

1Q2019 Financial Results

29 April 2019

Agenda

- Key Financial Highlights
- Market Performance
- Conclusion
- Appendices

Key Financial Highlights

- Financial Highlights for 1Q2019
- Operating Revenue
- Operating Expenses

Financial Highlights

Lower 1Q19 PAT resulting from lower trades in Securities and Derivatives Markets

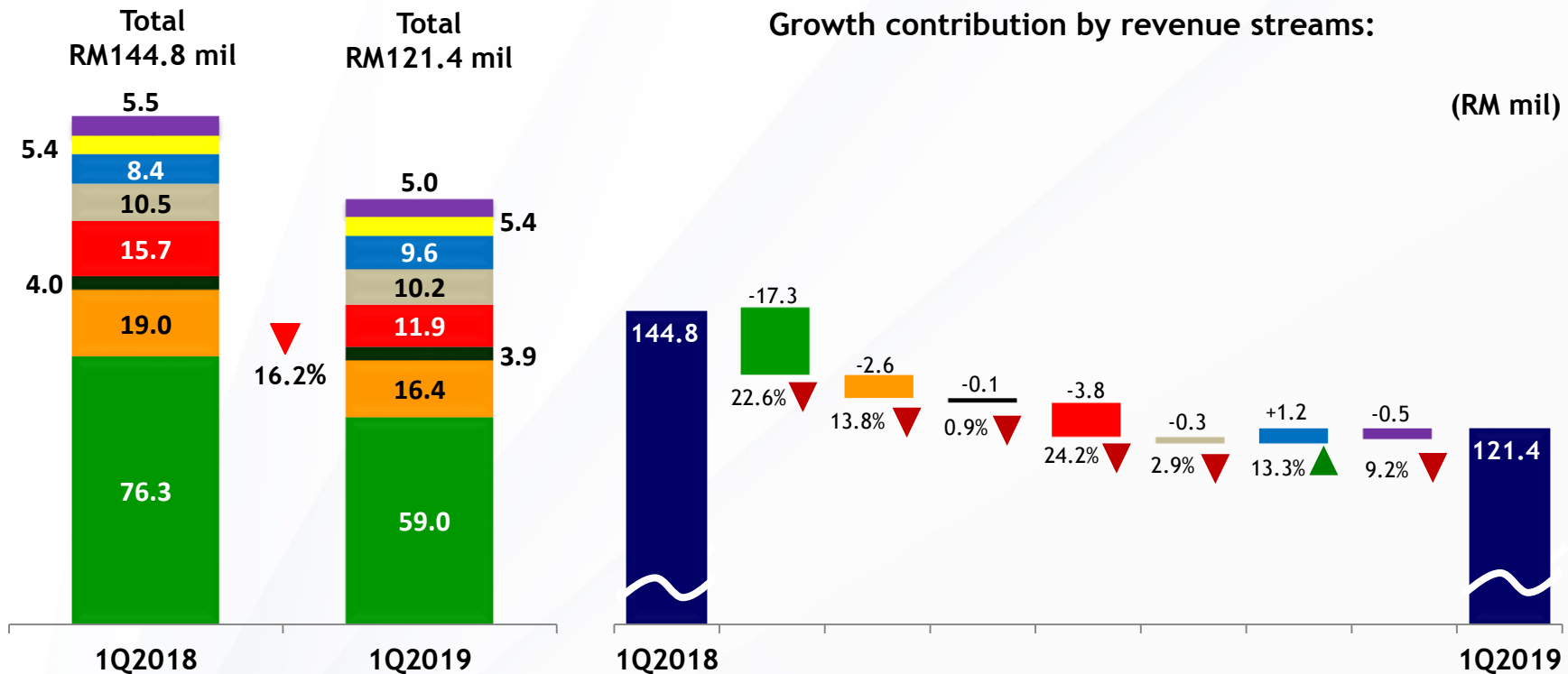
Financial Items	1Q2019	1Q2019 vs. 1Q2018	1Q2019 vs. 4Q2018
Operating Revenue (RM million)	121.4	▼ 16.2%	▲ 0.3%
Operating Expenses (RM million)	62.0	▼ 1.4%	▲ 8.6%
PATAMI (RM million)	46.9	▼ 26.5%	▼ 9.6%
EPS (sen)	5.8	▼ 26.6%	▼ 9.4%
Annualised ROE	23%	▼ 7 percentage points	▼ 2 percentage points
Cost to Income Ratio	49%	▲ 7 percentage points	▲ 5 percentage points

1Q2019 vs. 1Q2018:

- Operating revenue decreased mainly due to lower Securities and Derivatives trading revenue.
- ROE declined by 7 percentage points to 23% while Cost to Income increased by the same to 49%.

Operating Revenue

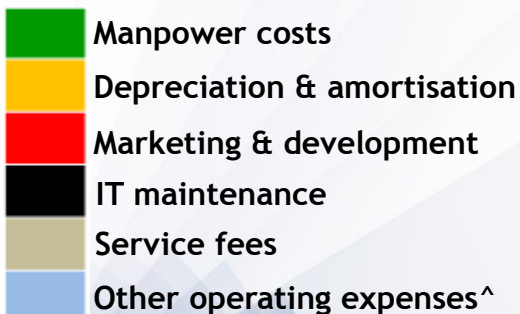
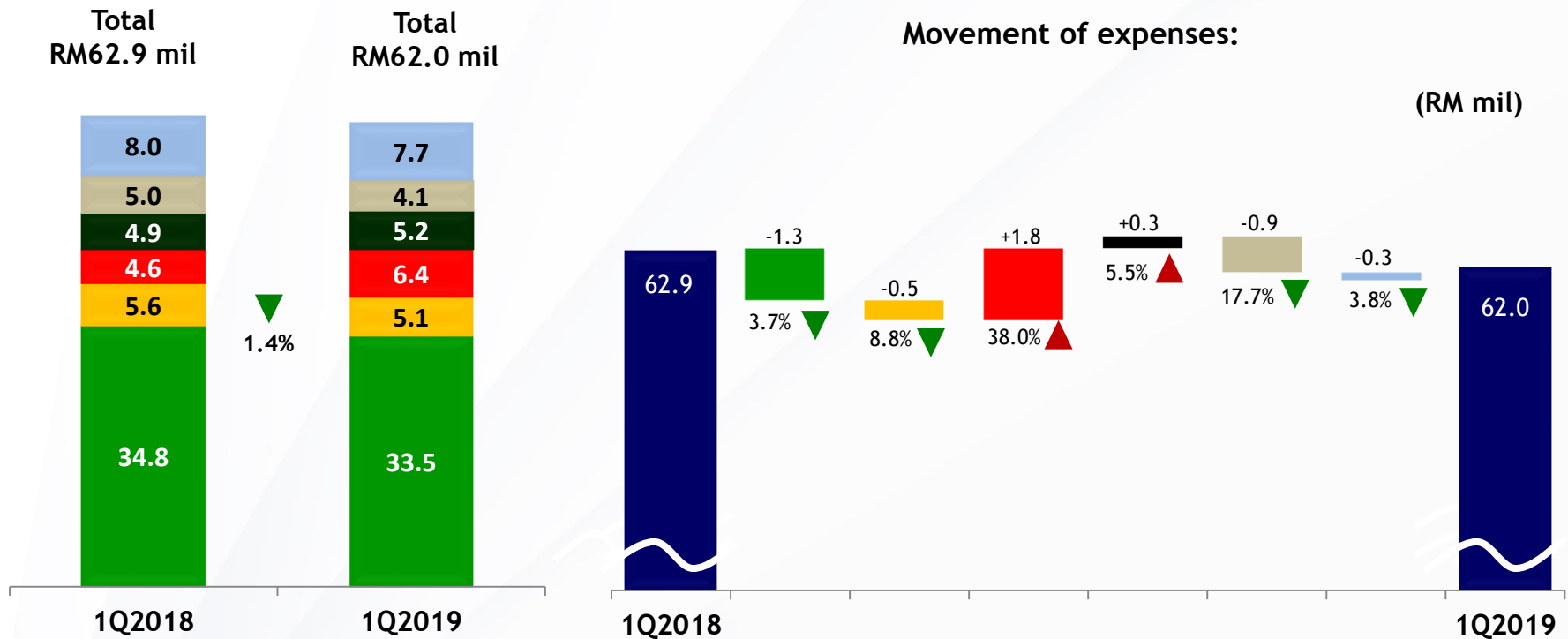
Decline from lower trading revenue



