

## 1Q 2013 Performance

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18 April 2013



EXPANDING INFLUENCE

## KEY HIGHLIGHTS :

- KEY HIGHLIGHTS

# Key Highlights

1Q2013 vs. 1Q2012

## Financial Highlights

- ❑ PATAMI at RM38.2 million, down 6%.
- ❑ Operating revenue at RM101.7 million, up 1%.

## Market Highlights

### ❑ Securities Market

- ADV down 13%, affected by market sentiment.
- Market capitalisation (RM1.5 trillion) and FBMKLCI (1,707.04) scaling new heights on 11 April 2013.

### ❑ Derivatives Market

- ADC up 46%, and stood at 45,188 contracts as a result of increasing visibility of and accessibility to our derivatives products.

### ❑ Islamic Market

- Bursa Suq Al-Sila' ADV up 136%, as a result of increased participation by foreign participants as well as active trading by new members.

# MARKET PERFORMANCE :

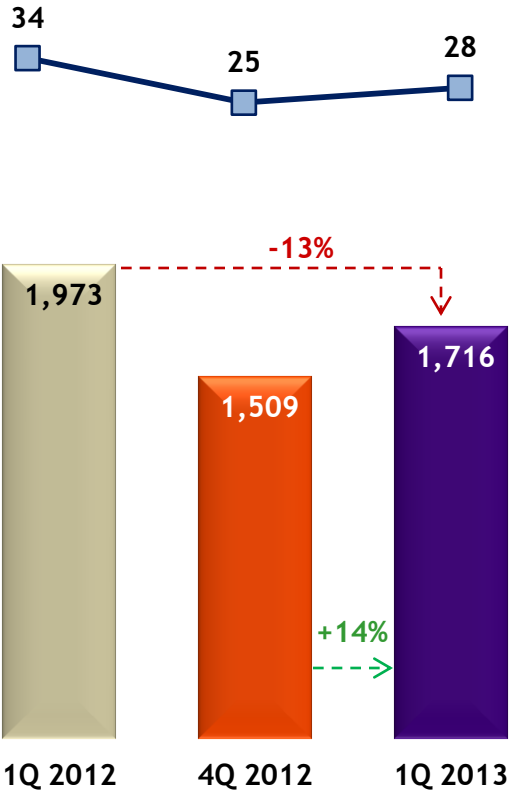
- SECURITIES MARKET OVERVIEW 5
- DERIVATIVES MARKET OVERVIEW 6
- ISLAMIC MARKET OVERVIEW 7



# Securities Market Overview

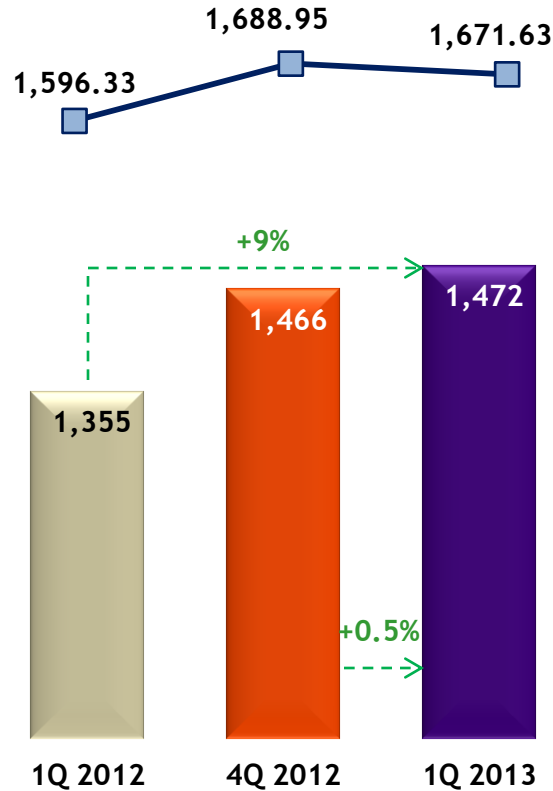
Average Daily Value Affected by Market Sentiment

Average Daily Value (RM mil)



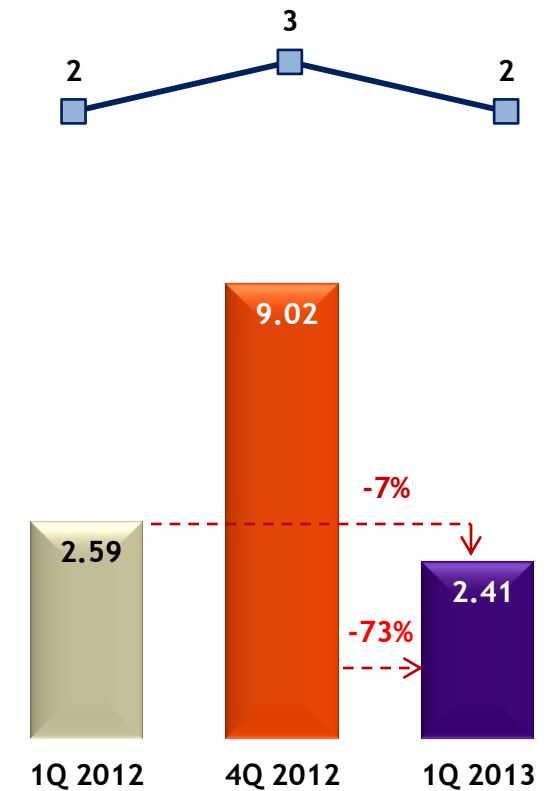
—■— Velocity (%)

Market Capitalisation (RM bil)



—■— FBMKLCI

Fund Raised from New Listings & Secondary Market (RM bil)

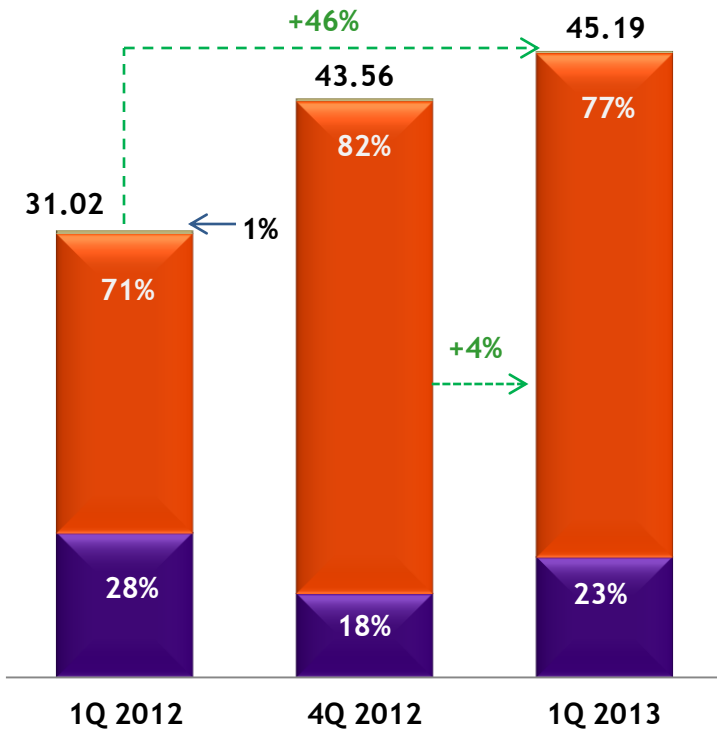


—■— No. of New Listing

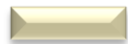
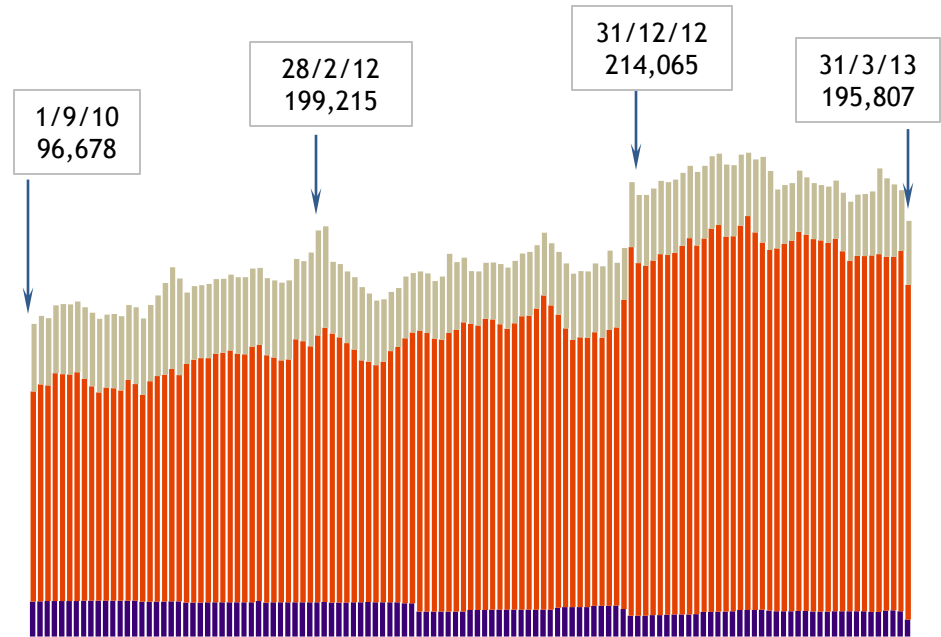
# Derivatives Market Overview

Strong Growth in Trade Volume and Open Interest

Quarterly Average Daily Contracts (000')



