

HIGHLIGHTS

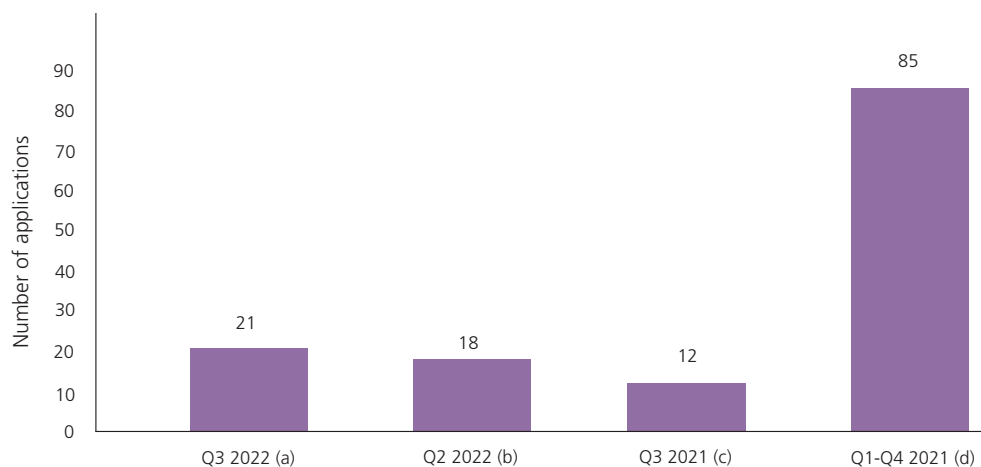
- The SC approved 4 substantive applications¹ for various corporate proposals by companies.
- Total funds to be raised from the proposals approved by/lodged with the SC amounted to RM23.23 billion, out of which RM21.82 billion or 93.9% would be from corporate bonds and sukuk.
- The SC considered a total of 18 submissions in relation to take-overs, mergers, and compulsory acquisitions.
- In Q3 2022, the net asset value (NAV) of unit trust funds decreased from RM486.80 billion as at 30 June 2022 to RM480.53 billion as at 30 September 2022.

EQUITIES, CORPORATE BONDS AND SUKUK

The SC approved 4 substantive applications¹ for various corporate proposals in Q3 2022. In addition, there were 17 corporate bonds and sukuk lodgements submitted under the LOLA framework.

Chart 1

Substantive applications approved and lodged



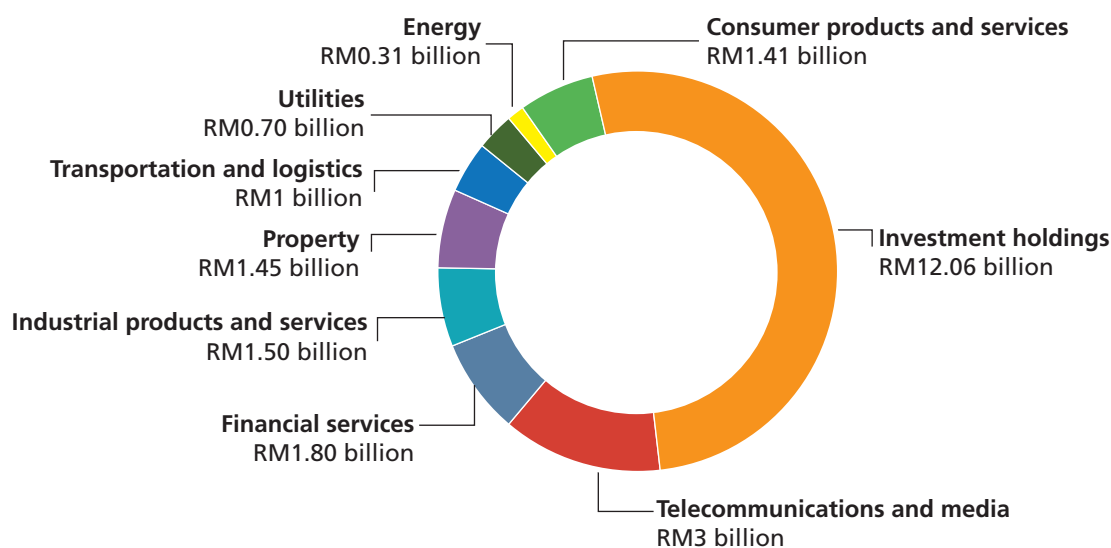
Note:

- Includes 17 corporate bonds and sukuk lodged under LOLA framework.
- Includes 14 corporate bonds and sukuk lodged under LOLA framework.
- Includes 10 corporate bonds and sukuk lodged under LOLA framework.
- Includes 72 corporate bonds and sukuk lodged under LOLA framework.