- Decrease in Securities Trading Revenue due to lower ADV-OMT.
- Lower Derivatives Trading Revenue due to lower ADC resulting from lower FCPO and FKLI trades.
- Listing and issuer services revenue declined due to lower listing fees earned in 1Q2019.
- Market data revenue increased mainly due to higher number of subscribers in 1Q2019.

Operating Expenses

Marginal decline from lower manpower and technology costs



- Decrease in manpower costs, mainly contributed by lower variable components.
- Increase in marketing and development costs mainly due to more developmental efforts as well as marketing and engagement activities.
- Decrease in service fees mainly due to lower Globex service fees payable to CME as a result of the decrease in number of derivatives contracts traded.

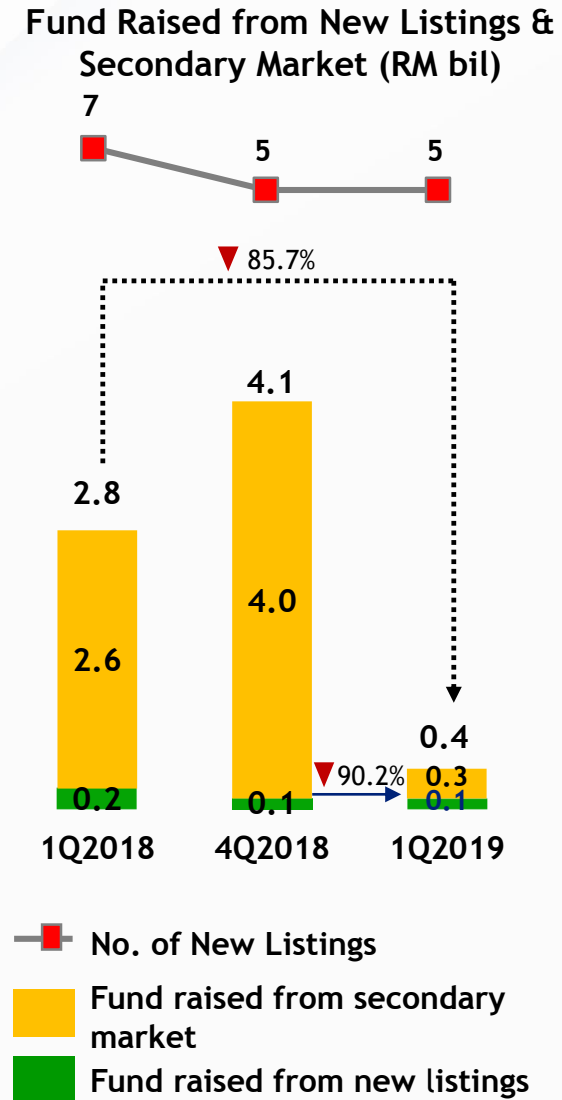
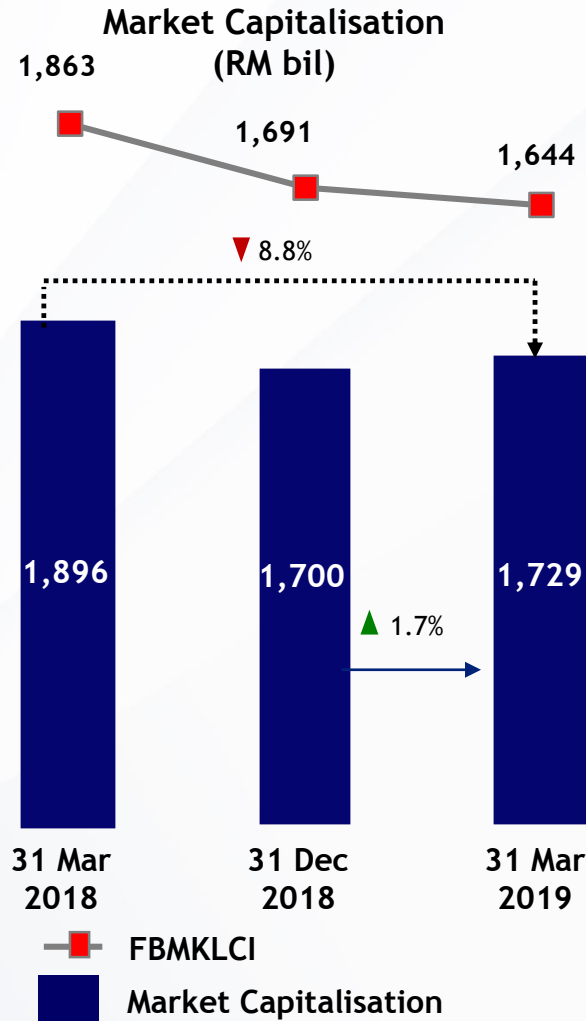
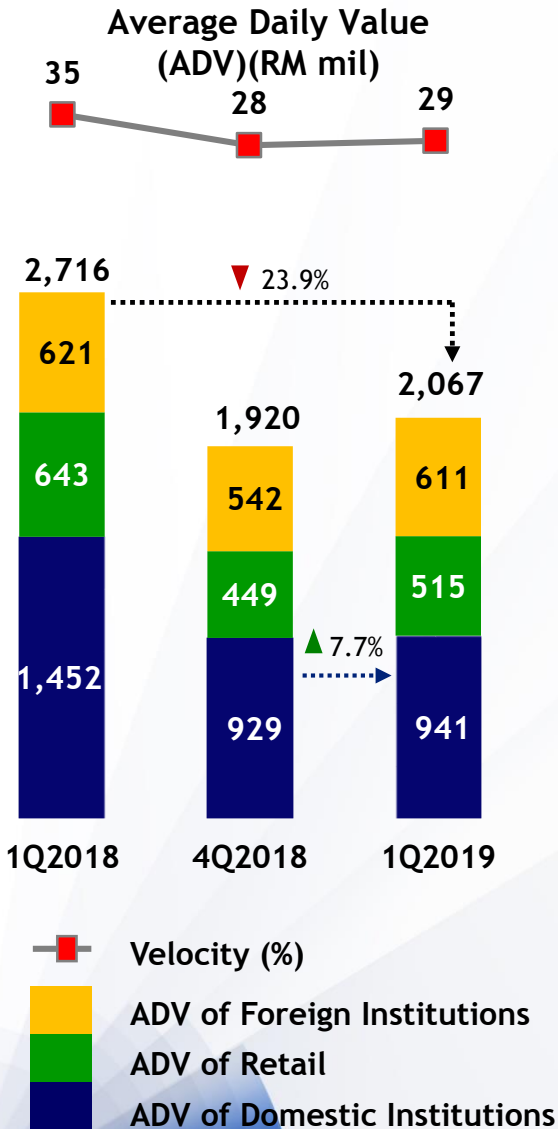
Note^ - Other operating expenses include building maintenance, administrative expenses and CDS expenses.