Open Interest since Migration to Globex®



Others



Crude Palm Oil Futures

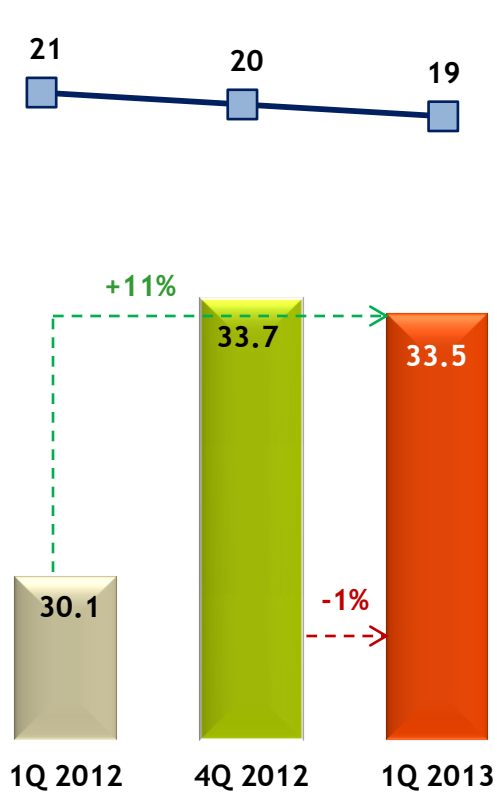



FMBKLCI Futures

# Islamic Market Overview

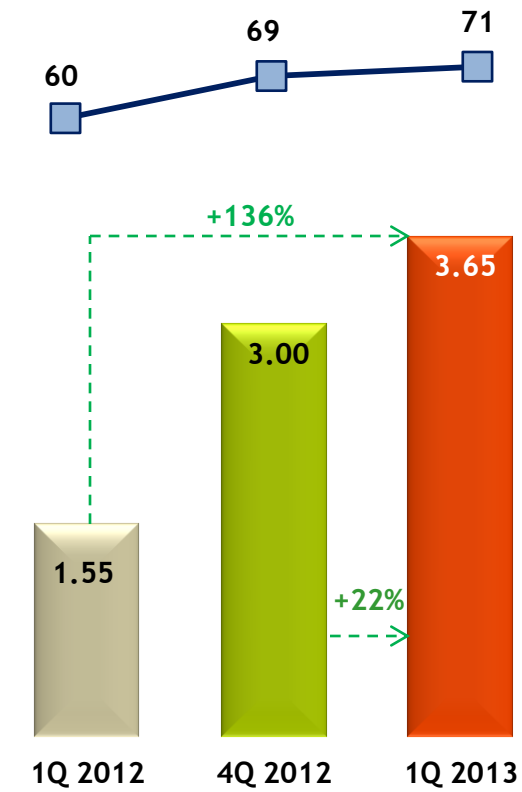
BSAS ADV Trending Up and Continue To Grow

Sukuk Listing (USD\$ bil)



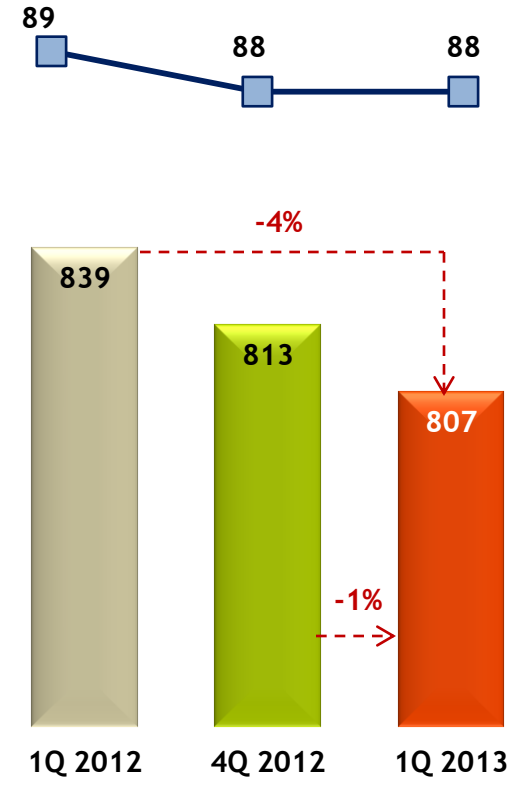
 No. of Sukuk

Bursa Suq Al-Sila' ADV Commodity Traded (RM bil)



 No. of Trading Participants

Number of Shari'ah Compliant Stocks



 % of Shari'ah Compliant Stocks



## SEEDING IDEAS

# STRATEGY :

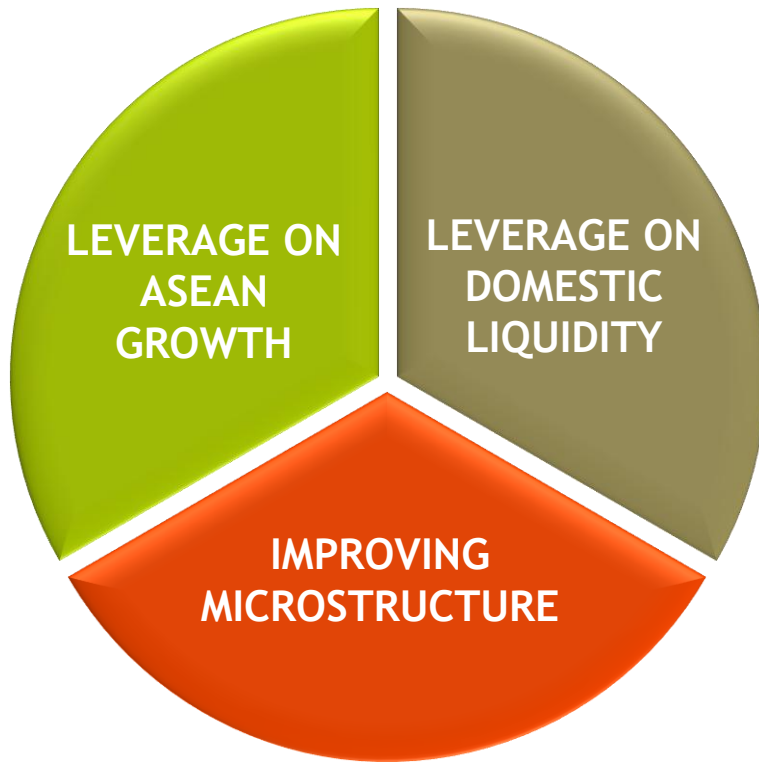
- FOCUS AREA IN 2013 AND BEYOND 9
- 2013 BUSINESS PLANS 10



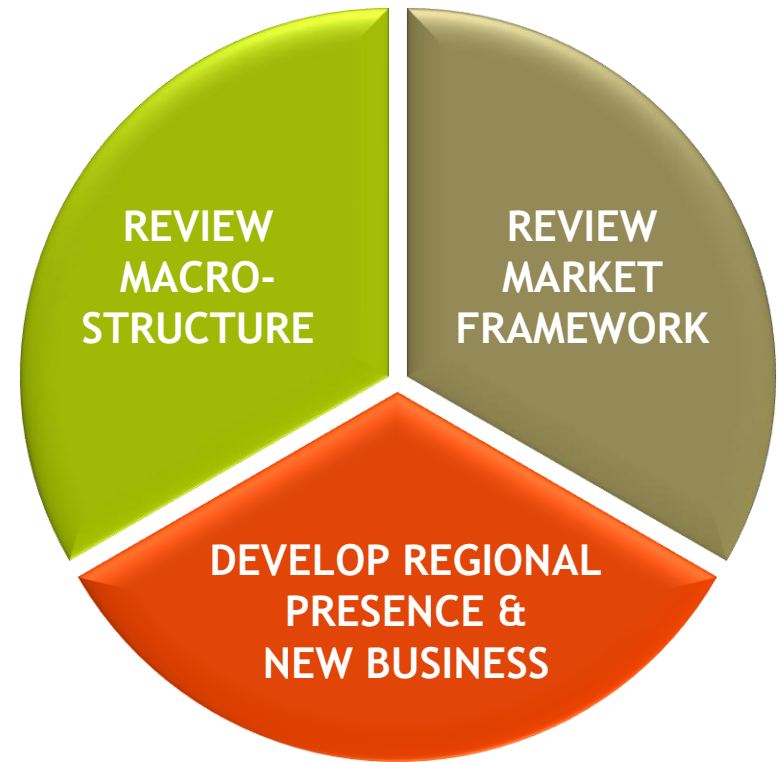
# Focus Area in 2013 and Beyond

To Establish Strong Regional Presence

## Focus 1: Value Extraction



## Focus 2: Build for the Future



# 2013 Business Plans

Major Initiatives to Build a Competitive Marketplace



SI 1

**Create a More Facilitative TRADING ENVIRONMENT**



- ✓ E-Rights
- Retail Strategy
- BTS Replacement



SI 2

**Facilitate More TRADABLE ALTERNATIVES**



- ✓ ETBS
- ETFs and Business Trusts
- New Derivatives Products



SI 3

**Reshape MARKET STRUCTURE & FRAMEWORK**



- ✓ Revamped of Business Rules for Securities Brokers
- Liberalisation of Derivatives market membership structure