¹ Substantive applications include IPO, reverse take-overs, transfer listings to Main Market of Bursa Malaysia, secondary listing proposals and corporate bonds/sukuk proposals.

Chart 2

Funds approved/loved to be raised by sectors: RM23.23 billion



The total funds to be raised from the proposals approved by/loved with the SC in Q3 2022 amounted to RM23.23 billion, out of which RM21.82 billion or 93.9% would be from corporate bonds and sukuk. The remaining RM1.41 billion or 6.1% would be from the IPO proposal approved. The investment holdings sector would raise the largest amount of funds amounting to RM12.06 billion or 51.9%.

TAKE-OVERS AND MERGERS

The SC considered a total of 18 submissions in relation to take-overs, mergers, and compulsory acquisitions in Q3 2022, comprising the following:

- (a) Clearance of 4 take-over offer documents;
- (b) Clearance of 6 independent advice circulars including for whitewash exemption;
- (c) Clearance of 1 circular for whitewash exemption;
- (d) 3 applications for exemptions from the mandatory offer obligation; and
- (e) 4 other applications in relation to the provisions of the *Capital Markets and Services Act 2007 (CMSA)/ Malaysian Code on Take-overs and Mergers 2016/ Rules on Take-overs, Mergers and Compulsory Acquisitions (Rules)*.

During Q3 2022, the SC considered 18 submissions, which represented a 14% decrease compared with 21 submissions considered in the corresponding quarter in Q3 2021.

The 4 take-over offer documents cleared by the SC constituted RM0.63 billion in offer value. The take-over offers were the privatisations of Cocoaland Holdings Bhd (Cocoaland) by Fraser & Neave Holdings Bhd through a members’ scheme of arrangement and Cycle & Carriage Bintang Bhd (Cycle & Carriage) via the offer by Jardine Cycle & Carriage Limited; as well as the offer by Duta Equities Sdn Bhd and Kenny Height Developments Sdn Bhd for Olympia Industries Bhd and the offer by Leading Ventures Sdn Bhd for Meta Bright Group Bhd. The privatisation of Cocoaland was the largest offer at RM0.49 billion, representing 77% of the total offer value during Q3 2022 and is pending completion as at 30 September 2022. The offer for Cycle & Carriage was the offeror’s third

attempt to privatise the company, after the offeror's earlier attempts by way of a proposed selective capital reduction and repayment exercise in 2020 and the subsequent voluntary offer in 2021. Cycle & Carriage has since been delisted on 19 September 2022.

The 3 applications for exemption from the mandatory offer obligation comprised applications for whitewash exemption pursuant to proposed rights issues or proposed acquisition.

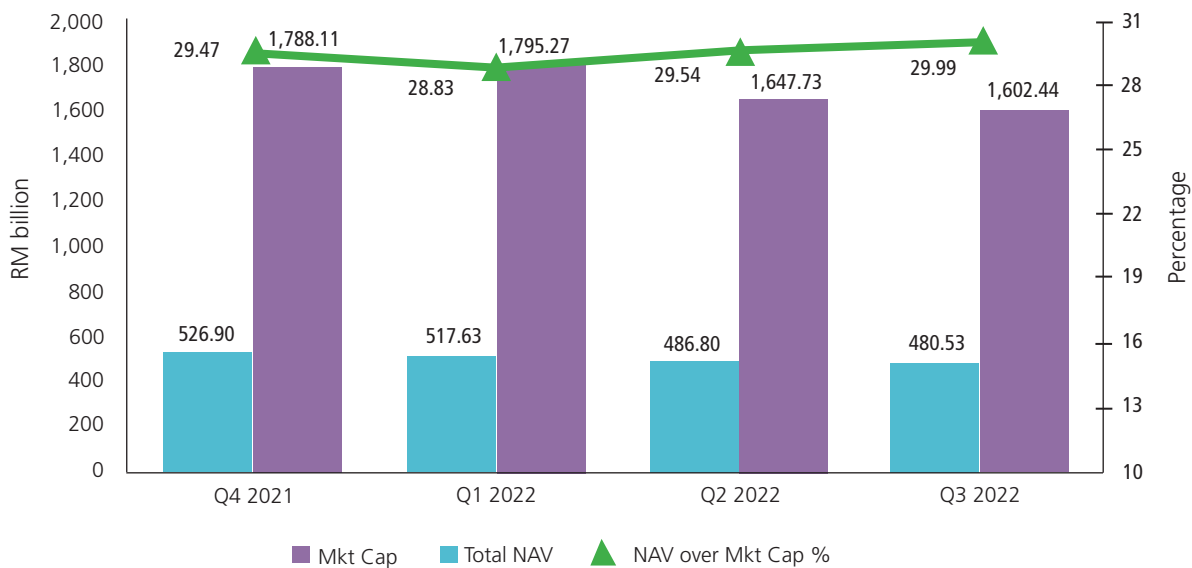
Among the 4 other applications considered by the SC, 2 applications were in relation to waivers from complying with the timing requirements specified in the Rules.