Market Performance

- Securities Market Overview
- Derivatives Market Overview
- Islamic Capital Market Overview

Securities Market Overview

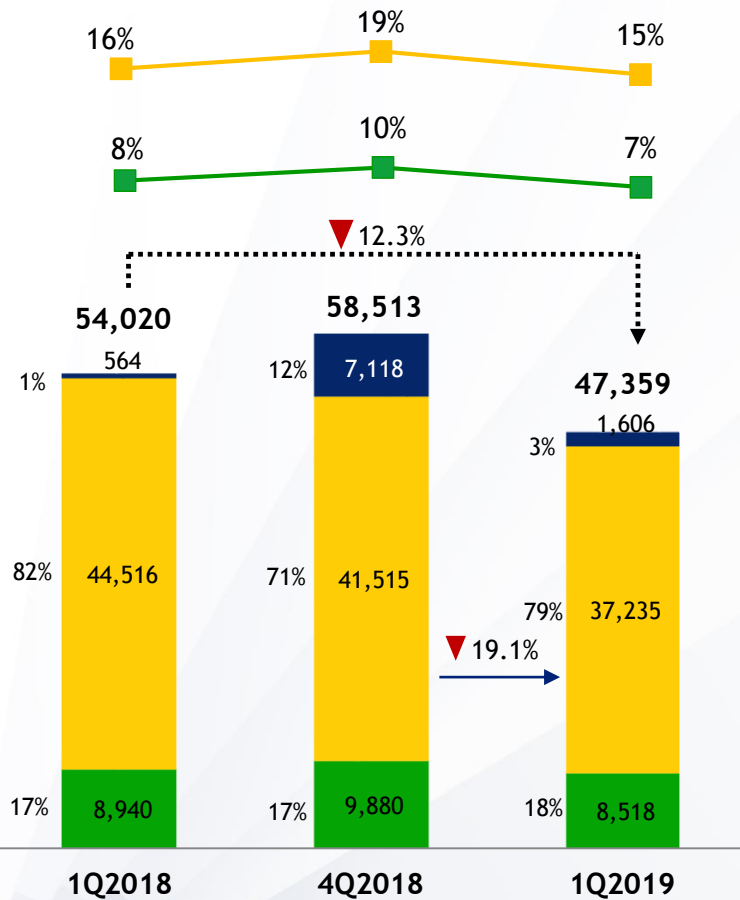
ADV-OMT declined by 24%



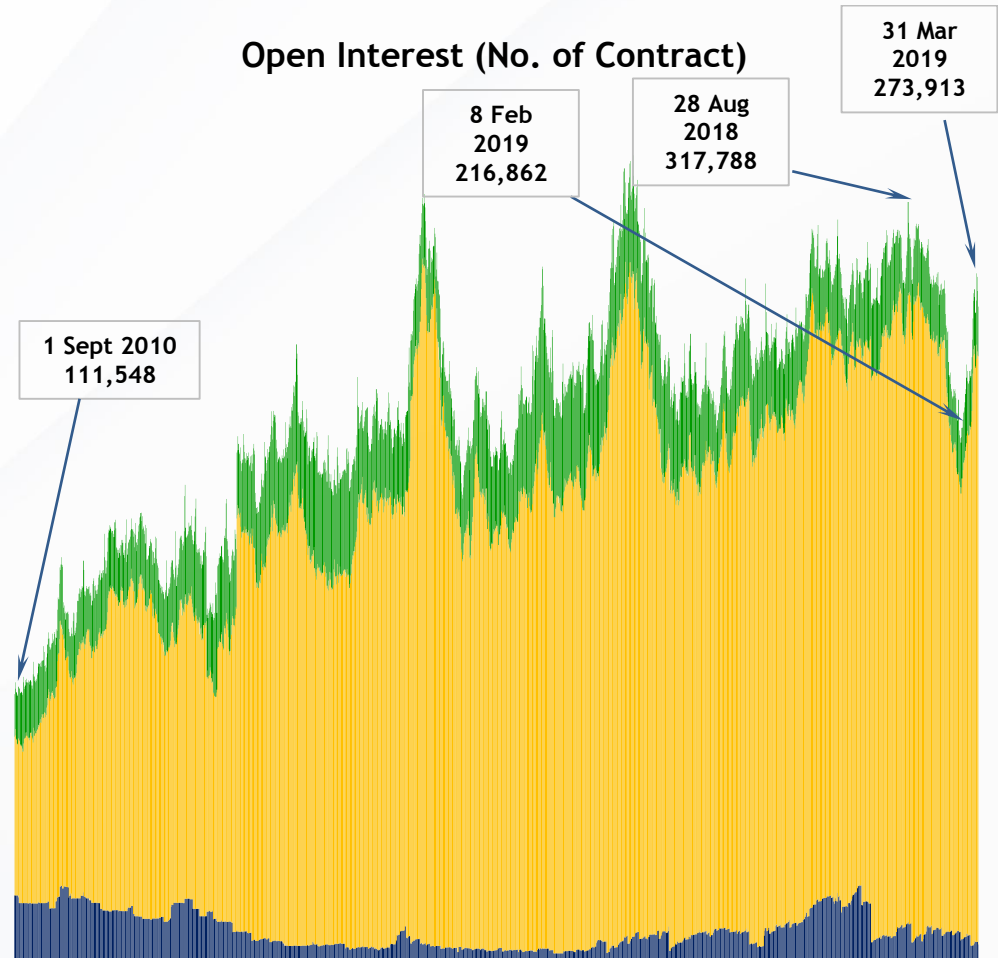
Derivatives Market Overview

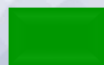

Lower FCPO trades influenced by weaker CPO prices resulting from higher stockpiles

Average Daily Contracts (“ADC”) & Volatility



Open Interest (No. of Contract)



 ADC - FBMKLCI Futures
 Volatility of FBMKLCI Futures

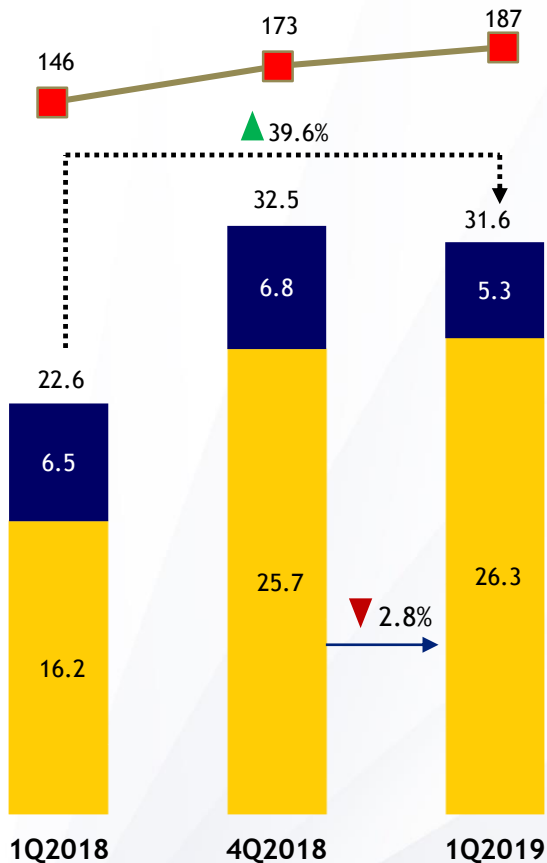
 ADC - Crude Palm Oil Futures
 Volatility of Crude Palm Oil Futures

