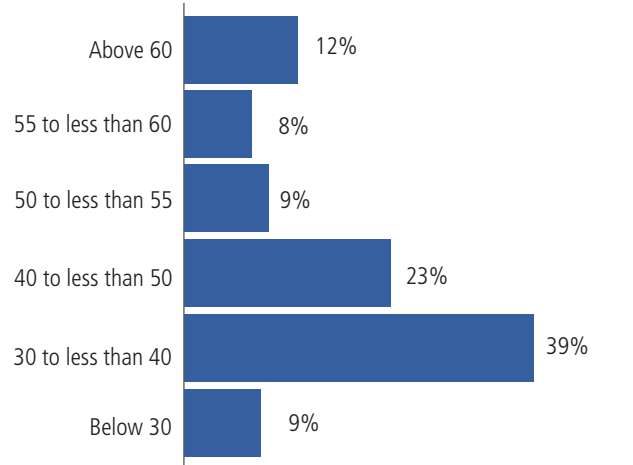


CHART 7  
PRS members by gender

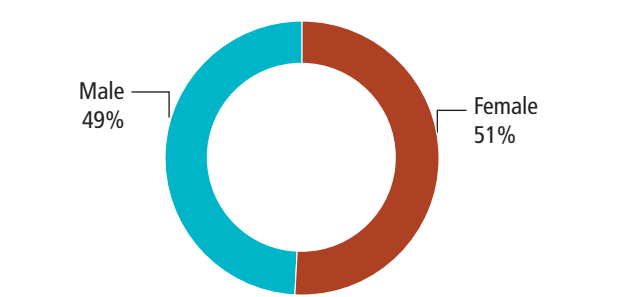
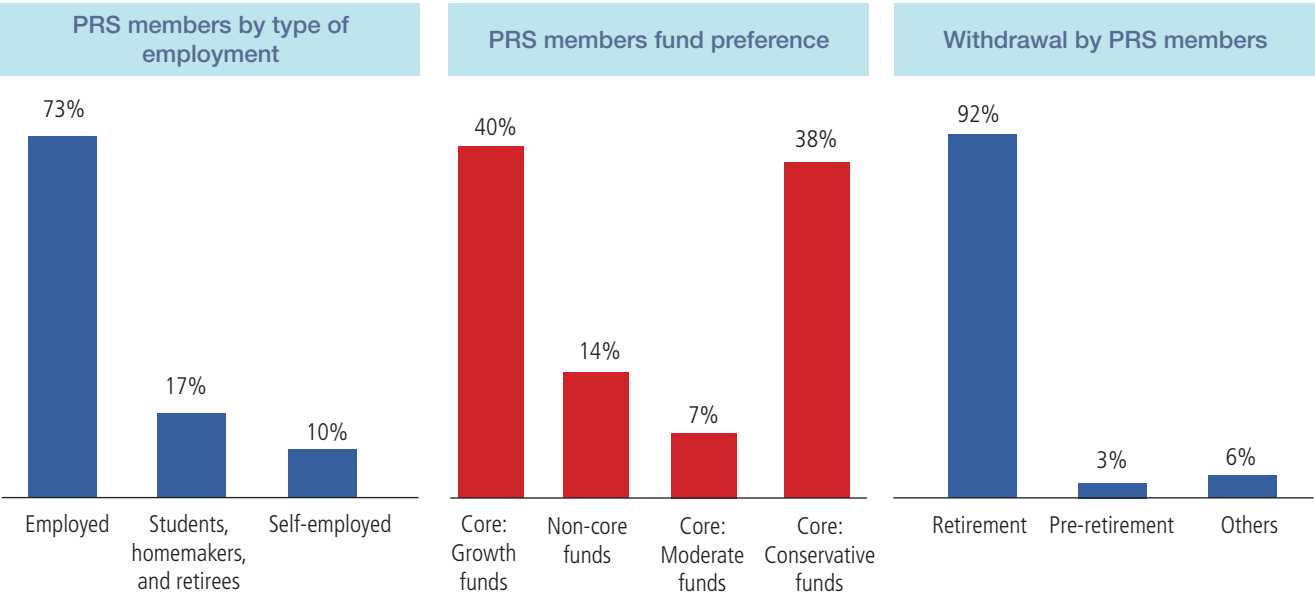


