

27 October 2020

9M2020 Financial Results

Agenda

- Key Financial Highlights & Market Performance
- Financial Review
- Appendices

Key Financial Highlights & Market Performance

- Financial Highlights for 9M2020
- 9 Months Financial Trend
- Securities Market Overview
- Derivatives Market Overview
- Islamic Capital Market Overview

Financial Highlights for 9M2020

Strong financial results driven by strong performance in the Securities and Derivatives Markets

**Operating
Revenue**

RM554.0m
▲ 55.0%

**Operating
Expenses**

RM200.4m
▲ 11.1%

PATAMI

RM272.9m
▲ 94.5%

**Cost to Income
Ratio**

35%
▼ 13 p.p.

**Annualised
ROE**

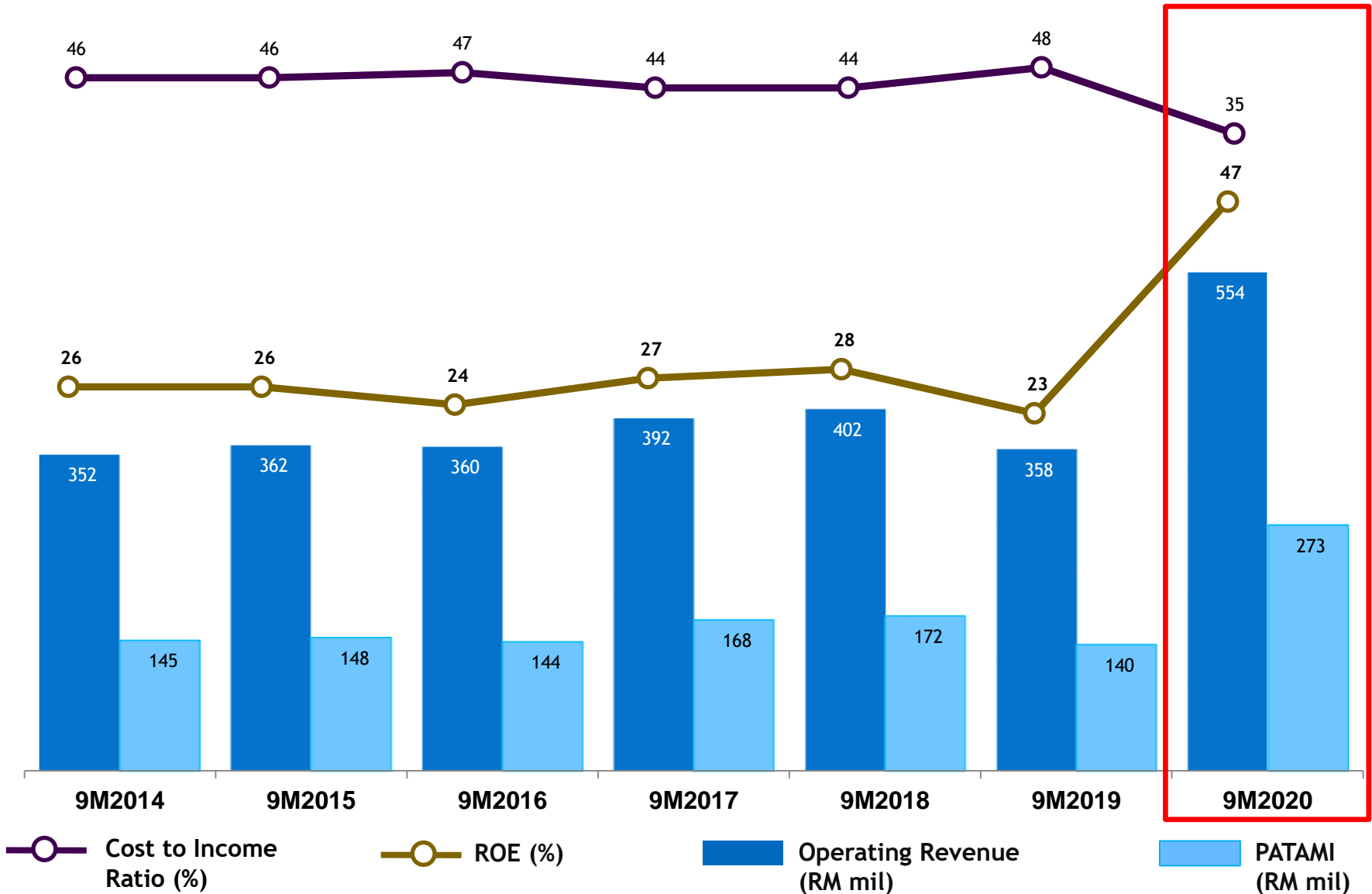
47%
▲ 24 p.p.

9M2020 vs. 9M2019:

- Increase in the operating revenue was contributed by higher trades in the Securities and Derivatives Market.
- Increase in the operating expenses was due to higher manpower, professional fees and technology costs.
- Cost to income ratio decreased by 13 percentage points to 35% while ROE increased by 24 percentage points to 47%.

9 Months Financial Trend

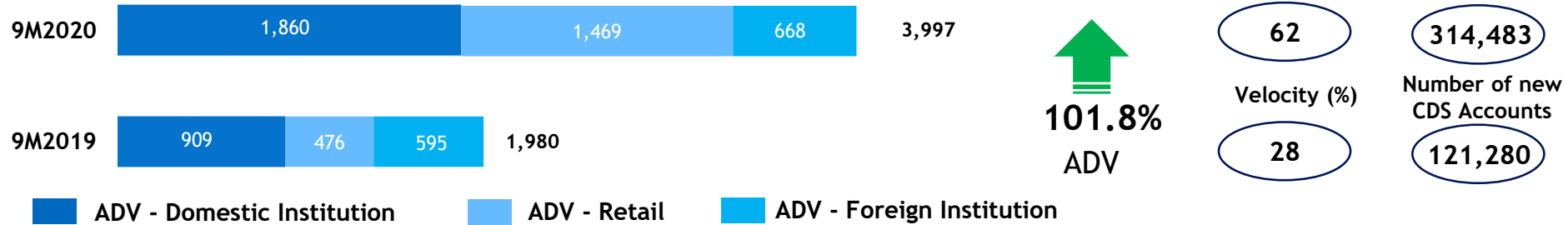
Exceptional 9 months financial performance largely driven by higher trading activities in the securities market