 ADC - Others

Islamic Capital Market Overview

Lower effective fee resulted from volume-based pricing trades

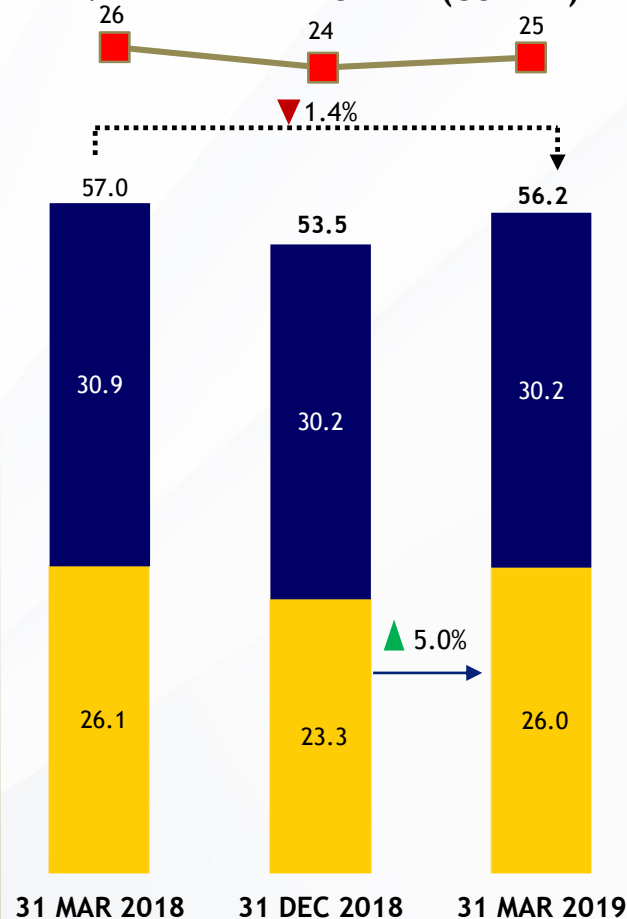
**Bursa Suq Al-Sila' ("BSAS")
ADV (RM bil)**



—■— No. of Trading Participants

■ Domestic ■ Foreign

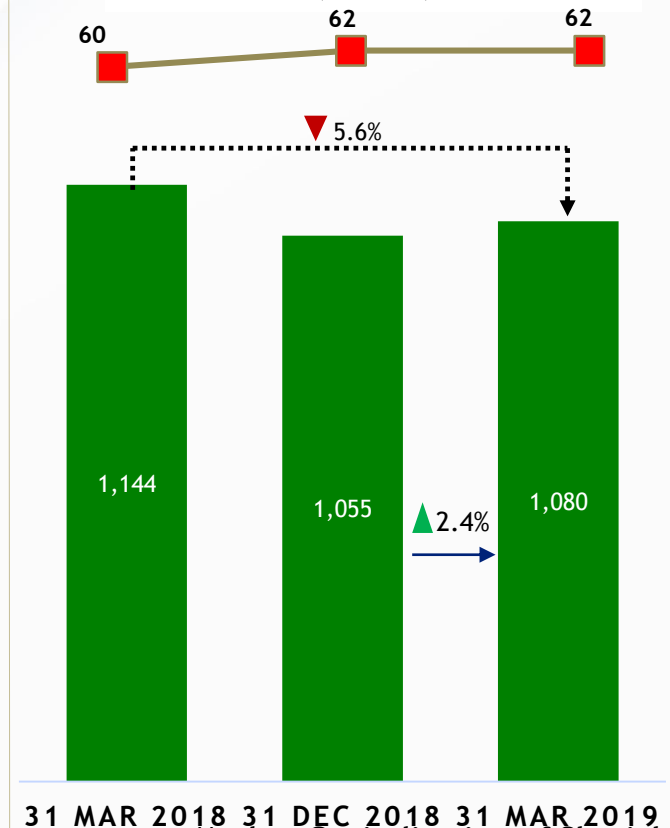
Value of Listed Sukuk (USD bil)



—■— No. of Sukuk

■ Domestic ■ Foreign

**Market Capitalisation of
Shariah Compliant Stocks
(RM bil)**



—■— No. of Shariah Compliant Stocks

■ No. of Shariah Compliant Stocks (%)

Conclusion

- Moving Forward

Moving Forward

SECURITIES MARKET & DERIVATIVES MARKET

- The performance of the Securities and Derivatives Markets in the first quarter was influenced by both domestic and global developments, concerns of slower economic growth, weaker corporate earnings and palm oil prices.
- These factors, including China's economic growth, the movement in crude palm oil prices and the European Union's plan to ban the use of palm oil in European biodiesels, will influence the performance of both markets going forward.
- Nonetheless, the Exchange will continue to expand and strengthen its product offerings, and attract new investors and participants for both the Securities and Derivatives Markets.

ISLAMIC CAPITAL MARKET

- The Exchange expects increased participation by institutional investors on the Bursa Malaysia-*i* platform, through its continuous engagements and marketing efforts.
- On the other hand, Bursa Suq Al-Sila' ("BSAS") has recorded growth in its activities in the first quarter and efforts to expand its global reach and onboard more domestic non-bank institutions onto its platform will be further intensified.

Given the challenges ahead, the Exchange expects that the above-mentioned factors will influence its performance, as evidenced in the first quarter of 2019. Nevertheless, Bursa Malaysia will continue with its initiatives to enhance the breadth and depth of the ecosystem through, amongst others, capitalising on technology to improve market efficiency and trading experience, and greater diversification of the investor base.

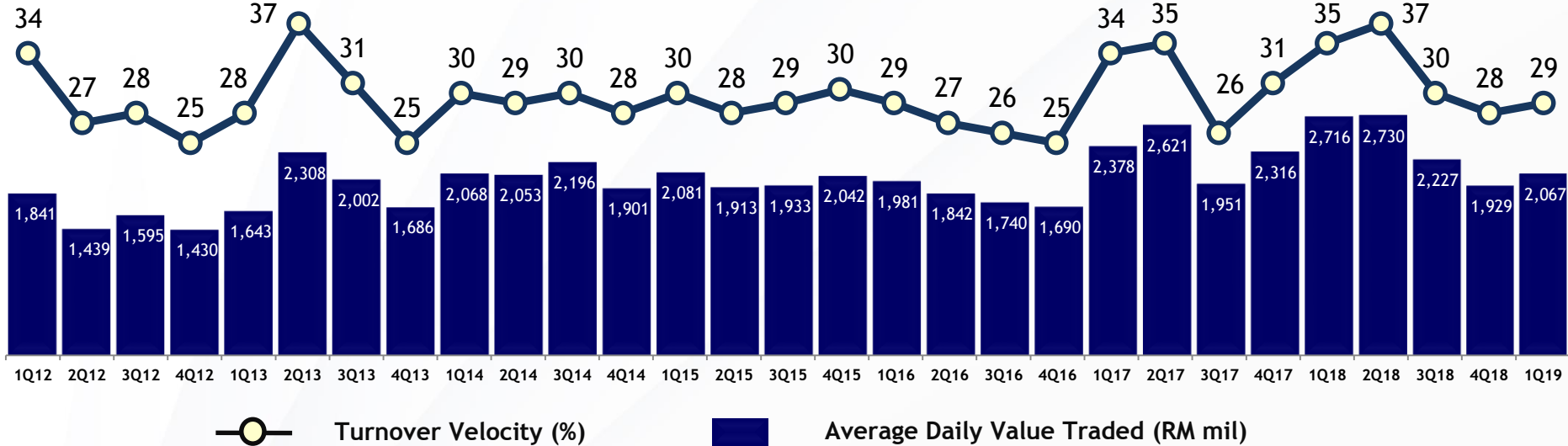
As part of the Exchange's initiative to improve operational efficiency and reduce systemic risk and align with the practices of major global exchanges, the Exchange has introduced the T+2 settlement cycle for the Securities Market effective 29 April 2019.

