

## HIGHLIGHTS

- The total funds to be raised from the proposals approved by the SC in Q1 2021 amounted to RM41.23 billion, of which 99.83% would be from corporate bonds and sukuk.
- In Q1 2021, the SC considered 28 submissions in relation to take-overs, mergers and compulsory acquisitions.
- In Q1 2021, the net asset value (NAV) of unit trust funds increased from RM519.53 billion as at 31 December 2020 to RM534.07 billion as at 31 March 2021.

## EQUITIES

The SC approved 3 substantive applications<sup>1</sup> for various corporate proposals by companies in Q1 2021. The total funds to be raised from the proposals approved by the SC in Q1 2021 amounted to remaining RM0.07 billion or 0.17% would be from the initial public offering (IPO) proposal approved.

## TAKE-OVERS AND MERGERS

In Q1 2021, the SC considered 28 submissions in relation to take-overs, mergers and compulsory acquisitions comprising the following:

- Clearance of 7 take-over offer documents including document relating to a scheme for control;
- Clearance of 12 independent advice circulars including for whitewash exemptions;
- 6 applications for exemptions from the mandatory offer obligation; and
- 3 other applications including exemption from the provisions of the *Malaysian Code on Take-overs and Mergers 2016/Rules on Take-overs, Mergers and Compulsory Acquisitions*.

The 28 submissions considered during Q1 2021 represented an increase of 87% compared with 15 submissions considered in the corresponding quarter last year.

The 7 take-over offer or scheme in the first quarter of 2021 constituted RM2.66 billion in offer value, of which there were 2 privatisation proposals. The largest offer was the proposed privatisation by Federal Land Development Authority for FGV Holdings Bhd at RM2.34 billion, representing 88% of the total offer value. The next 2 largest offers were the mandatory offer for the remaining shares in Gets Global Bhd (at RM119.32 million) by ADA Capital Investments Limited and Teong Lian Aik, and the mandatory offer by NSK Trading Sdn Bhd for Versatile Creative Bhd (at RM110.88 million). However, the offer by NSK Trading Sdn Bhd for Versatile Creative Bhd was unsuccessful as the acceptance condition was not fulfilled.

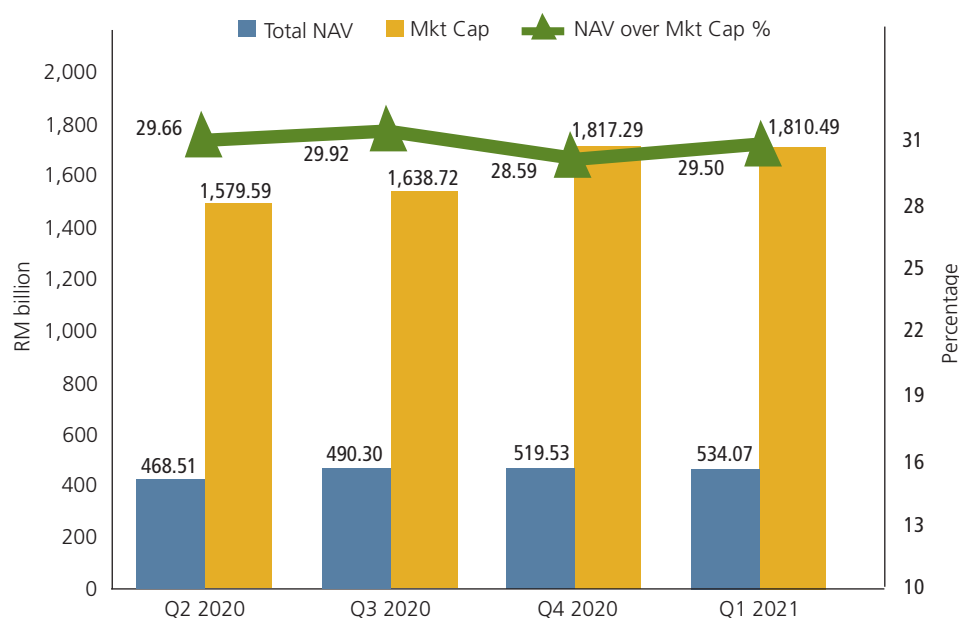
The 6 applications for exemption from the mandatory offer obligation included 2 applications for whitewash exemption pursuant to proposed rights issue, and 4 applications in relation to proposed internal restructuring within the respective concert party groups. The SC had declined one of the 4 applications as it did not fully meet the criteria required for an exemption to be granted.