Securities Market Overview

High trades driven by higher volatility and retail participation

Average Daily Value (“ADV”) (OMT)
(RM mil)

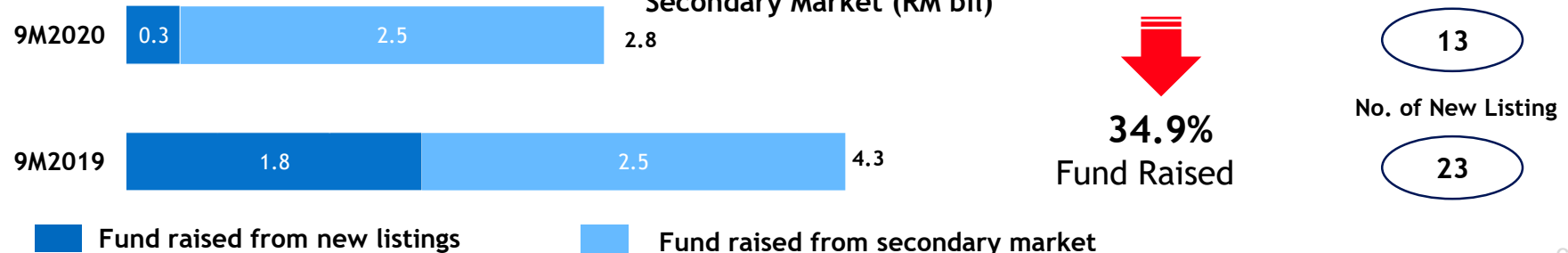


Note: OMT - On Market Trades

Market Capitalisation (RM bil)



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

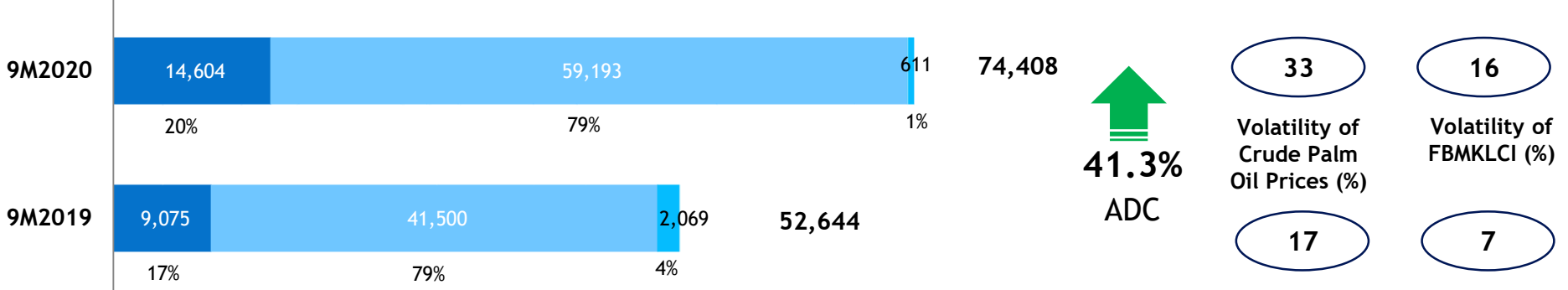


Derivatives Market Overview

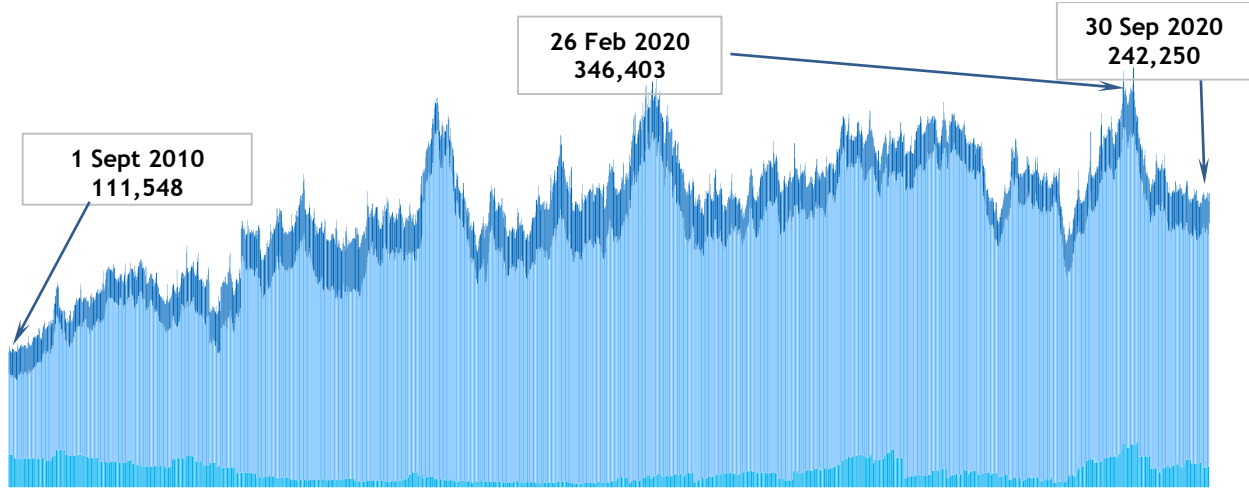


Increase in derivatives trades resulting from higher volatility in the underlying products

Average Daily Contracts (“ADC”) & Volatility



Open Interest (No. of Contract)