Appendices

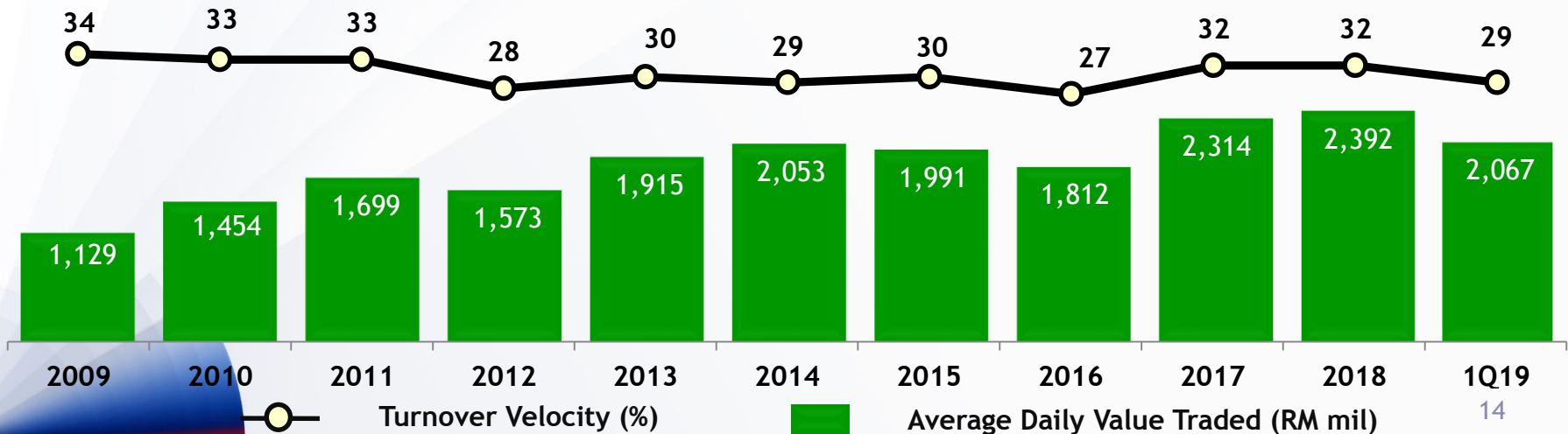
- Securities Market Trading Activity
- Securities Market Trading Participation
- Securities Market Foreign Ownership
- Foreign Inflow/Outflow
- Derivatives Market Activity
- Derivatives Market Demography
- Islamic Capital Market Activity

Securities Market Trading Activity

Quarterly ADV Traded & Velocity

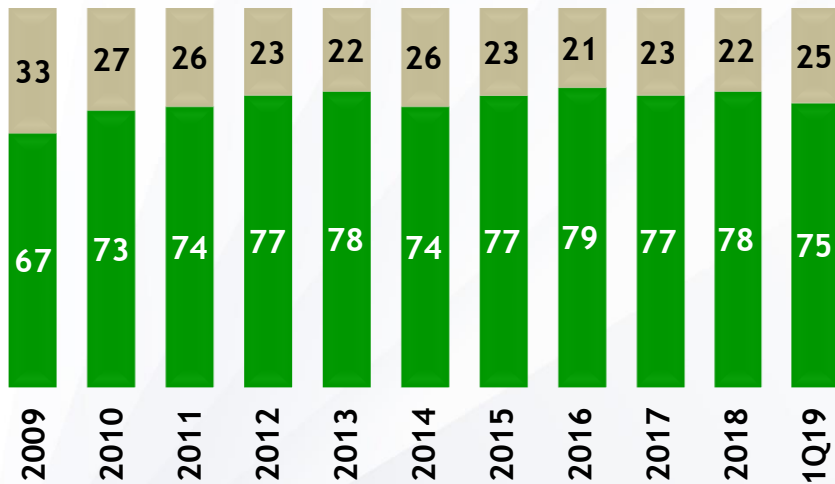
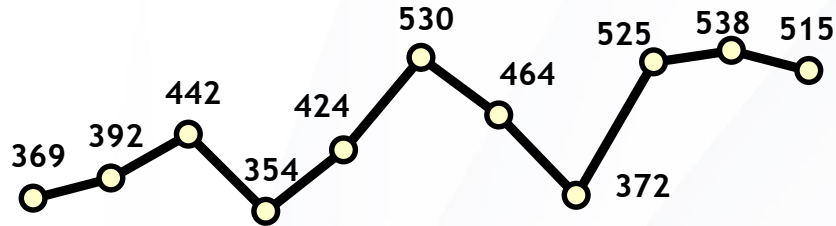




Annual ADV Traded & Velocity



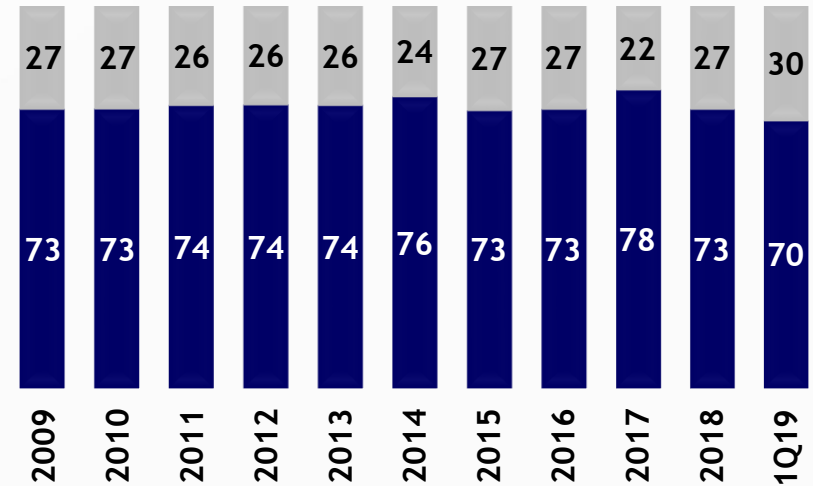
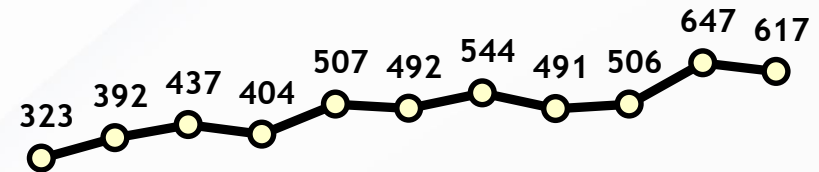
Securities Market Trading Participation


Retail vs. Institution



 Retail ADV Traded (RM mil)
  Retail (%)
  Institutions (%)