UNIT TRUST FUNDS

In Q3 2022, the NAV of unit trust funds decreased from RM486.80 billion as at 30 June 2022 to RM480.53 billion as at 30 September 2022. The percentage of the total NAV against Bursa Securities market capitalisation has increased from 29.54% as at 30 June 2022 to 29.99% as at 30 September 2022.

Chart 3

NAV of unit trust industry and Bursa Malaysia market capitalisation



New funds

A total of 8 unit trust funds were launched while 10 funds were terminated², which brought the total number of funds in operation to 750 funds as at 30 September 2022. Of the 8 new funds launched, 4 were from the equity category, 2 from the fixed income/bond/sukuk/debenture category and 1 each from feeder fund and fund-of funds category.

As at 30 September 2022, the number of management companies approved to offer unit trust funds was 39.

² 3 funds reached their maturity, 5 funds wound-up voluntarily pursuant to unitholders' approval as it's no longer economically viable, 1 fund had no assets/unitholders and 1 fund did not commence due to insufficient fund raised during initial offer period.

Table 1

	As at 30 September 2022	As at 30 June 2022
Total no. of launched funds	750	752
Units in circulation (billion units)	772.01	764.91

Fund categories

As at 30 September 2022, a total of RM238.82 billion of the industry's total NAV was represented by mixed asset funds. Equity funds ranked second with NAV of RM102.14 billion.

Table 2

Fund category	NAV (RM billion)	%
Mixed asset	238.82	49.70
Equity	102.14	21.25
Money market	63.85	13.29
Fixed income/Bond/Sukuk/Debenture	51.13	10.64
Feeder	10.33	2.15
Balanced	6.61	1.38
Fund of funds	3.66	0.76
Others	3.99	0.83
TOTAL	480.53	100.00

OTHER COLLECTIVE INVESTMENT SCHEMES

Wholesale funds

As at 30 September 2022, there were 436 wholesale funds in operation with a total NAV of RM77.27 billion. A total of 12 new wholesale funds were launched while 11 wholesale funds were terminated³ in Q3 2022.

Real estate investment trusts

With the listing of AME Real Estate Investment Trust (AME REIT) on 20 September 2022, there were 19 real estate investment trusts (REITs) listed on the Main Market of Bursa Securities. A total of 5 REITs, namely Axis REIT, Al-Aqar Healthcare REIT, Al-Salam REIT, KLCC REIT and AME REIT are Shariah-compliant.

One REIT, i.e., KLCC REIT, was listed as part of a stapled security group.

The market capitalisation of the listed REITs (including market capitalisation of the stapled group) was RM38.61 billion as at 30 September 2022.

Exchange-traded funds

As at 30 September 2022, a total of 19 ETFs were listed on the Main Market of Bursa Securities. A total of 6 ETFs were Shariah-compliant, i.e., MyETF Dow Jones Islamic Market Malaysia Titans 25, MyETF MSCI Malaysia Islamic Dividend, MyETF MSCI SEA Islamic Dividend, MyETF Dow Jones U.S. Titans 50, TradePlus Shariah Gold Tracker, and VP-DJ Shariah China A-Shares 100 ETF.

The market capitalisation of the listed ETFs was RM2.09 billion as at 30 September 2022.

Closed-end funds

As at 30 September 2022, one closed-end fund (CEF) was listed, i.e. icapital.biz Bhd. The market capitalisation of this fund was RM0.28 billion.

PRIVATE RETIREMENT SCHEMES

With the launch of Principal RetireEasy 2060, Principal RetireEasy 2050, Principal RetireEasy 2040, Principal RetireEasy 2030, Principal Islamic RetireEasy 2060, Principal Islamic RetireEasy 2050, Principal Islamic RetireEasy 2040 and Principal Islamic RetireEasy 2030 on 23 September 2022, there were 12 PRS comprising 70 private retirement funds offered by 8 providers as at 30 September 2022, with a total NAV of RM4.96 billion. There were 36 conventional funds and 34 shariah-compliant funds. Of the total NAV, conventional funds accounted for 67.79% while Shariah-compliant funds accounted for the remaining 32.21%.