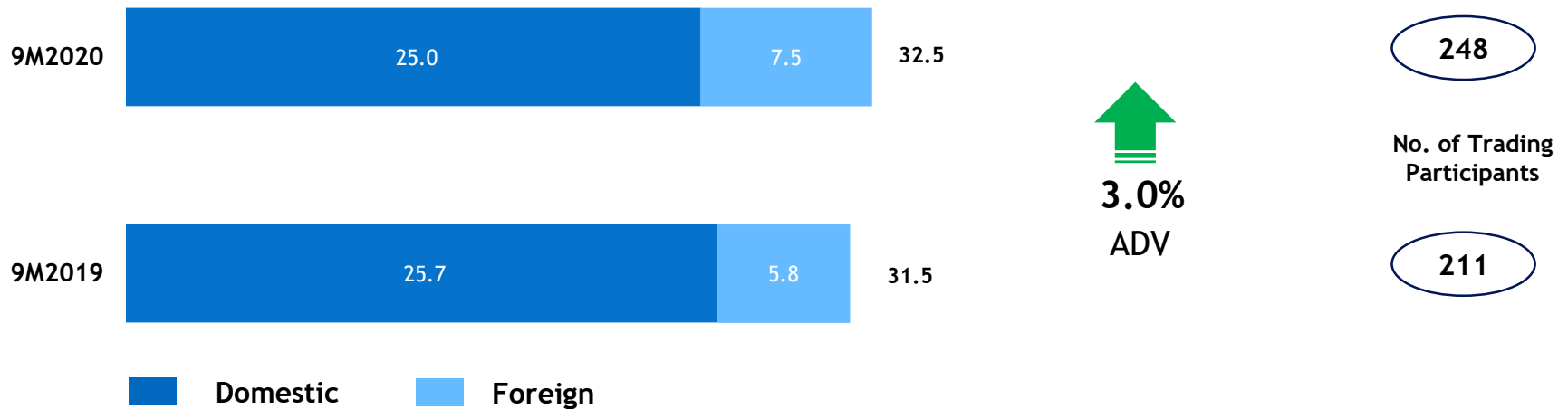


■ FBMKLCI Futures (“FKLI”)
 ■ Crude Palm Oil Futures (“FCPO”)
 ■ Others

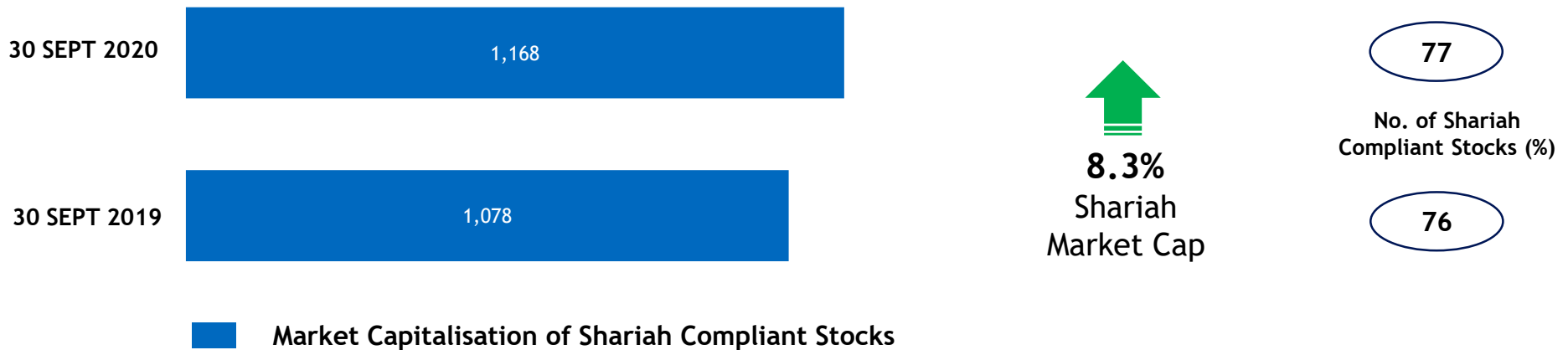
Islamic Capital Market Overview

Marginal ADV growth

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



Market Capitalisation of Shariah Compliant Stocks
(RM bil)



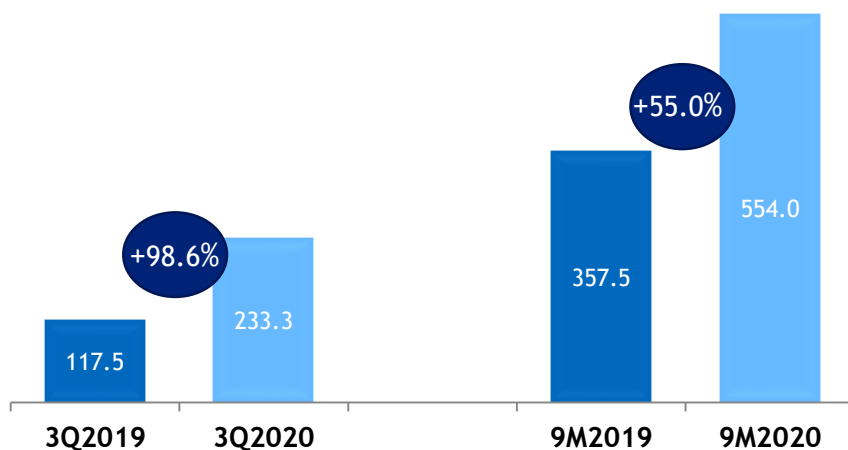
Financial Review

- Financial Snapshot
- Operating Revenue
- Operating Expenses

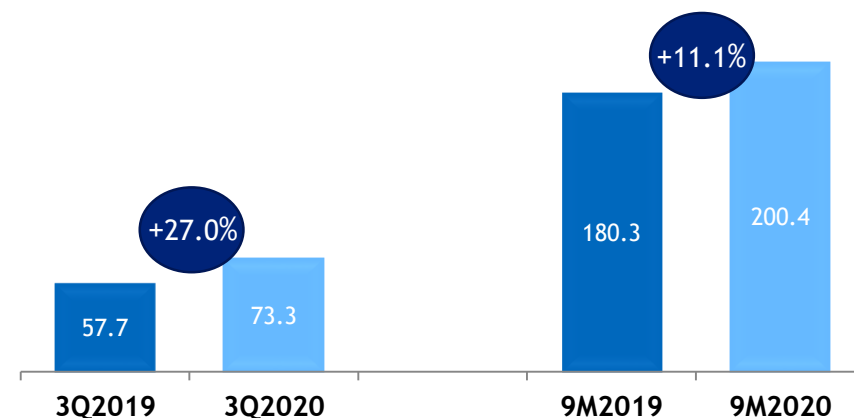
Financial Snapshot

9M2020 PATAMI increased by 95% to RM273m on the back of a substantial increase in securities trading revenue