Foreign vs. Local

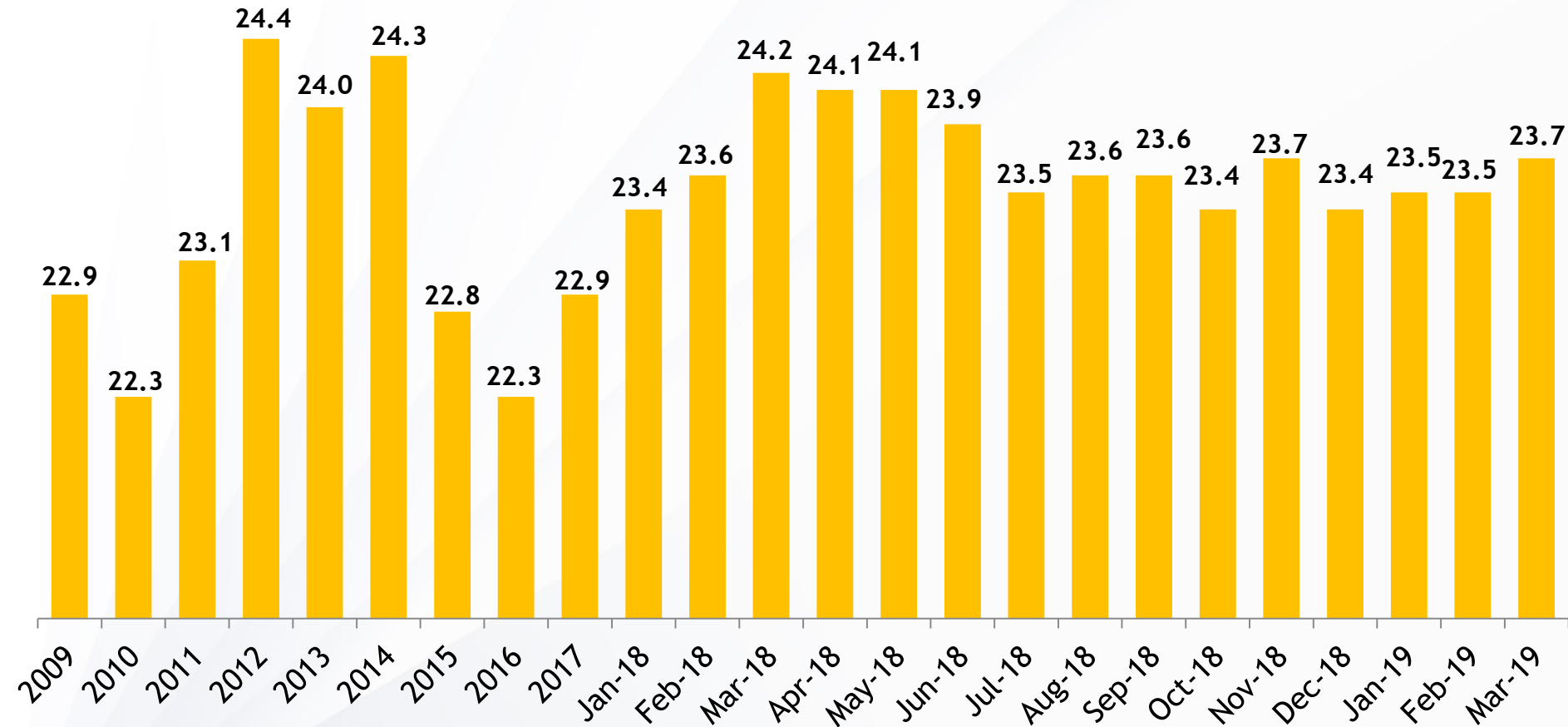


 Foreign ADV Traded (RM mil)
  Foreign (%)
  Local (%)

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

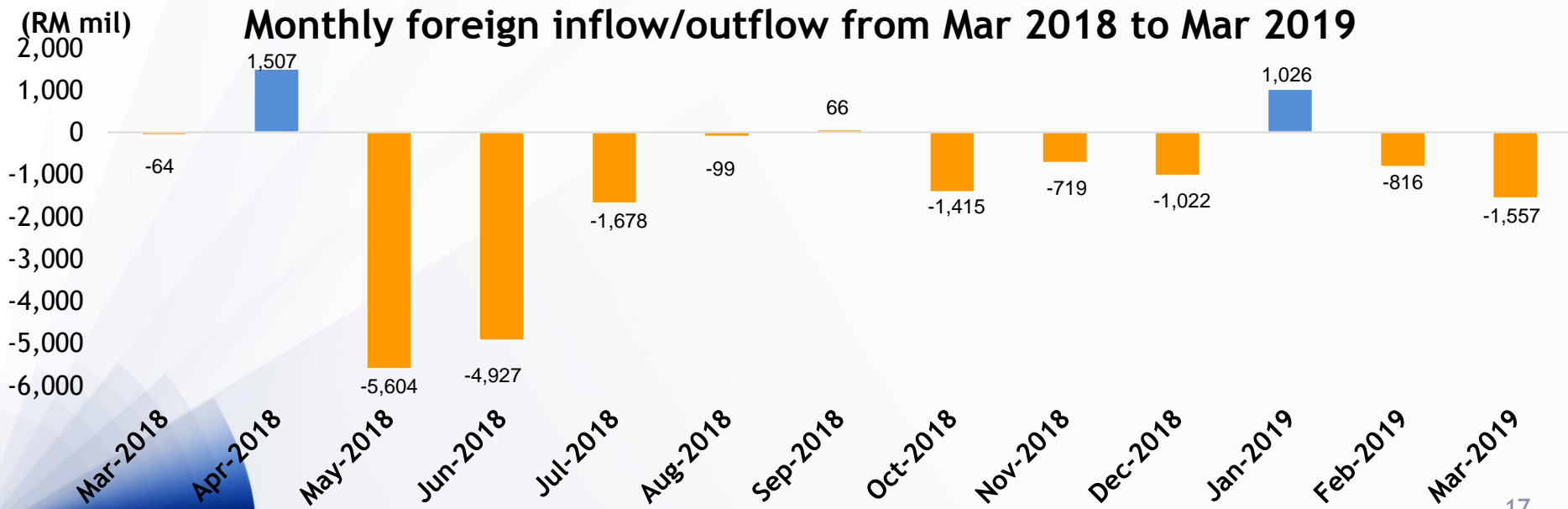
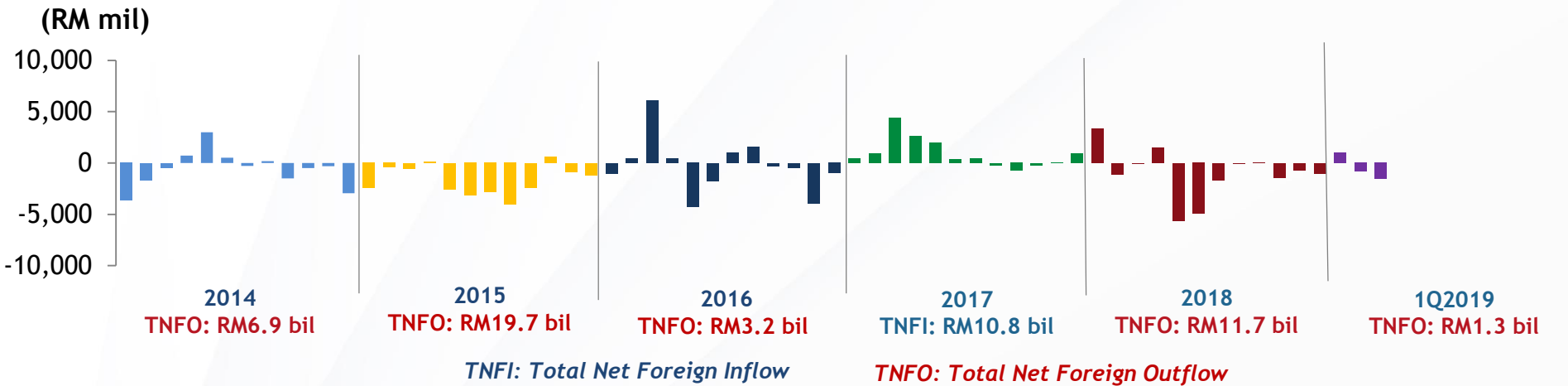
Securities Market Foreign Ownership

Based on Market Capitalisation (%)