SI 4

**REGIONAL MARKETPLACE with Global Access (Centre of ASEAN)**



- ASEAN Exchanges & ASEAN Link

✓ Projects implemented in 2013

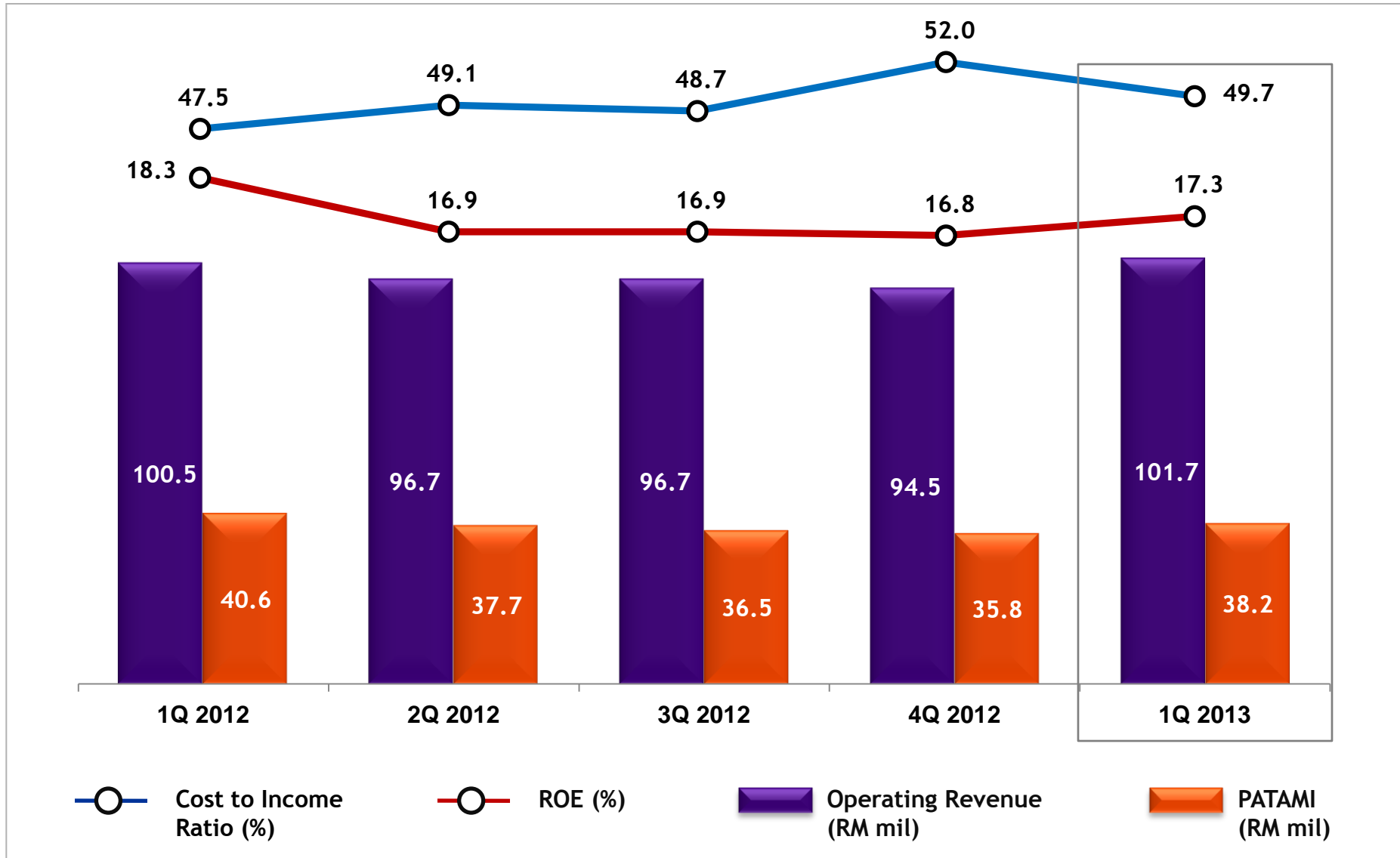
# FINANCIAL REVIEW :

- PROFIT & ROE TREND 12
- QUARTERLY SNAPSHOT 13
- OPERATING REVENUE 14
- OPERATING EXPENSES 15



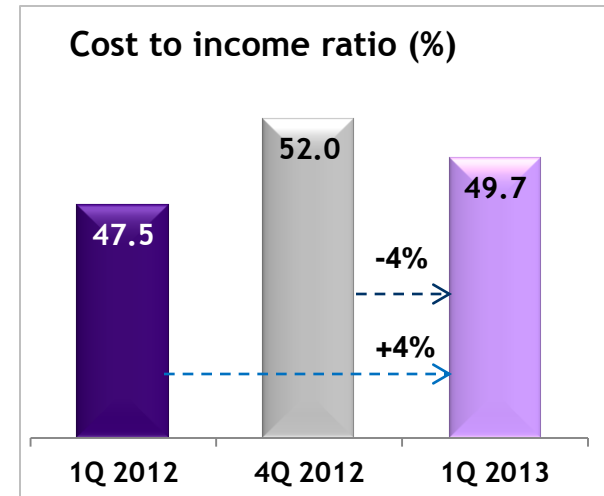
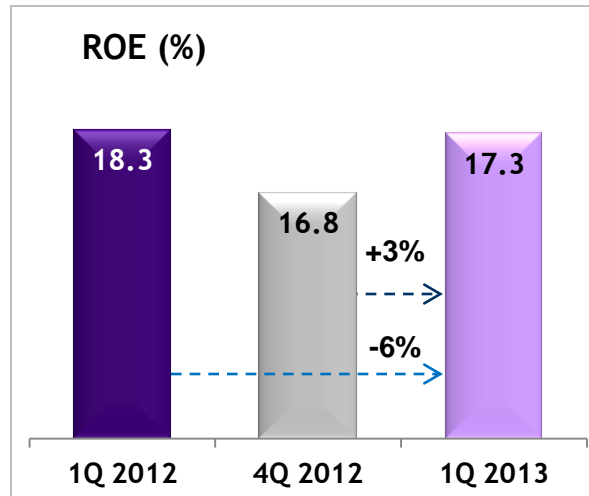
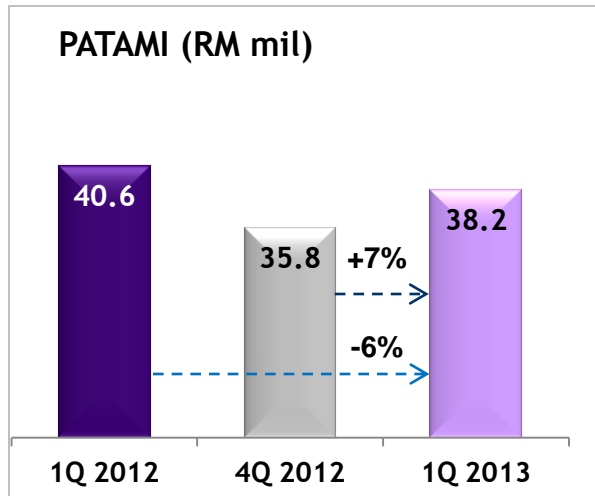
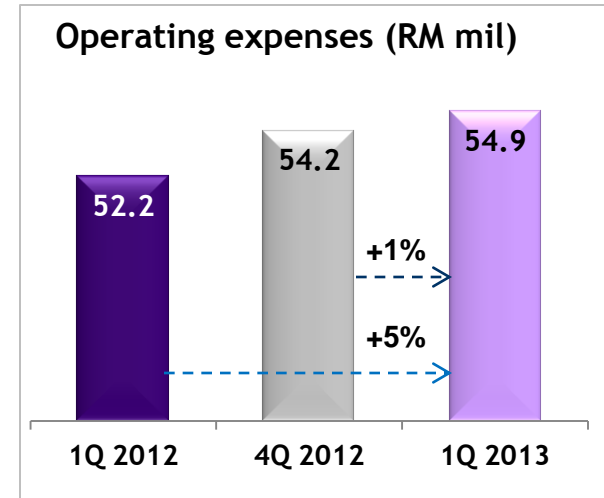
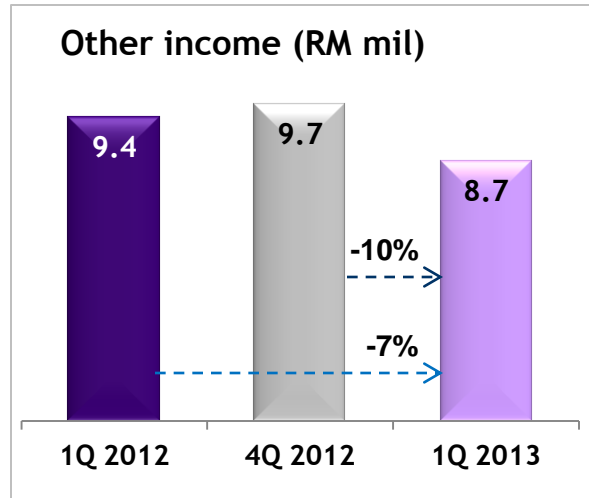
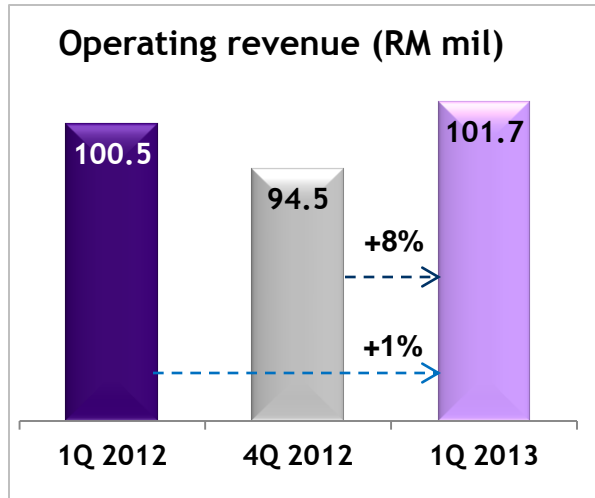
# Profit & ROE Trend