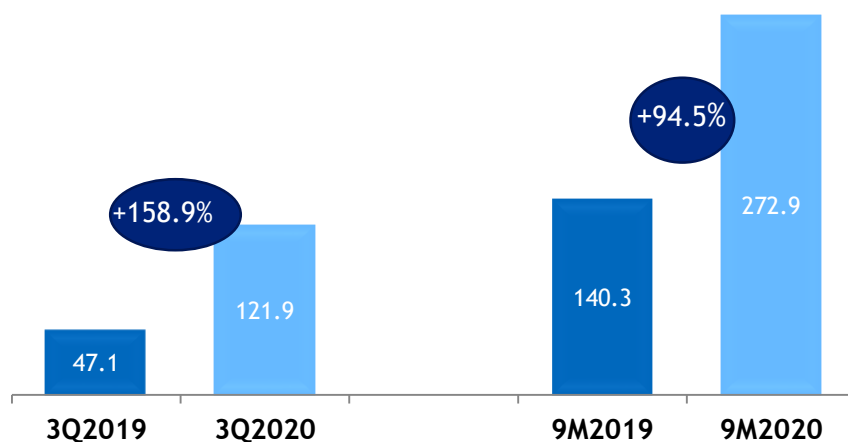
Operating revenue (RM mil)



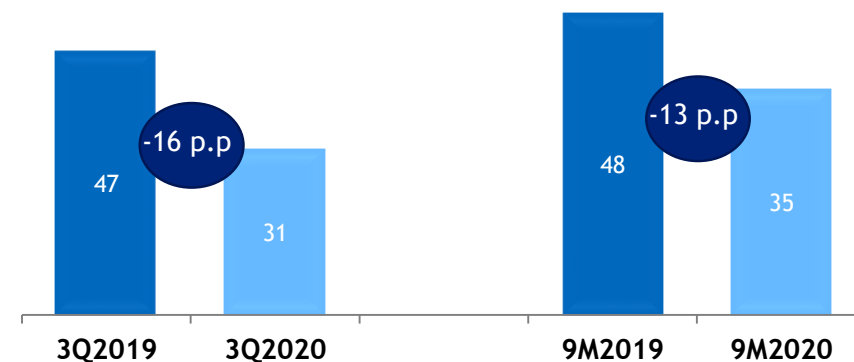
Operating expenses (RM mil)



PATAMI (RM mil)



Cost to income ratio (%)

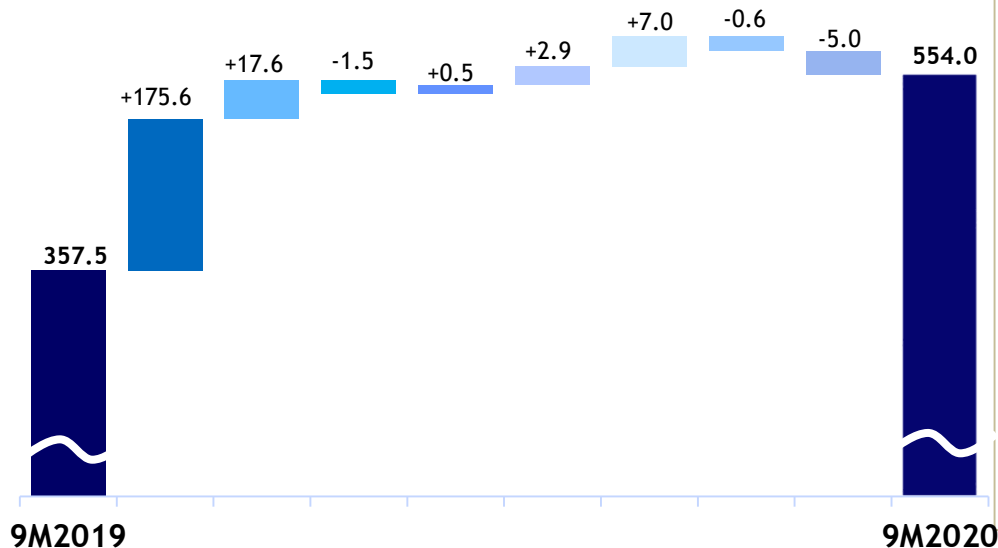


Operating Revenue

Growth contributed by higher securities and derivatives trading revenue

	Revenue (RM mil)								Total (RM mil)
	Securities Trading Revenue	Derivatives Trading Revenue	BSAS Trading Revenue	Listing & Issuer Services	Depository Services	Market Data	Member Services & Connectivity	Conference Fee & Exhibition-Related Income	
9M2020	349.2 (63%)	69.3 (13%)	9.6 (2%)	40.2 (7%)	34.4 (6%)	35.7 (6%)	15.6 (3%)	Nil (0%)	554.0
9M2019	173.6 (49%)	51.7 (14%)	11.1 (3%)	39.7 (11%)	31.5 (9%)	28.7 (8%)	16.2 (5%)	5.0 (1%)	357.5
YoY	↑101.1%	↑33.8%	↓13.5%	↑1.2%	↑9.3%	↑25.0%	↓3.6%	↓100.0%	↑55.0%

