

## NEWS

# 'Bullish market fundamentals'

**ROBUST FRAMEWORK:** SC expects up to RM13b in new listings and RM85b in private debt securities this year

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**M**ALAYSIA'S capital market is expected to draw up to RM13 billion in new listings and RM85 billion in private debt securities (PDS) this year, the Securities Commission's (SC) chief said.

Chairman Datuk Ranjit Ajit Singh said the local market's fundamentals would continue to be positive with robust regulatory framework in place and well-capitalised intermediaries and operators as well as large liquidity of domestic institutional funds.

"In 2014, the capital market remained a key avenue for corporate fundraising. During the year, primary market issuances amounted to RM91.9 billion.

"We anticipate the fourth year of an excess of about RM95 billion in capital raising with stronger growth in the IPO (initial public offering) segment," he said when releasing the SC's 2014 Annual Report,



SC chairman **Datuk Ranjit Ajit Singh** (centre) with (from left) executive director of corporate resources **Datin Teh Ija Mohd Jalil**, deputy chief executive **Datuk Dr Nik Ramlah Mahmood**, executive director of market development **Goh Ching Yin** and executive director of corporate finance and investments **Eugene Wong Weng Soon** at the SC Annual Report 2014 presentation yesterday. Pic by Asyraf Hamzah

here, yesterday.

Ranjit said about 24.3 per cent of total equity fundraising equivalent to RM5.9 billion was raised via IPOs, while the remaining was raised via the secondary market.

Overall, the capital market's value grew to RM2.76 trillion last year, despite the global economic uncertainties.

"The figures are equivalent to 2.6 times of the country's economy,"

he said.

The report noted that subdued earnings sentiments and growth expectations, along with stretched valuations, had weighed down the relative performance of the Malaysian

stock market last year.

Bursa Malaysia's market capitalisation eased 2.9 per cent to RM1.65 trillion, while the FTSE Bursa Malaysia KLCI (FBM KLCI) ended the year 5.7 per cent lower, closing at 1,761.25 points on the last day of trade.

The size of Malaysian bond market totalled RM1.11 trillion as at December 31 last year compared with RM1.03 trillion in 2013.

Malaysia maintained its position as the third-largest local currency bond market as a percentage of gross domestic product in Asia, after Japan and South Korea.

Maintaining its global mark in Islamic capital market, the country once again posted a 12 per cent annual growth for the fifth year to RM1.59 trillion, making up 58 per cent of the total capital market.

Malaysia also retained its position as the world's largest sukuk market, accounting for 66 per cent of global issuances.

Ranjit said the SC's focus was to ensure that the capital markets remained resilient and protected against external volatility.