Operating Revenue Sustained Over The Last 5 Quarters



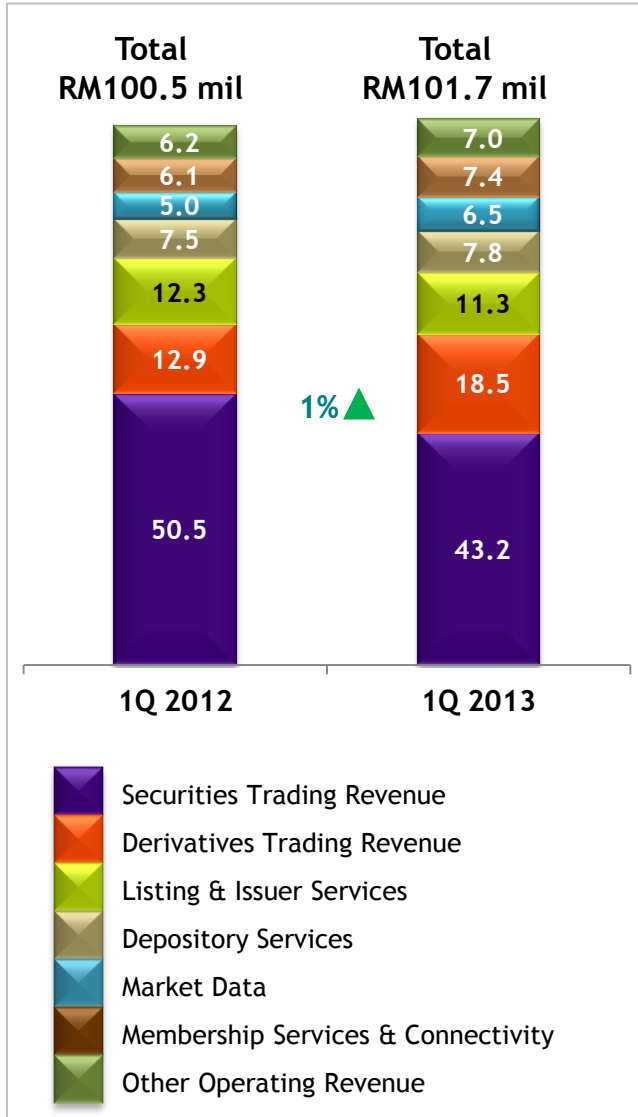
# Quarterly Snapshot

Revenue Sustained, Largely Driven By Performance Of Derivatives Market



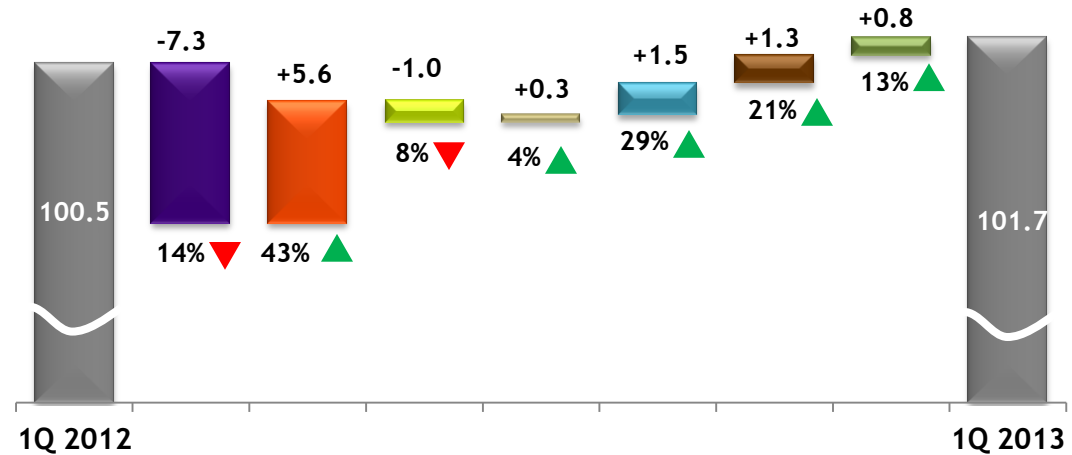
# Operating Revenue

Sustained Despite Lower Activity On Securities Market



## Growth contribution by revenue streams:

(RM mil)



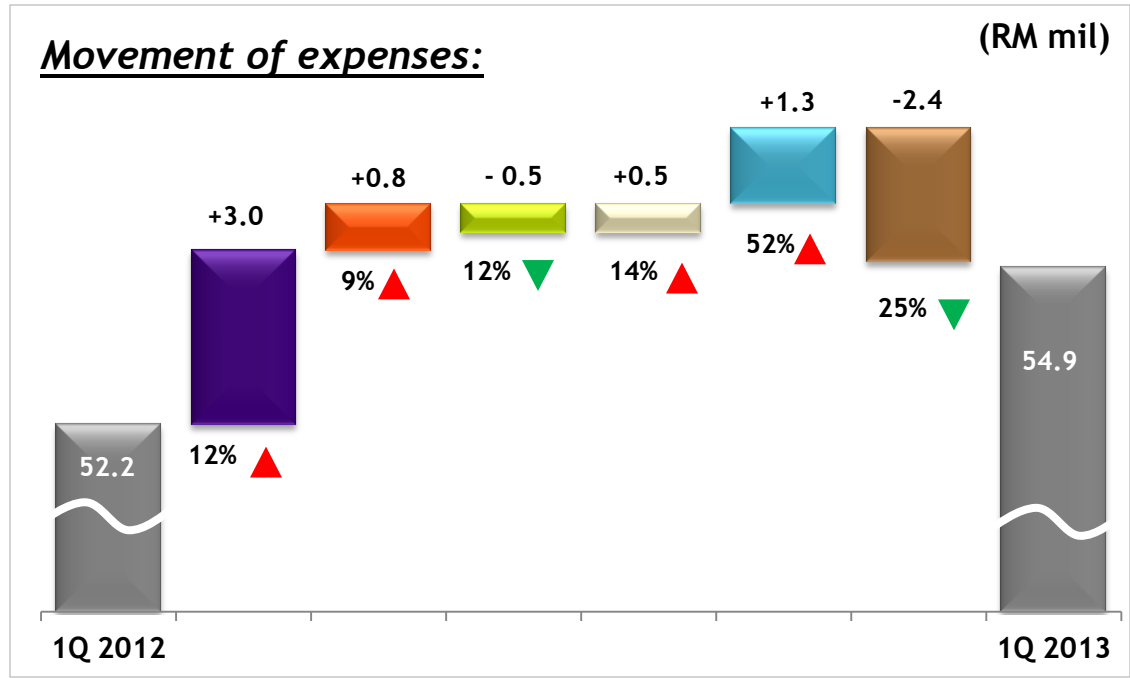
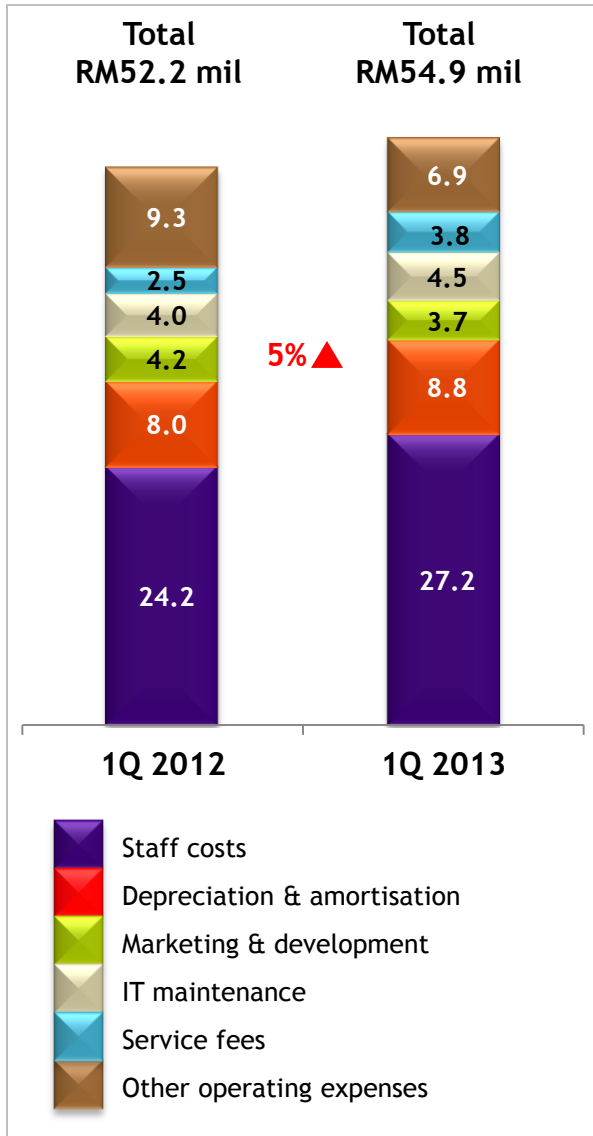
### Commentaries:

- Lower securities trading revenue and listing and issuer services as activity on the primary and secondary securities market impacted by market sentiment.
- Higher derivatives trading revenue as a result of increasing visibility of and accessibility to the Malaysian derivatives market.
- Higher market data revenue as the full impact of rates revised in 1Q 2012 were only seen in 2Q 2012 onwards.
- Higher membership services and connectivity revenue following the full migration of Winscore users to Bursa access and more effective fee structure for Bursa access.