Growth contribution by revenue (RM mil) :



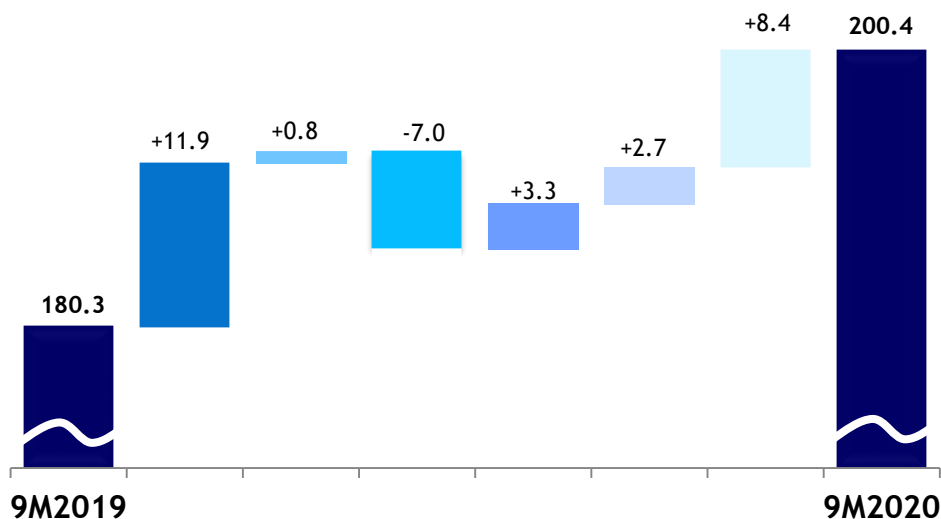
- Increase in securities trading revenue mainly due to higher ADV-OMT.
- Increase in derivatives trading revenue due to higher number of FCPO and FKLI contracts.
- Decrease in BSAS trading revenue despite higher BSAS ADV due to lower effective fee resulting from higher trades under the volume based pricing.
- Increase in depository services mainly due higher ROD fees and account opening fees.
- Increase in market data revenue due to increase in subscriptions.
- No conference income in 9M2020 due to the cancellation of POC event.

Operating Expenses

Costs increased by 11.1%

	Expenses (RM mil)						Total (RM mil)
	Manpower Costs	Depreciation & Amortisation	Marketing & Development	IT Maintenance	Service Fees	Other Operating Expenses	
9M2020	113.3 (57%)	16.2 (8%)	3.4 (2%)	18.4 (9%)	17.4 (8%)	31.7 (16%)	200.4
9M2019	101.4 (56%)	15.4 (9%)	10.4 (6%)	15.1 (8%)	14.7 (8%)	23.3 (13%)	180.3
YoY	↑11.7%	↑5.4%	↓67.4%	↑21.7%	↑17.9%	↑36.1%	↑11.1%

Movement of expenses (RM mil):



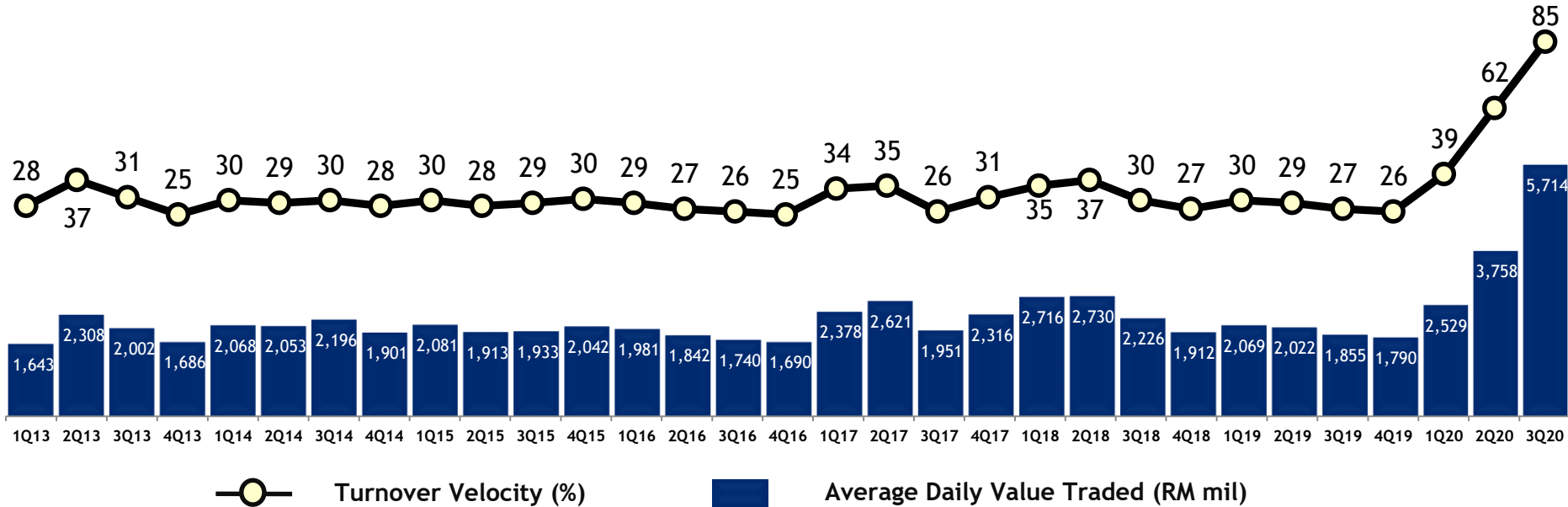
- Increase in manpower cost due to higher provision of variable costs.
- Lower marketing & development cost as there were lesser activities due to MCO and cancellation of POC.
- Increase in IT Maintenance due to additional licensing fee.
- Increase in Globex fees due to higher number of derivatives contracts traded.
- Increase in other operating expenses due to higher professional fees.