³ 4 funds reached their maturity, 5 funds wound-up as it is no longer economically viable, 1 fund had no assets/unitholders and 1 fund did not commence due to insufficient fund raised during initial offer period.

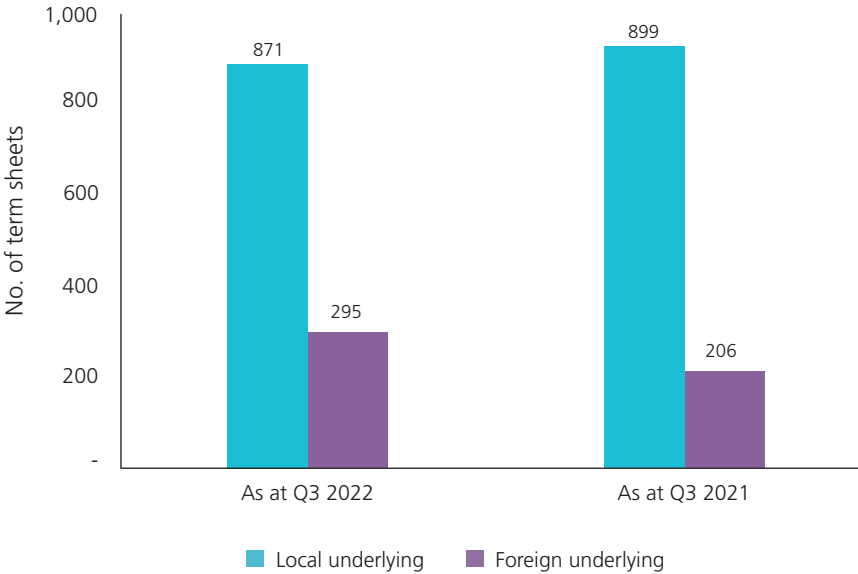
INVESTMENT PRODUCTS

Structured Warrants

The SC registered 5 base prospectus, 18 supplementary base prospectus and 1,166 term sheets as at 30 September 2022. There were 7 eligible issuers of structured warrants as at end of Q3 2022 (Q3 2021: 6).

As at Q3 2022, 295 term sheets with foreign underlying assets were registered. These include shares or units in an ETF listed on a securities exchange outside Malaysia or index based on a securities exchange outside Malaysia. This represented an increase of 20% from Q2 2022. The foreign underlying assets comprised shares in companies or units of ETF listed on the Hong Kong Stock Exchange as well as structured warrants over the Hang Seng Index, S&P 500 Index and Nasdaq 500 Index.

Chart 6
Structured warrants term sheets registered by listing domicile of underlying



Structured Products

In Q3 2022, a total of 5 issuers lodged 15 new structured product programme with the SC under the LOLA Framework for unlisted capital market products. These programme comprised a variety of underlying references and had an aggregate size of RM75 billion. Table 3 below shows the details on structured product programmes as of 30 September 2022.

Table 3

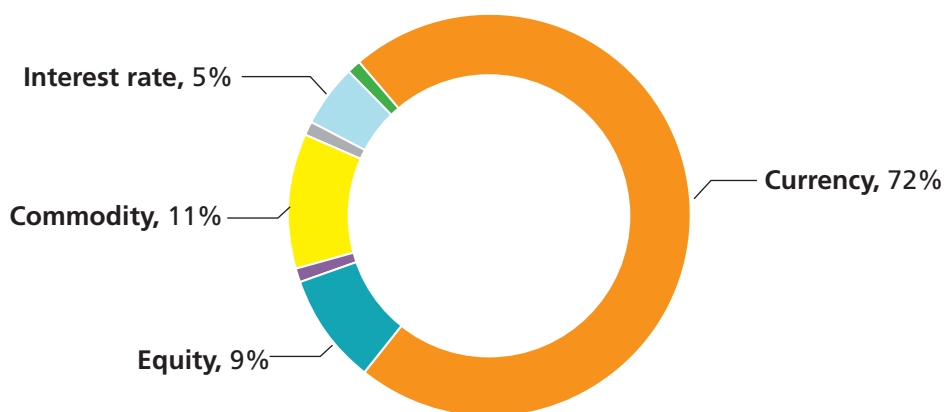
Structured product programmes

New programmes lodged	Q1 - Q3 2022		2021	
	Number of programmes	Size (RM billion)	Number of programmes	Size (RM billion)
Principle				
- Conventional	18	90	17	85
- Islamic	1	5	3	15
TOTAL	19	95	20	100

Structured Products Series

Chart 7

Breakdown of structured product issuance by asset class as at 30 September 2022



As of 30 September 2022, the main category of structured products' investors comprised high-net-worth individuals whose investment accounted for 91% of the total structured product issuance size.