Note : Please refer to the appendix for further details of the reclassification of revenue

# Operating Expenses

Salary Adjustment To Be A Competitive Employer To Attract And Retain Quality Talent



*Commentaries:*

- Higher staff costs as a result of salary adjustment to attract and retain quality talent on the back of our strategy to become a high performance organisation.
- Higher service fee correspond to the higher trade volume on derivatives market.
- Other operating expenses was higher in 1Q 2012 due to an impairment loss made in that quarter and higher consultancy fees incurred.



EXPANDING INFLUENCE

# CONCLUSION :

- CONCLUSION



# CONCLUSION

## **We remain focused**

To shape Bursa Malaysia to become high performance organisation

## **We are stepping up our game**

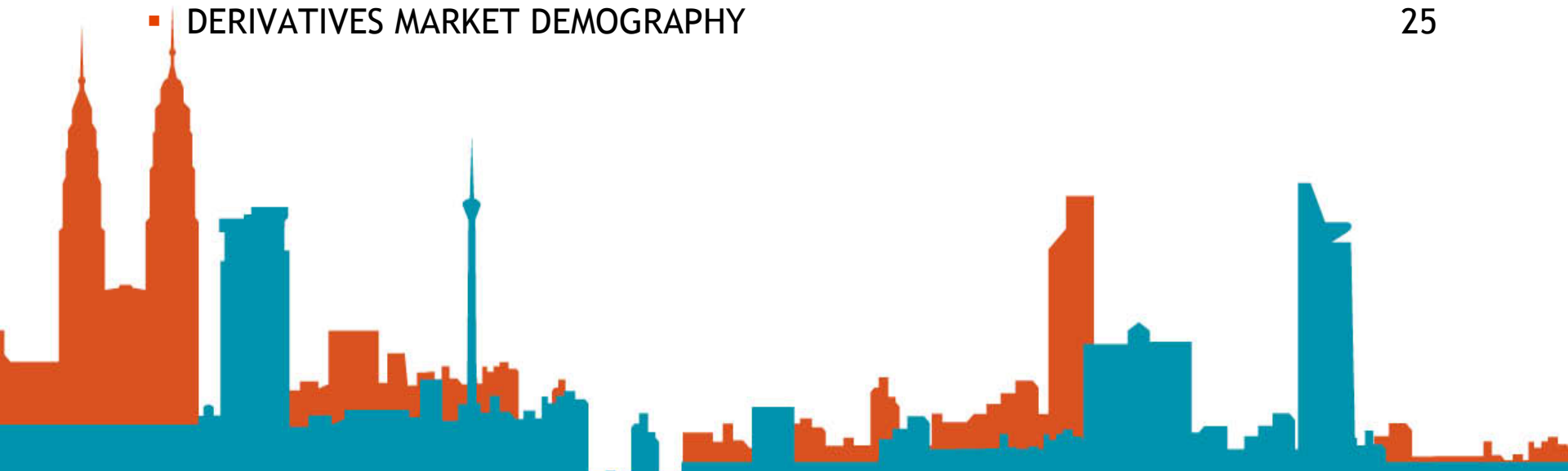
Extracting value and implementation of initiatives aligned to the 4 strategic intents

## **We will further grow the dynamic ASEAN market**

By facilitating movement of capital among member countries while positioning Malaysia as the preferred entry point to the region for the international investing community

# APPENDICES :

▪ RECLASSIFICATION OF QUARTERLY OPERATING REVENUE - 1Q12 TO 1Q13	19
▪ SECURITIES MARKET TRADING ACTIVITY	20
▪ SECURITIES MARKET TRADING PARTICIPATION	21
▪ SECURITIES MARKET FOREIGN OWNERSHIP	22
▪ BURSA'S POTENTIAL TO GROW ITS VELOCITY	23
▪ DERIVATIVES MARKET ACTIVITY	24
▪ DERIVATIVES MARKET DEMOGRAPHY	25



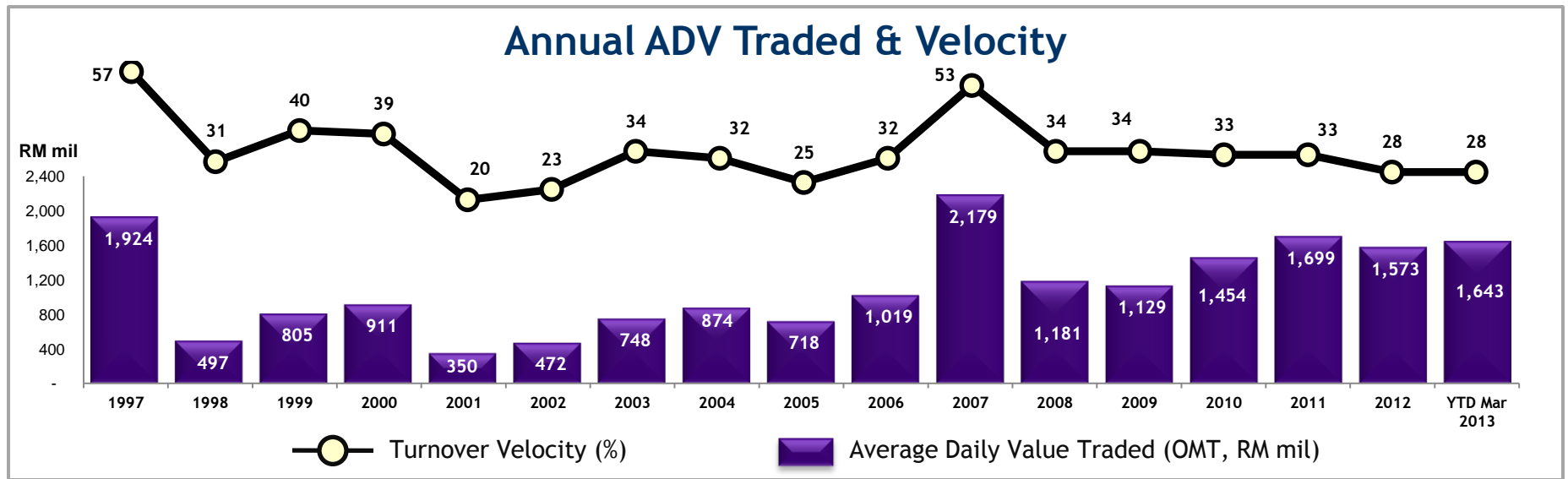
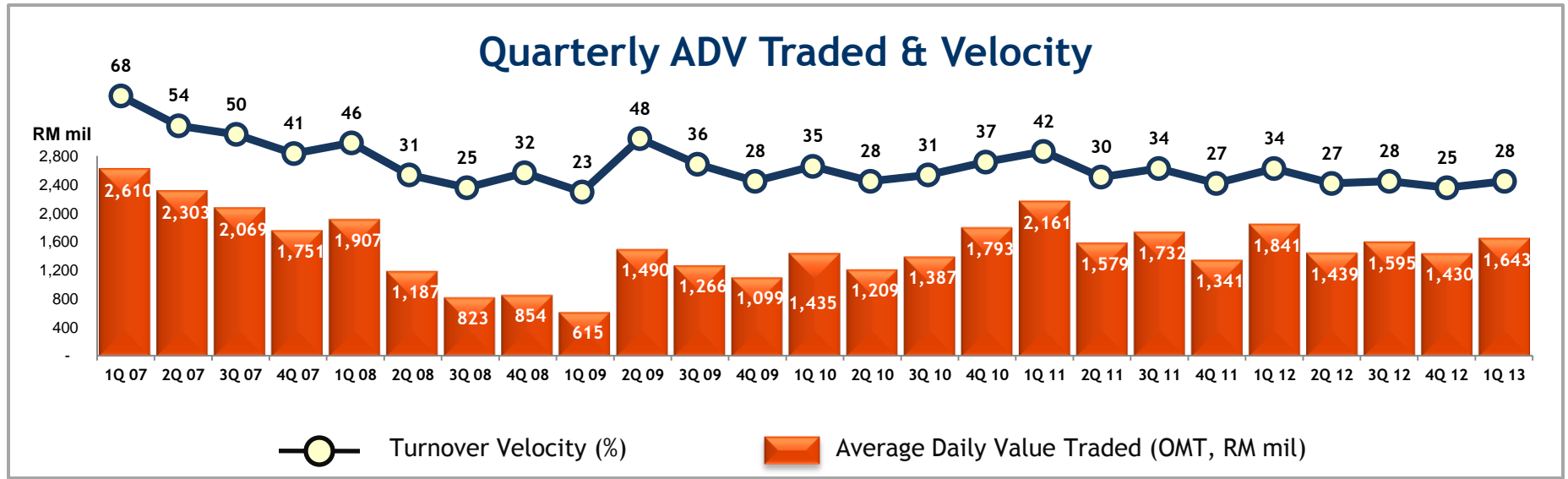
# Reclassification Of Quarterly Operating Revenue - 1Q12 to 1Q13