Appendices

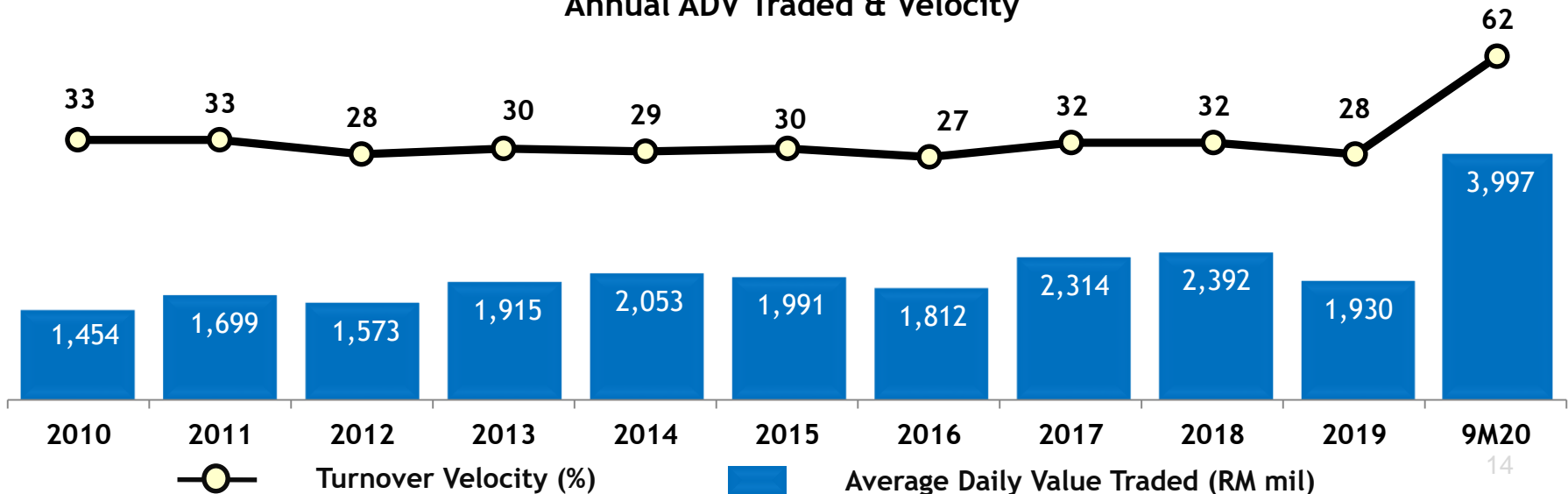
- Securities Market Trading Activity
- Securities Market Trading Participation
- Securities Market Foreign Ownership
- Foreign Inflow/Outflow
- Derivatives Market Activity
- Derivatives Market Demography
- Islamic Capital Market Activity