CHART 8



## INVESTMENT PRODUCTS

### Structured Warrants

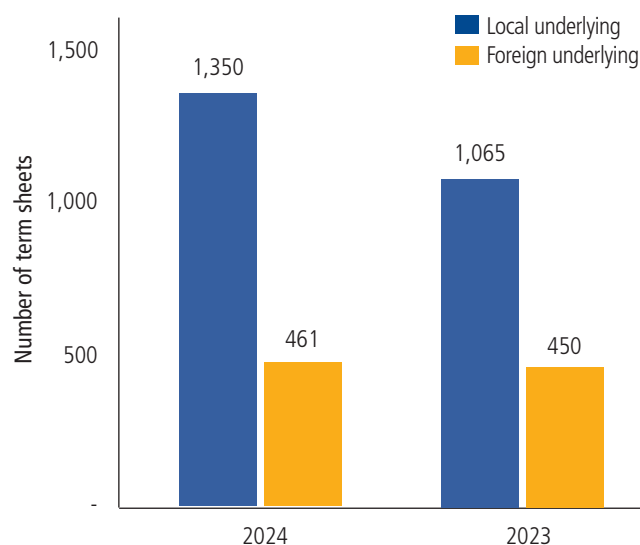
In 2024, the SC registered 1,811 term sheets for the offering of structured warrants, an increase of 20% as compared to 2023 where 1,515 term sheets were registered.

The number of structured warrants term sheets with local underlying expanded in 2024 with 1,350 term sheets registered, representing an increase of 27% compared to 2023 (2023: 1,065 term sheets). A total of 461 term sheets with foreign underlying were registered in 2024 as compared to 450 term sheets in 2023.

In 2024, the number of registered structured warrants term sheets with index as an underlying increased by 25% (2024: 419 term sheets, 2023: 334 term sheets). Structured warrants over foreign underlying indices increased by 30% compared to 2023, driven primarily by a considerable growth in structured warrants over the Hang Seng Index. Other foreign indices include structured warrants over the Nikkei Stock Average (Nikkei 225) Index, Hang Seng Tech Index, S&P 500 Index, NASDAQ-100 Index and Dow Jones Industrial Average Index.

CHART 9

Structured warrants term sheets registered by listing domicile of underlying



### Structured Products

In 2024, a total of 16 issuers lodged 45 new structured product programmes with the SC under the LOLA Framework for unlisted capital market products. These programmes comprised a variety of underlying references and had an aggregate size of RM225 billion with each programme having a size limit of up to RM5 billion (Table 3).

TABLE 3  
Structured product programmes

	2024		2023	
New programmes lodged	No. of programmes	Size (RM billion)	No. of programmes	Size (RM billion)
<b>Principle</b>				
– Conventional	40	200	18	90
– Islamic	5	25	2	10
<b>TOTAL</b>	<b>45</b>	<b>225</b>	<b>20</b>	<b>100</b>

Structured Product Series

The Malaysian structured product market reported a decrease of 2% of total new issuances in 2024 compared to 2023.

High-net worth individuals (HNWIs) continued to form the majority of investors accounting for 93.4% of investors in structured product. The balance 6.6% of investors comprised high-net worth entities and accredited investors and persons who acquire the unlisted capital market product for a consideration of not less than RM250,000 per transaction category (Chart 10).

Conventional structured products continued its market domination accounting for 93.7% of issuance in 2024 (Chart 11). The issuance of Islamic structured products increased by 250% in 2024.

In 2024, a total of 186 structured product series were lodged under the LOLA Framework for the offering to sophisticated investors (2023: 167), representing an increase of 11%.

Contracts for Difference

The SC introduced the *Guidelines on Contracts for Difference* (CFD) on 6 April 2018. A CFD is a leveraged derivatives product that allows investors to participate in the price movement of an underlying instrument.

In 2024, there were 2 CFD providers offering CFD in Malaysia based on shares, indices and commodities.

CHART 10  
Breakdown by investor type

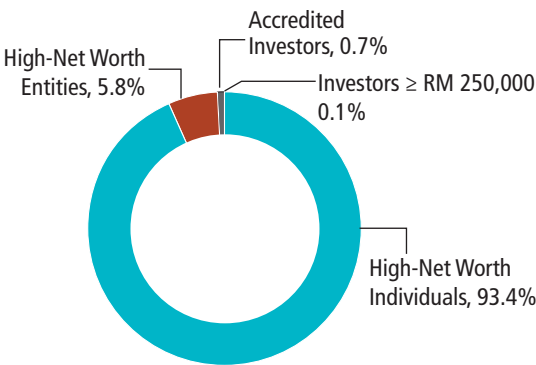


CHART 11  
Breakdown by principle