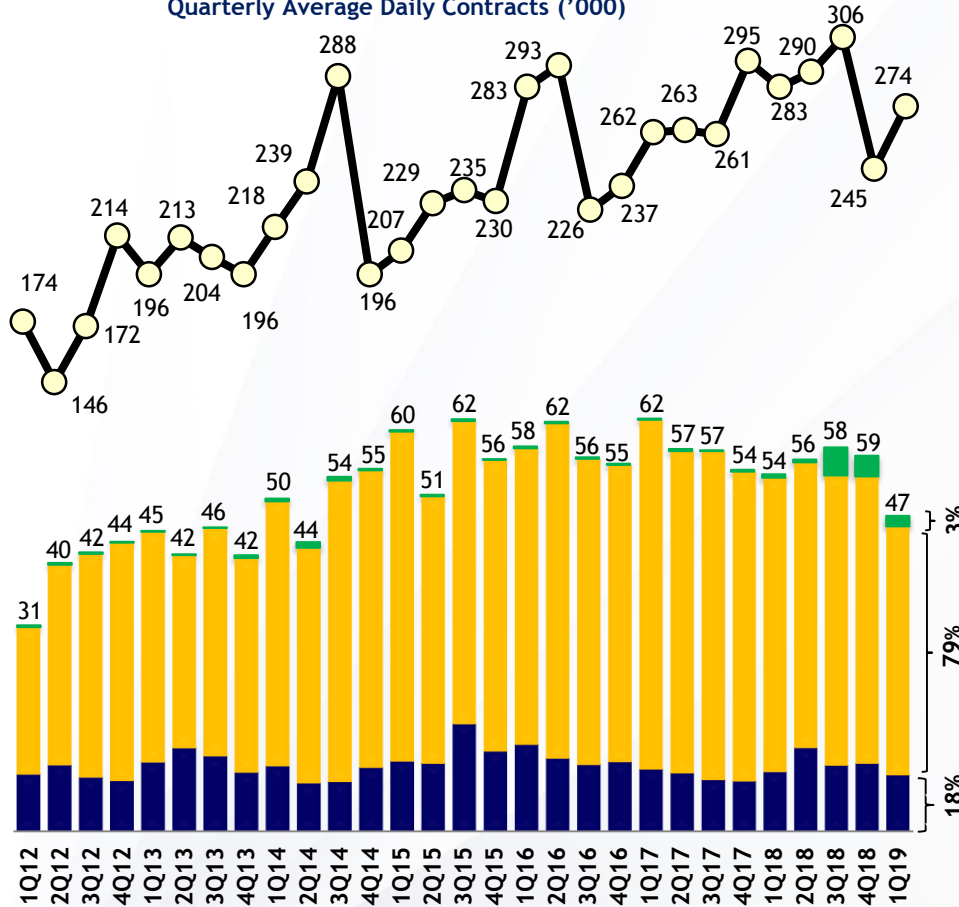
Foreign Inflow/Outflow

Monthly foreign inflow/outflow from 2014 to 2019

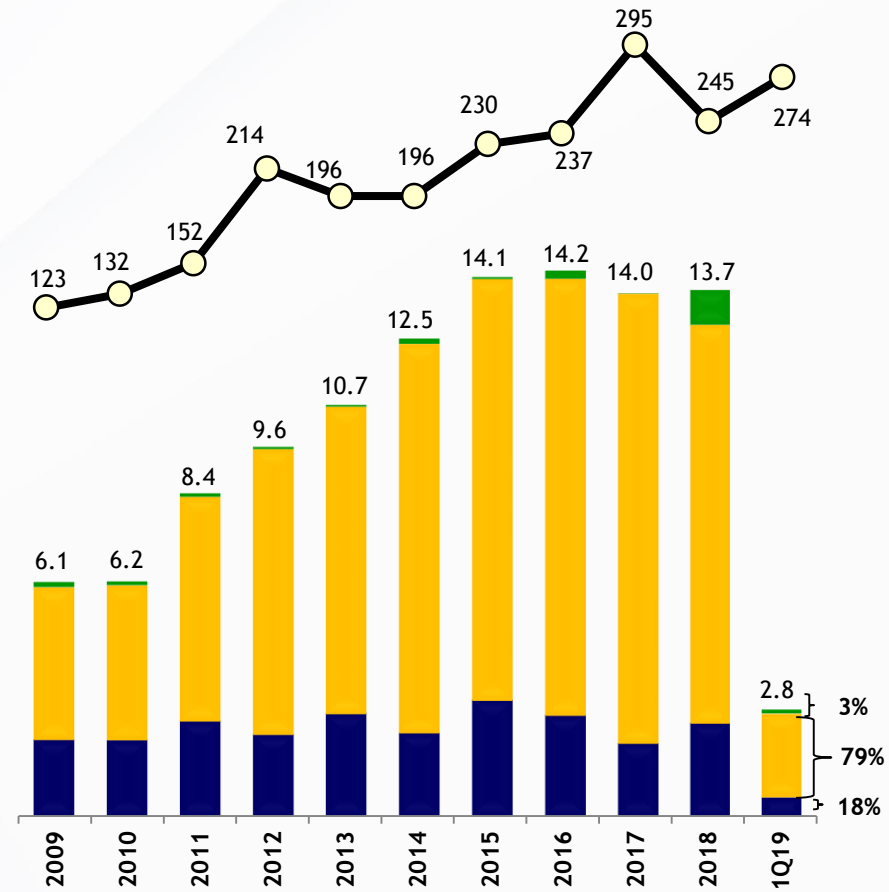


Derivatives Market Activity

Quarterly Average Daily Contracts ('000)



Total Annual Contract (mil)



○ Open Interest ('000)