Securities Market Trading Activity

Quarterly ADV Traded & Velocity

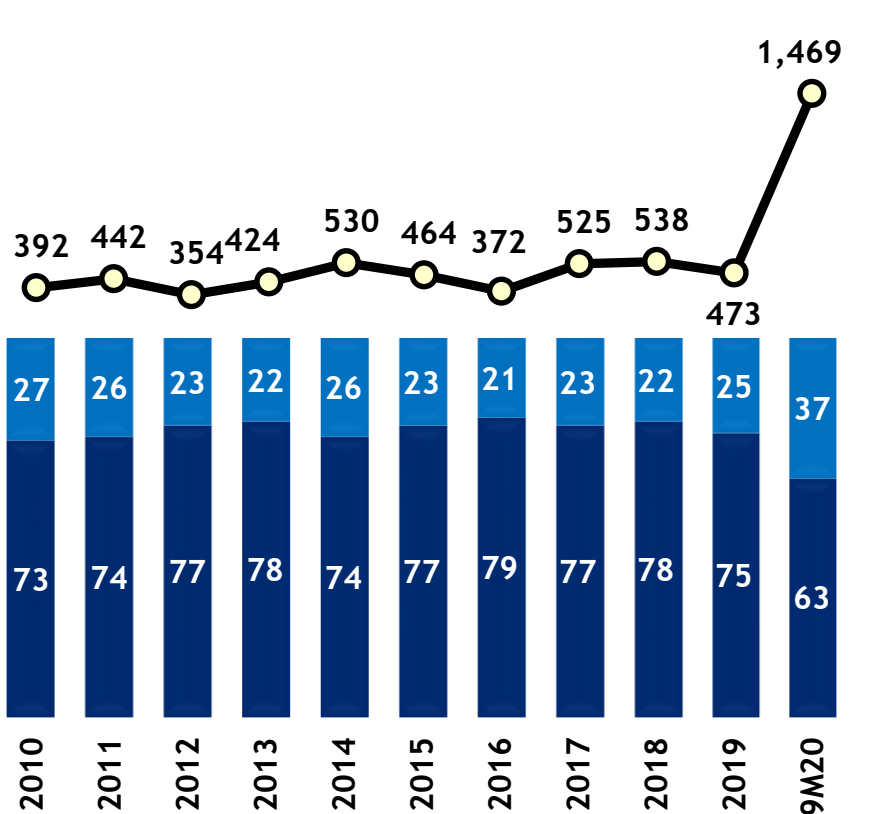


Annual ADV Traded & Velocity



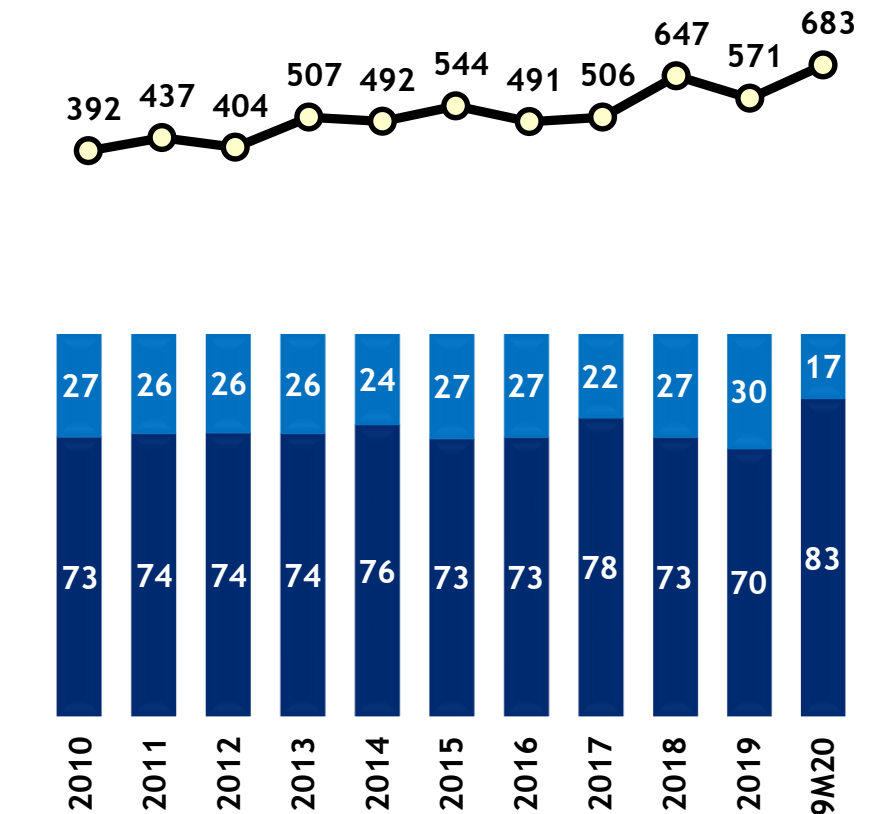
Securities Market Trading Participation

Retail vs. Institution



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

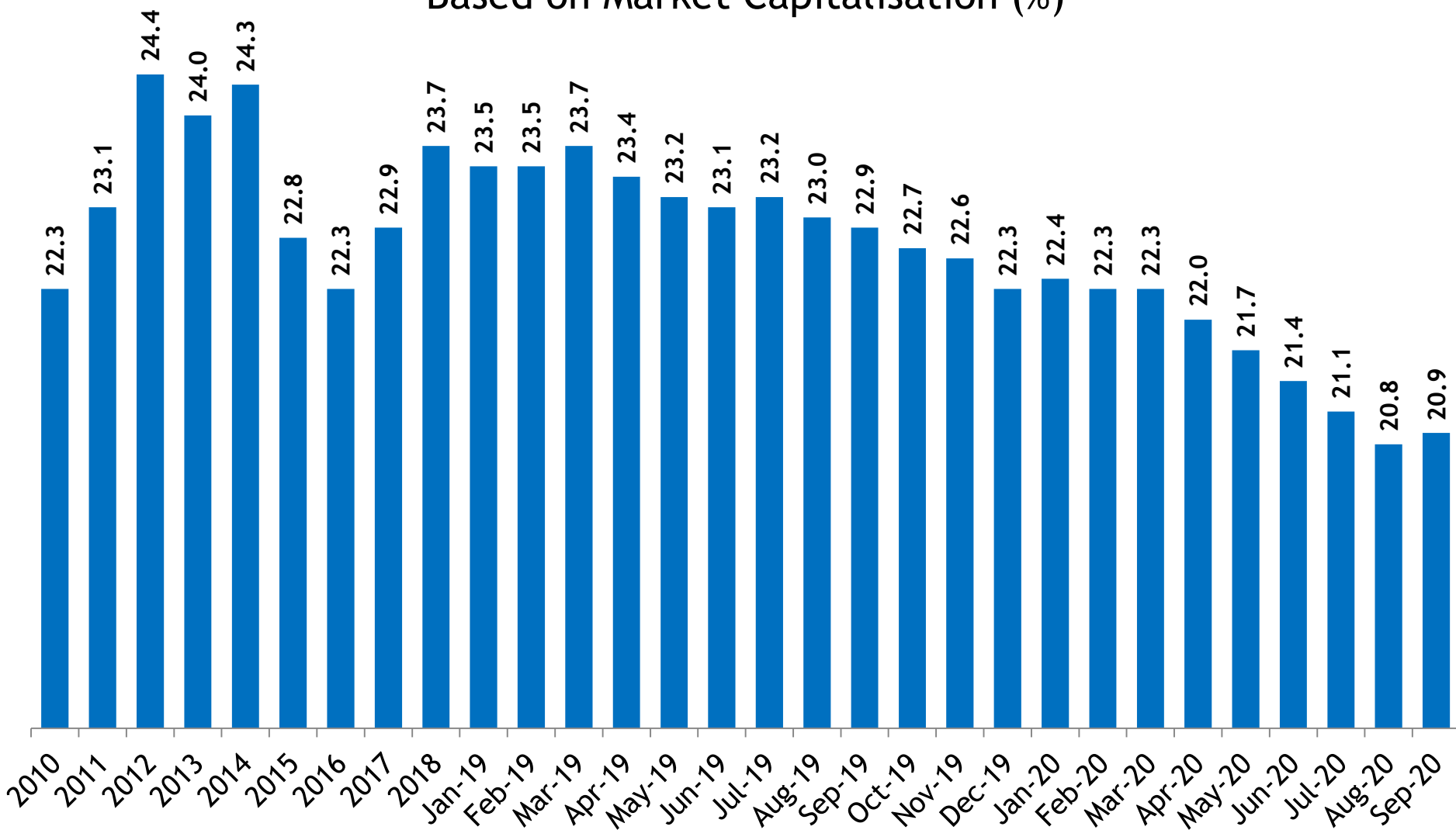
Foreign vs. Local