<u>(RM'000)</u>	<u>Q1 2012</u>	<u>Q2 2012</u>	<u>Q3 2012</u>	<u>Q4 2012</u>	<u>Q1 2013</u>
Securities clearing fees	41,549	34,408	35,893	32,788	34,340
Securities trade fees	5,431	4,534	4,866	4,434	4,760
Institutional Settlement Service (ISS) fees	3,428	3,270	3,371	3,624	3,986
Other securities revenue	108	250	315	228	144
<b>Securities trading revenue</b>	<b>50,516</b>	<b>42,462</b>	<b>44,445</b>	<b>41,074</b>	<b>43,230</b>
Derivatives clearing fees	2,490	3,299	3,333	3,478	3,516
Derivatives trade fees	7,472	9,855	9,461	9,950	9,927
Collateral management services	1,598	1,781	1,755	2,093	2,692
Other derivatives revenue	1,318	1,808	1,645	1,995	2,314
<b>Derivatives trading revenue</b>	<b>12,878</b>	<b>16,743</b>	<b>16,194</b>	<b>17,516</b>	<b>18,449</b>
Listing and issuer services *	12,307	14,120	12,595	12,411	11,348
Depository services	7,476	9,858	9,584	9,498	7,812
Market data	5,028	6,262	6,620	6,212	6,471
Member services and connectivity	6,145	6,477	6,323	6,711	7,440
Other operating revenue **	6,152	819	909	1,125	6,948
<b>Total operating revenue</b>	<b>100,502</b>	<b>96,741</b>	<b>96,670</b>	<b>94,547</b>	<b>101,698</b>

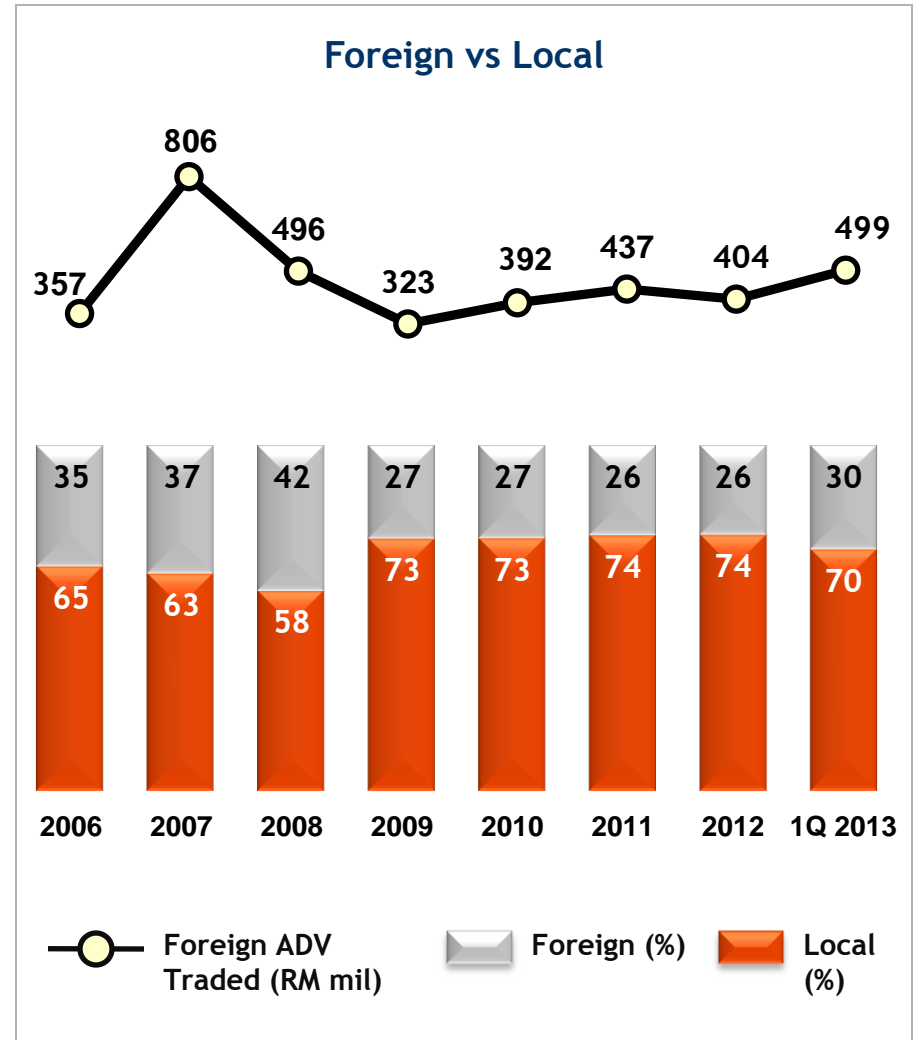
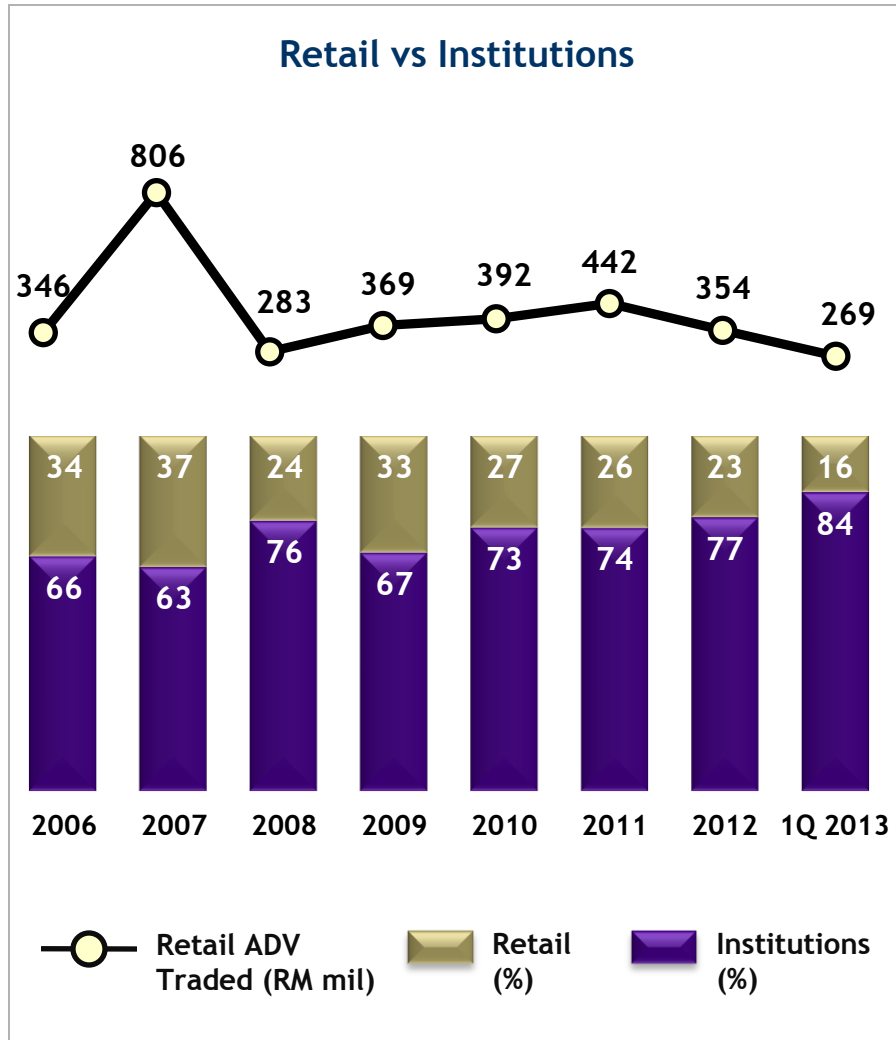
\* Listing & issuer services revenue consists of listing fees and perusal & processing fees

\*\* Other operating revenue consists of BSAS trade fees and conference income

# Securities Market Trading Activity



# Securities Market Trading Participation

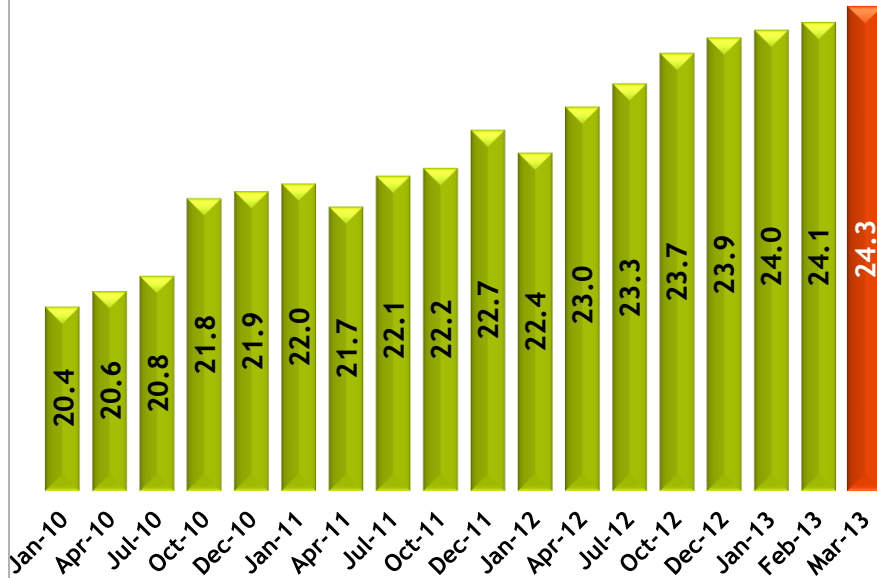


From 2006 to 2009, the statistics were based on Brokers' submission. From 2010 onwards statistics were based on Bursa's internal system.