■ Others

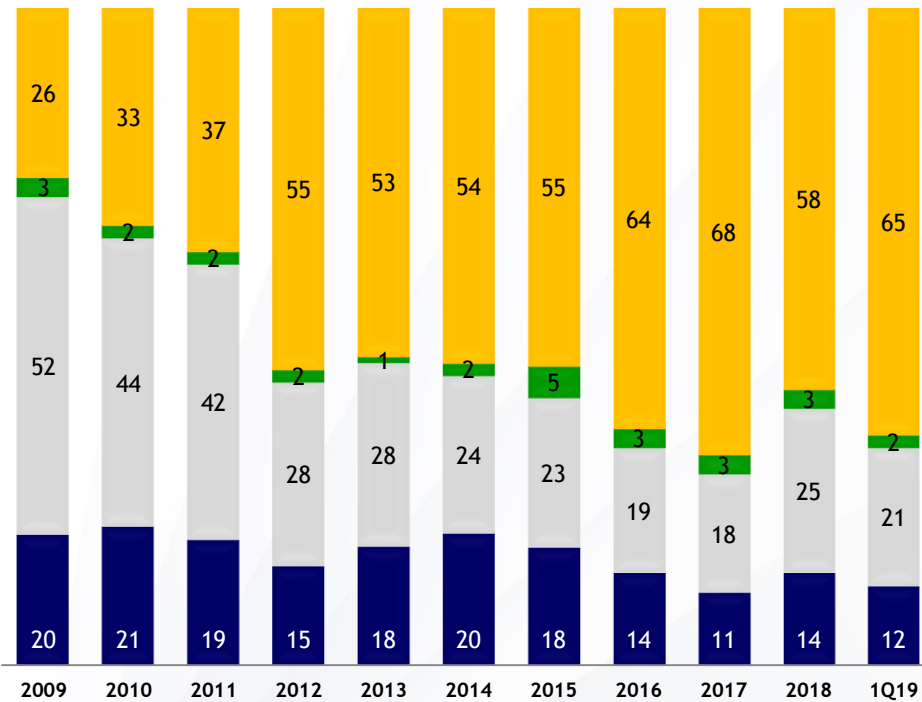
■ Crude Palm Oil Futures

■ FBMKLCI Futures

Derivatives Market Demography

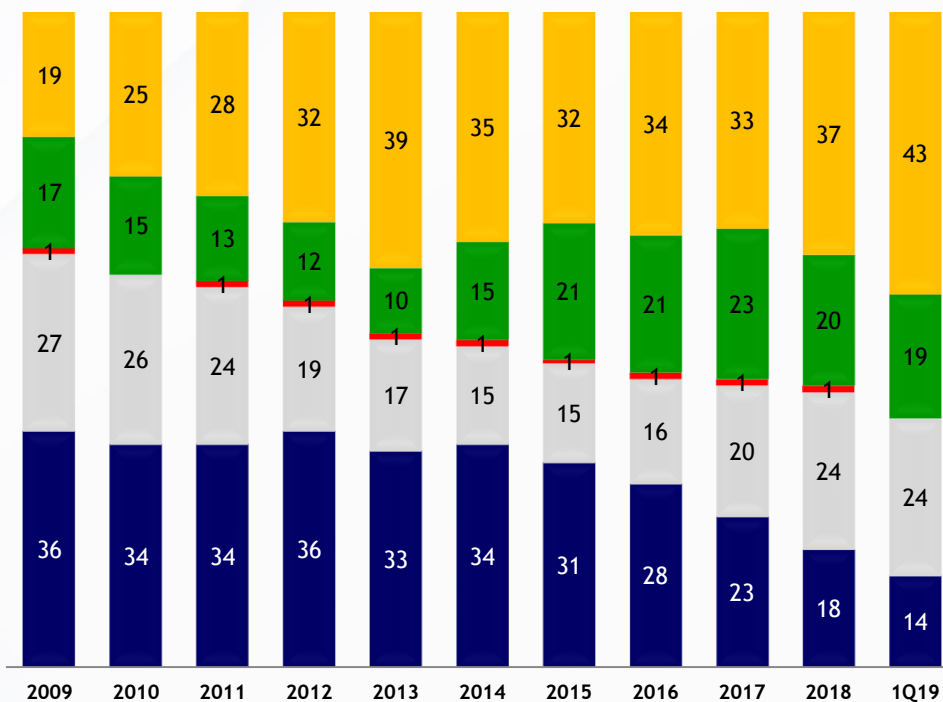
FKLI

(%)



FCPO

(%)



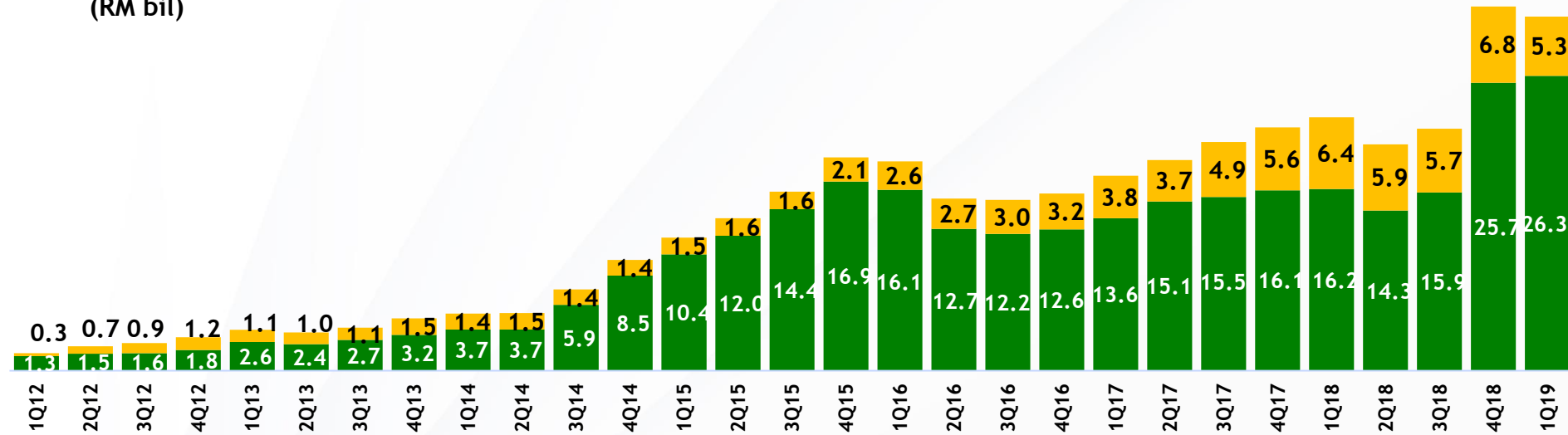
■ Foreign Institutions ■ Domestic Retail
■ Domestic Institutions ■ Local

■ Foreign Institutions ■ Foreign Retail ■ Local
■ Domestic Institutions ■ Domestic Retail

Islamic Capital Market Activity

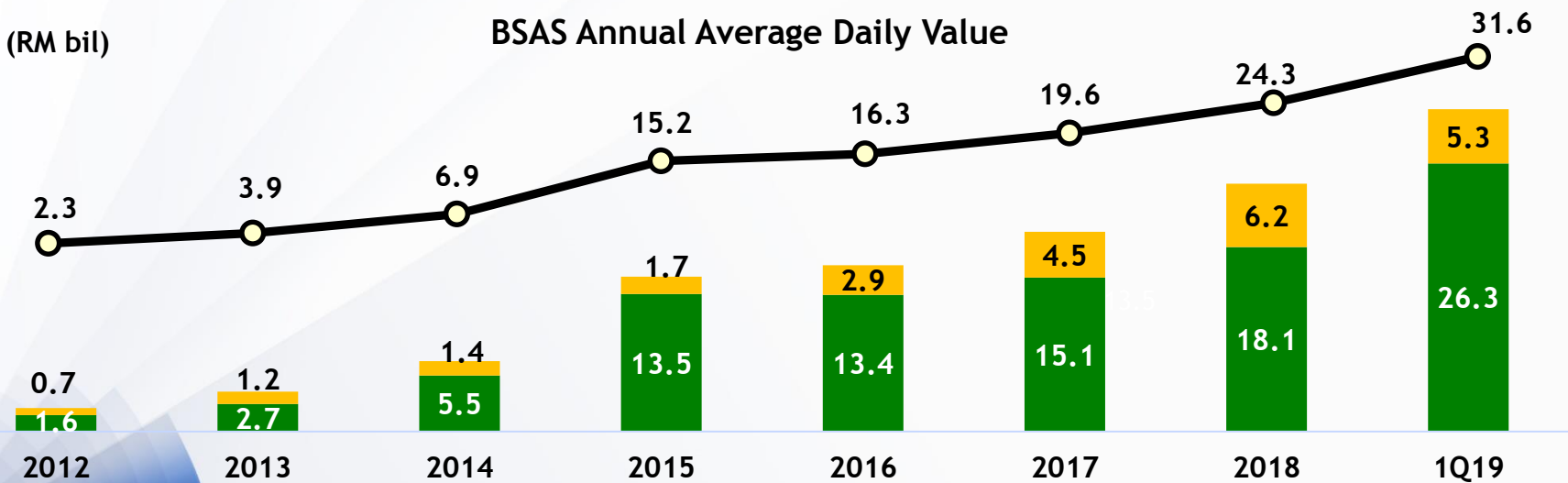
BSAS Quarterly Average Daily Value

(RM bil)



BSAS Annual Average Daily Value

(RM bil)



■ Local ADV
 ■ Foreign ADV
 —○— BSAS ADV (RM bil)

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