## UNIT TRUST FUNDS

In Q1 2021, the net asset value (NAV) of unit trust funds increased from RM519.53 billion as at 31 December 2020 to RM534.07 billion as at 31 March 2021. The percentage of the total NAV against Bursa Securities market capitalisation increased from 28.59% as at 31 December 2020 to 29.50% as at 31 March 2021.

Chart 3

### NAV of Unit Trust Industry and Bursa Malaysia Market Capitalisation



## New funds

A total of 20 unit trust funds were launched in Q1 2021 while 2 funds reached their maturity, which brought the total number of funds in operation to 714 funds as at 31 March 2021. Of the 20 new funds launched, 6 from equity fund category, 5 each from mixed asset category and feeder category, 2 from bond/fixed income/sukuk category, 1 each from money market category and fund-of-funds category.

As at 31 March 2021, a total of 38 management companies were approved to offer unit trust funds.

Table 1

	As at 31 March 2021	As at 31 December 2020
Total no. of launched funds	714	696
Units in circulation (billion units)	770.01	745.05

## Fund categories

As at 31 March 2021, RM235.30 billion of the industry's total NAV was represented by mixed asset funds. Equity funds ranked second with NAV of RM115.42 billion.

Table 2

Fund Category	NAV (RM billion)	%
Mixed asset	235.30	44.06
Equity	115.42	21.61
Money market	104.41	19.55
Fixed income/Bond/Sukuk/Debenture	54.80	10.26
Feeder	10.66	1.99
Balanced	6.40	1.20
Fund of funds	3.15	0.59
Others	3.93	0.74
<b>TOTAL</b>	<b>534.07</b>	<b>100.00</b>

## OTHER COLLECTIVE INVESTMENT SCHEMES

### Wholesale funds

As at 31 March 2021, there were 376 wholesale funds in operation with a total NAV of RM72.83 billion. A total of 22 new wholesale funds were launched while 3 wholesale funds were terminated<sup>2</sup> in Q1 2021.

### Real estate investment trusts

With the delisting of Amanah Harta Tanah PNB from the official list of Bursa Malaysia Securities Bhd on 15 February 2021 and its subsequent conversion into an unlisted REIT, there were 17 REITs listed as at 31 March 2021. Four REITs, namely Axis REIT, Al-`Aqar Healthcare REIT, Al-Salam REIT and KLCC REIT are Shariah-compliant. One REIT, i.e. KLCC REIT, is listed as part of a stapled security group.

The market capitalisation of the listed REITs (including market capitalisation of the stapled group) was RM38.78 billion as at 31 March 2021.

### Exchange-traded funds

With the delisting of MyETF Thomson Reuters Asia Pacific ex-Japan Islamic Agribusiness on 17 February 2021, there were a total of 18 ETFs listed on the Main Market of Bursa Securities as at 31 March 2021. Five ETFs are 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 and TradePlus Shariah Gold Tracker. The market capitalisation of the listed ETFs was RM2.03 billion as at 31 March 2021.

<sup>2</sup> 2 funds reached their maturity and 1 fund converted into unit trust fund.

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## **Closed-end funds**

As at 31 March 2021, one closed-end fund was listed, i.e. icapital.biz Bhd. The market capitalisation of this fund was RM0.28 billion.

## **PRIVATE RETIREMENT SCHEMES**

With the launch of AIA PAM – Global Islamic Growth Fund on 23 February 2021, there were 12 private retirement schemes comprising 58 private retirement funds offered by 8 providers as at 31 March 2021, with a total NAV of RM5.01 billion. There were 31 conventional funds while 27 were Shariah-compliant funds. Of the total NAV, conventional funds accounted for 67.67% while Shariah-compliant funds accounted for the remaining 32.33%.