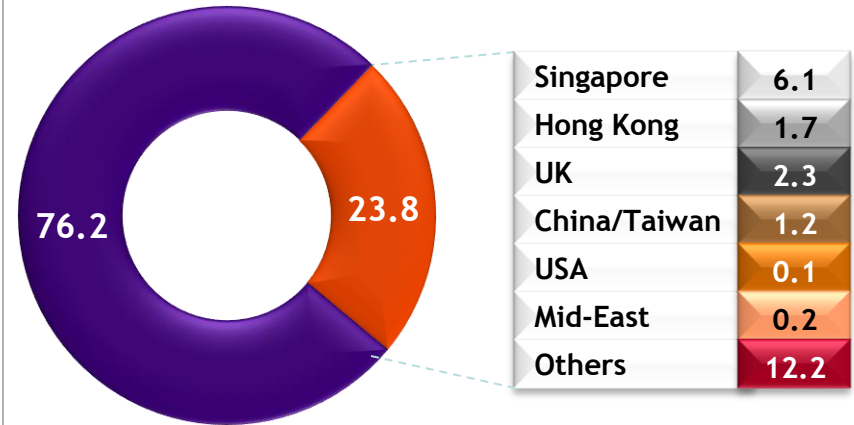
# Securities Market Foreign Ownership

(%)

Based on Market Capitalisation  
(as at month end)



Foreign Ownership by Nationality (%)

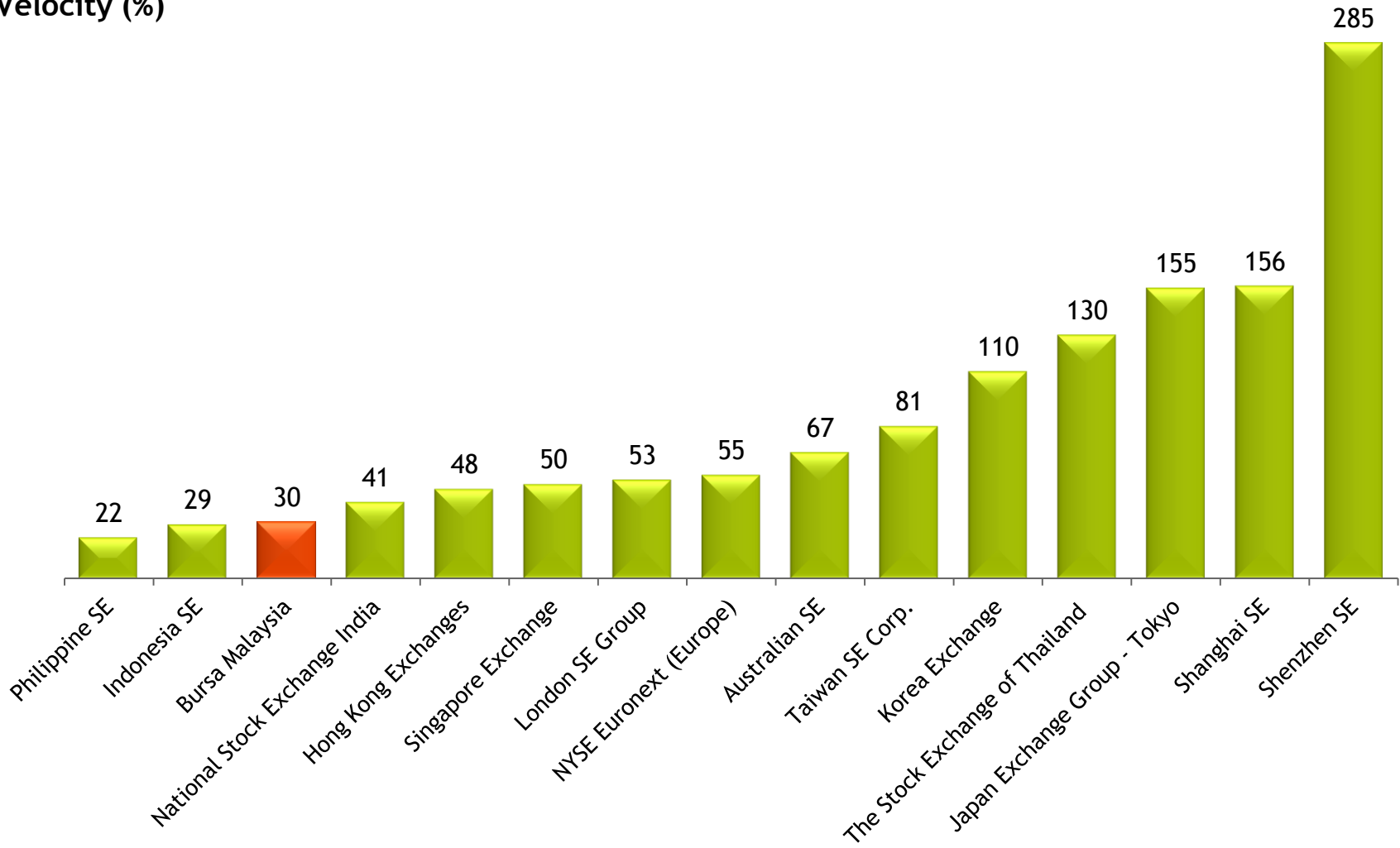


Foreign Nominees

# Bursa's Potential To Grow Its Velocity

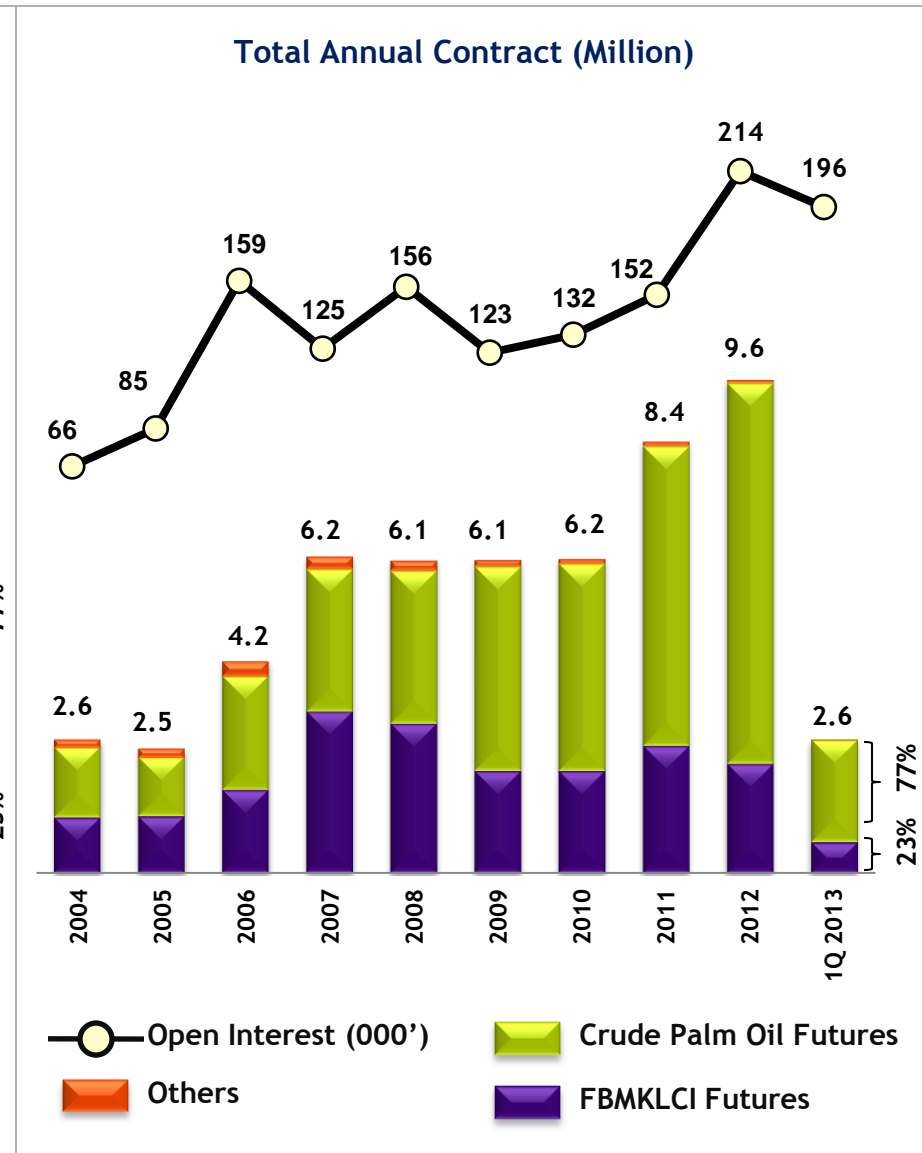
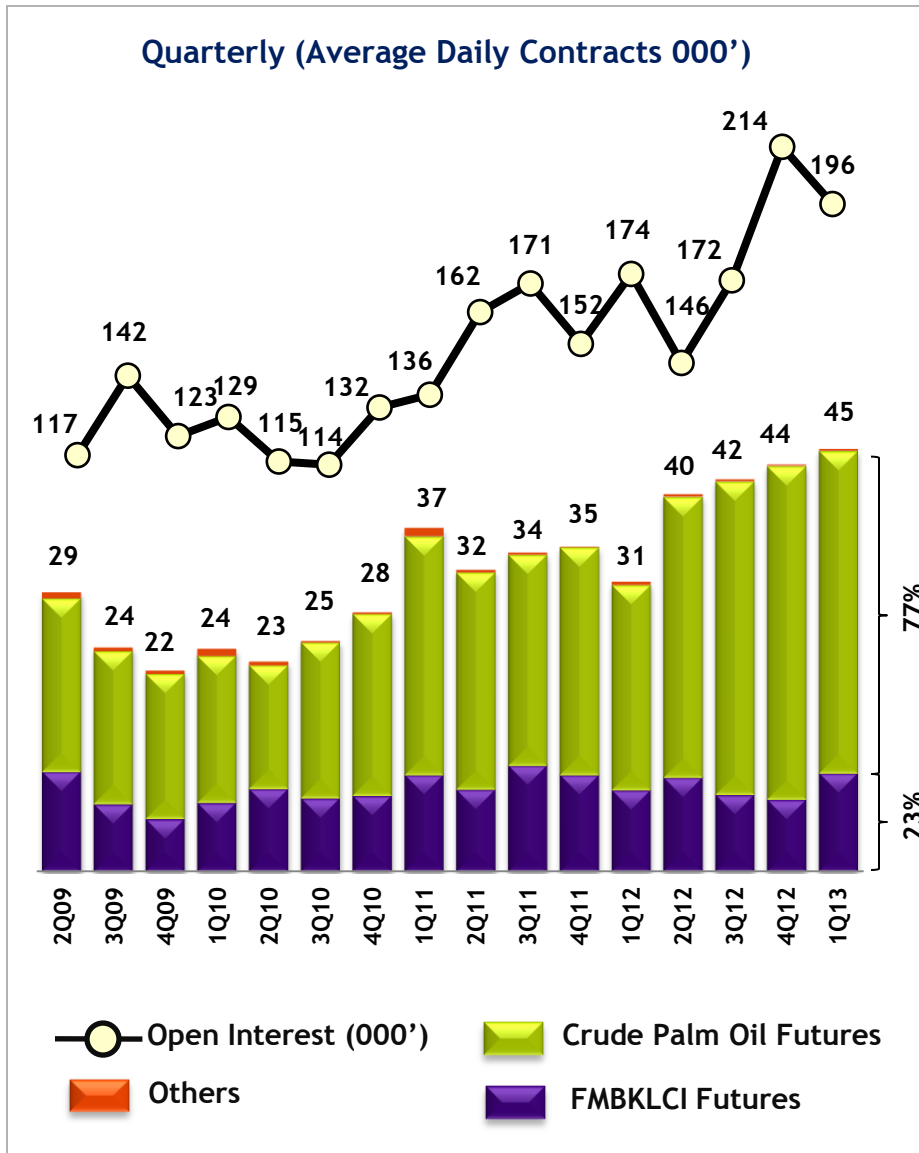
YTD March 2013

