

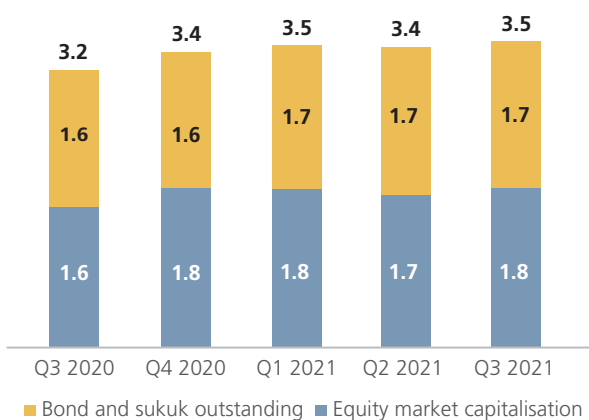
KEY HIGHLIGHTS

SIZE OF CAPITAL MARKET AND FUNDRAISING

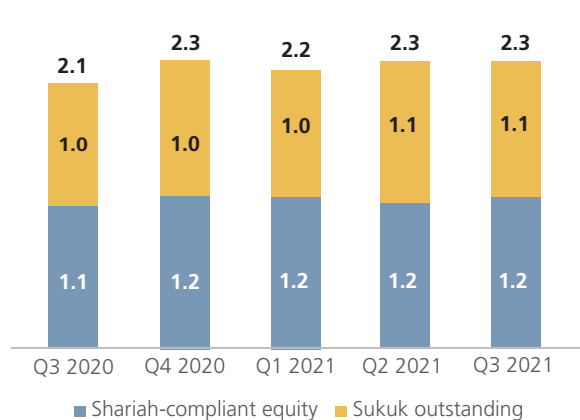
Total capital market size improved slightly as steady vaccination progress lifted the prospects of an economic recovery

The Islamic capital market (ICM) improved slightly, reflecting the overall market sentiment

Capital market size (RM trillion)*



Size of ICM (RM trillion)*



Q4 2020 Q1 2021 Q2 2021 Q3 2021

+6% +1% -1% +2%

Q4 2020 Q1 2021 Q2 2021 Q3 2021

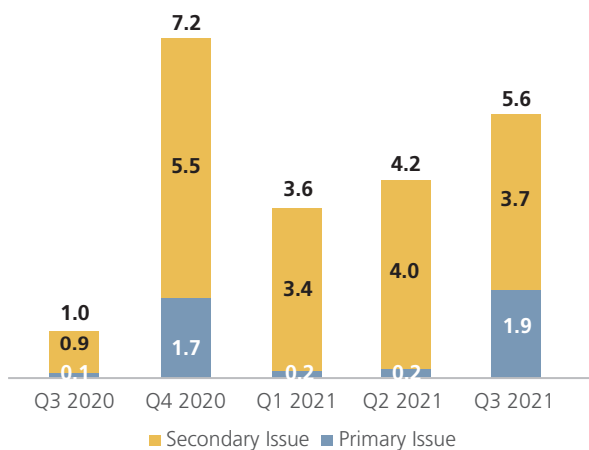
+5% +1% -1% +4%

Quarterly growth

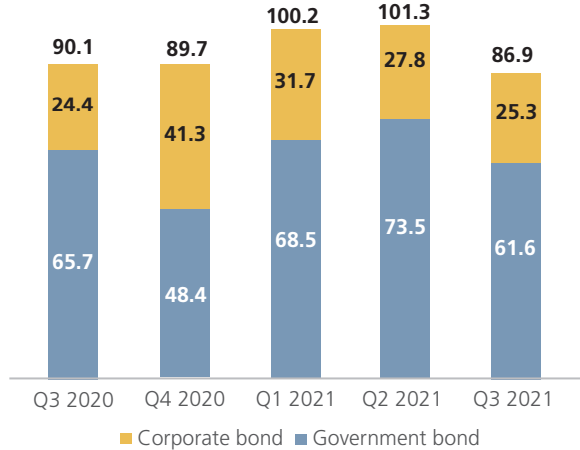
Secondary issuances drove total equity fundraising higher as positive sentiments increased following the gradual reopening of the economy

Corporate bond fundraising softened as domestic bond yields ended broadly higher amid increased inflationary expectations

Equity fundraising (RM billion)*



Bond fundraising (RM billion)*



Q4 2020 Q1 2021 Q2 2021 Q3 2021

+617% -50% +17% +32%

Q4 2020 Q1 2021 Q2 2021 Q3 2021

-0% +12% +1% -14%

Quarterly growth

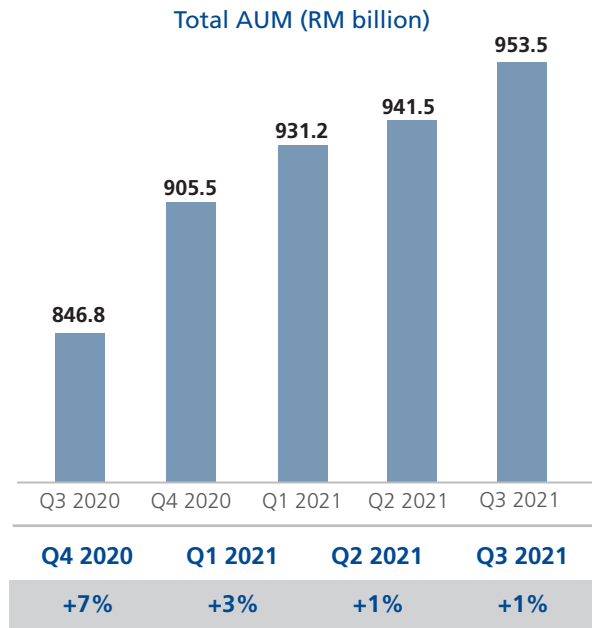
Note:

* 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

Sustained growth in assets under management (AUM) to RM953.5 billion, driven by growth in unit trust funds and statutory bodies and government agencies



Quarterly growth

CAPITAL MARKET MASTERPLAN 3 AIMS FOR A MORE RELEVANT, EFFICIENT AND DIVERSIFIED MARKET



The third *Capital Market Masterplan (CMP3)* will serve as a strategic framework for the growth of Malaysia's capital market over the next five years. It seeks to leverage the strength and potential of the Malaysian capital market to accelerate economic growth that is sustainable and inclusive.

Roadmap to a vibrant capital market

Vibrant capital market in the works

CMP3: Malaysia to transition into high-income nation over next decade, needs to ensure that sustainable economic growth — Tengku Zafrul

Engagements

SC INDUSTRY DIALOGUE 2021

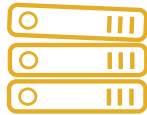
KEY HIGHLIGHTS

STRENGTHENED REGULATORY AGILITY FOR MARKET INTEGRITY

Maintained market integrity and stability



Extension of temporary suspension on Intraday Short Selling (IDSS) and Proprietary Day Traders (PDT) Short Sale (IDSS Activities)



Enhanced controls for fund managers via the review of *Guidelines on Compliance Functions for Fund Management Companies* relating to disclosure of interests and best execution rule

Achieved swift and targeted enforcement actions for credible deterrence



Enhanced enforcement actions and reprimands against audit partners/firms for failing to comply with international auditing and ethical standards



Took swift enforcement action against **Binance**, an unregistered digital asset exchange (DAX) in Malaysia



Convicted a former group accountant of **Asia Media Group** with a sentence of a 1-day imprisonment and a total fine of RM1.08 million

CONTINUED PUSH ON DIGITAL AND INNOVATION

Enhanced technology ecosystem



Facilitated initiative by Federation of Investment Managers Malaysia (FIMM) on **digital verification of Consultant registration status**

Enhanced investment options through innovative digital solutions



Facilitated Go-Live of **recognized market operator (RMO) - DAX**

ENHANCED FUNDRAISING ECOSYSTEM TO FACILITATE ECONOMIC REVITALISATION

Enhanced intermediation landscape



Approved 2 applications for new Capital Market Services License (CMSL) and 392 applications for new Capital Markets Services Representative's Licence (CMSRL)

Increased fundraising efficiency



Enabled Bursa Malaysia to become the **one-stop centre for all approvals in relation to ACE Market listing** effective 1 January 2022



Provided greater regulatory clarity on offer of unlisted shares via the new *Guidelines on Offer of Shares by Unlisted Public Companies to Sophisticated Investors*



Enabled initial exchange offering (IEO) of digital assets through a RMO, and an IPO via cross-listing of shares of a foreign listed corporation, through the amended *Capital Markets and Services Act 2007 (CMSA)*

Facilitate greater access to Shariah-compliant fundraising activities for MSMEs in Halal economy



Greater MSME outreach through the jointly-hosted inaugural forum on Shariah-compliant fundraising for micro, small and medium enterprises (MSMEs) with the Halal Development Corporation Bhd (HDC)



Wider access to market-based ICM financing enabled via the introduction of *Shariah Screening Assessment Toolkit for Unlisted MSMEs*

Enhanced SRI and ESG culture



Improved regulatory clarity through the revised *Sustainable and Responsible Investment Funds Guidelines (SRI Funds Guidelines)*

Strengthened governance culture



Promoted early understanding of corporate governance principles through the Securities Commission Malaysia (SC)-Monash University Malaysia Collaboration Agreement, with the inaugural lecture by SC Chairman

KEY HIGHLIGHTS

EMPOWERED INVESTORS WITH KNOWLEDGE, ACCESS AND OPTIONS

Safeguarded investors' interest and widened investor options



Widened the categories of sophisticated investors through amendments to Schedules 6 and 7 of CMSA



Facilitated introduction of new derivatives contract



Heightened monitoring of the conduct of licensed representatives through the issuance of *Guidance Note on Oversight of Licensed Representatives by Stockbroking Companies*

Heightened investors empowerment



Broadened InvestSmart® investor outreach by **optimising the social media platforms**. Pivoted to other digital outreach programmes amid movement restrictions



Collaborated with partners who have developed **online investor education programmes** to ensure reach despite restricted movements