Velocity (%)



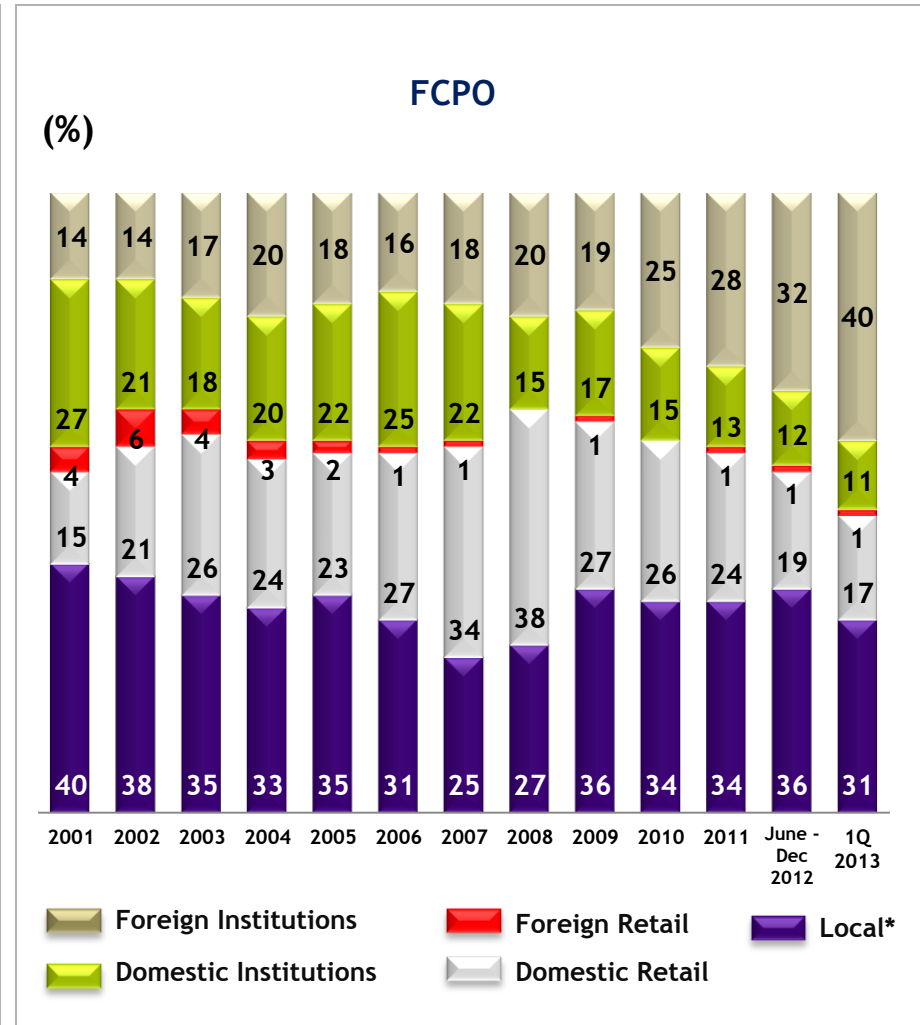
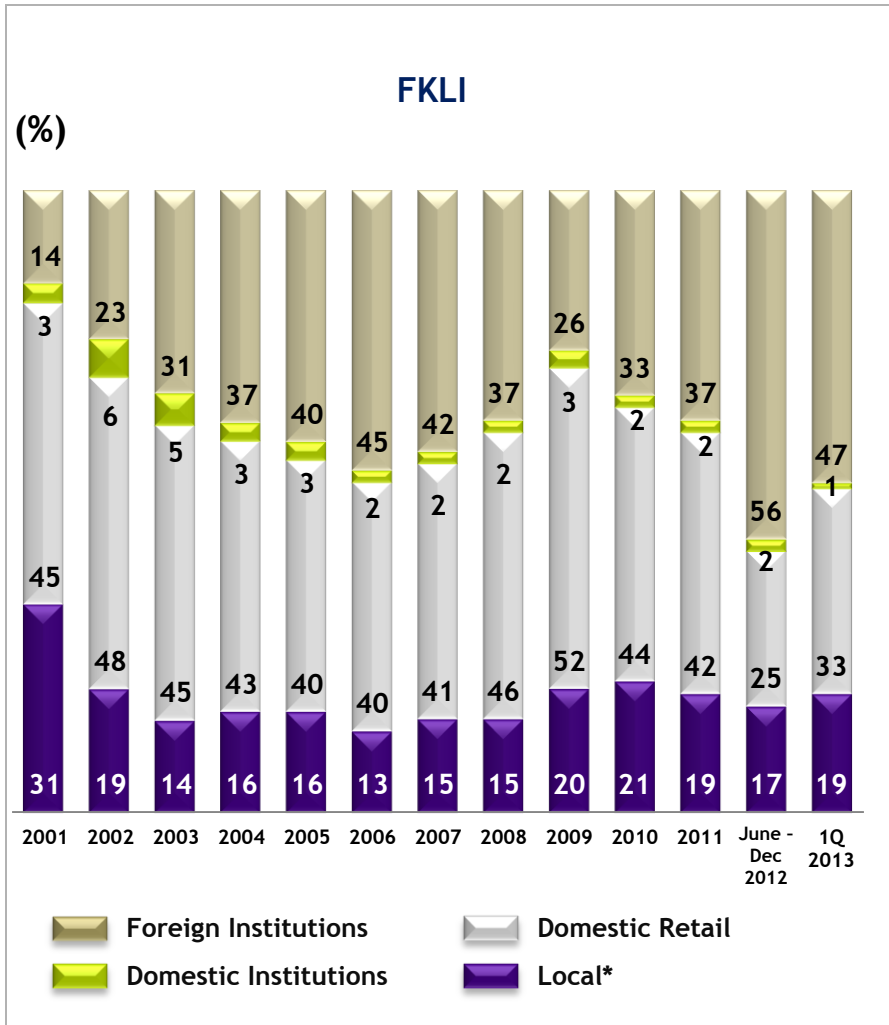
Source: World Federation Exchanges (WFE)

# Derivatives Market Activity





# Derivatives Market Demography



\* Local - A local participant is an individual who has been admitted as a participant in accordance with The Rules, registered with SC and has the right to trade for himself - all futures contracts listed on the Derivatives Exchange.

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