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

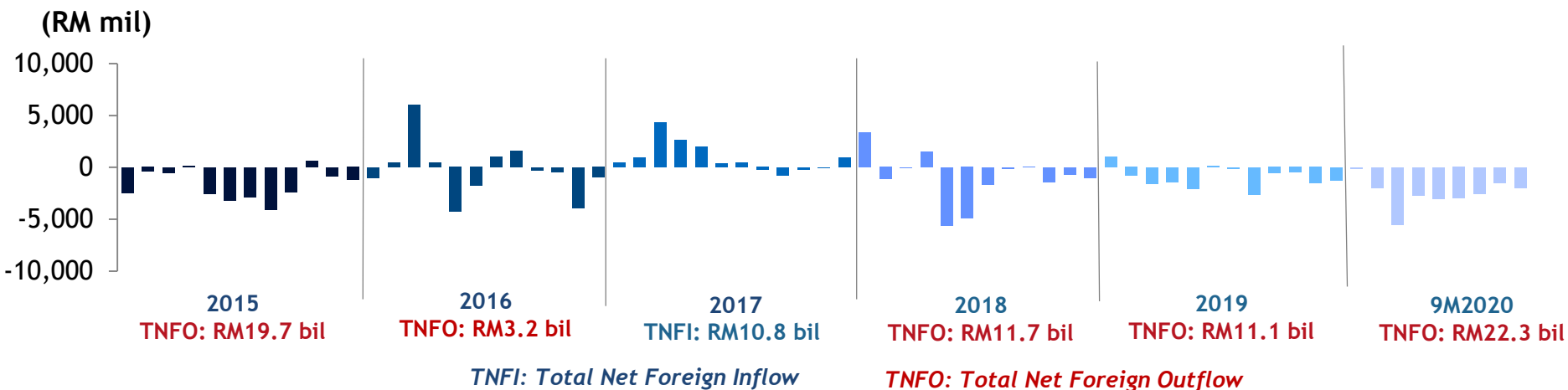
Securities Market Foreign Ownership

Based on Market Capitalisation (%)

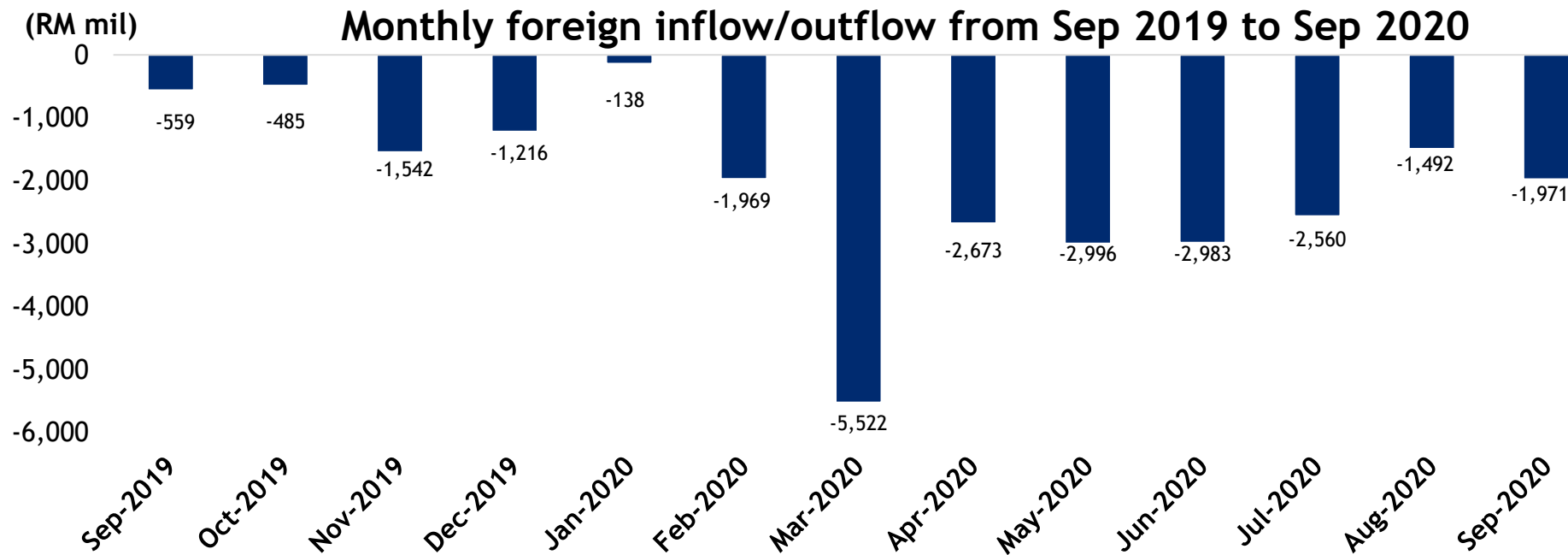


Foreign Inflow/Outflow

Monthly foreign inflow/outflow from 2015 to 2020

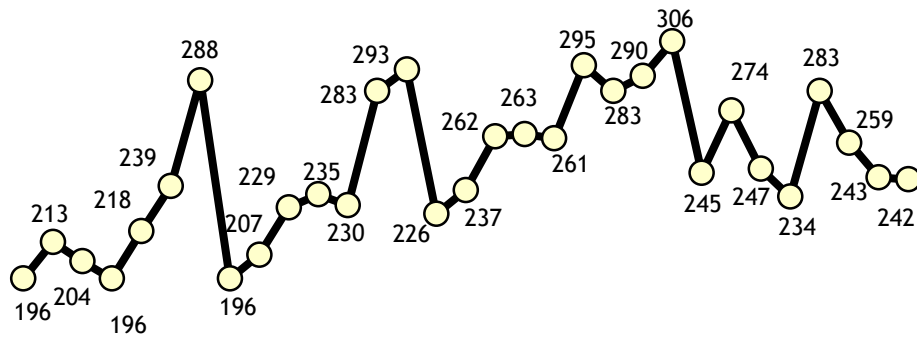


Monthly foreign inflow/outflow from Sep 2019 to Sep 2020

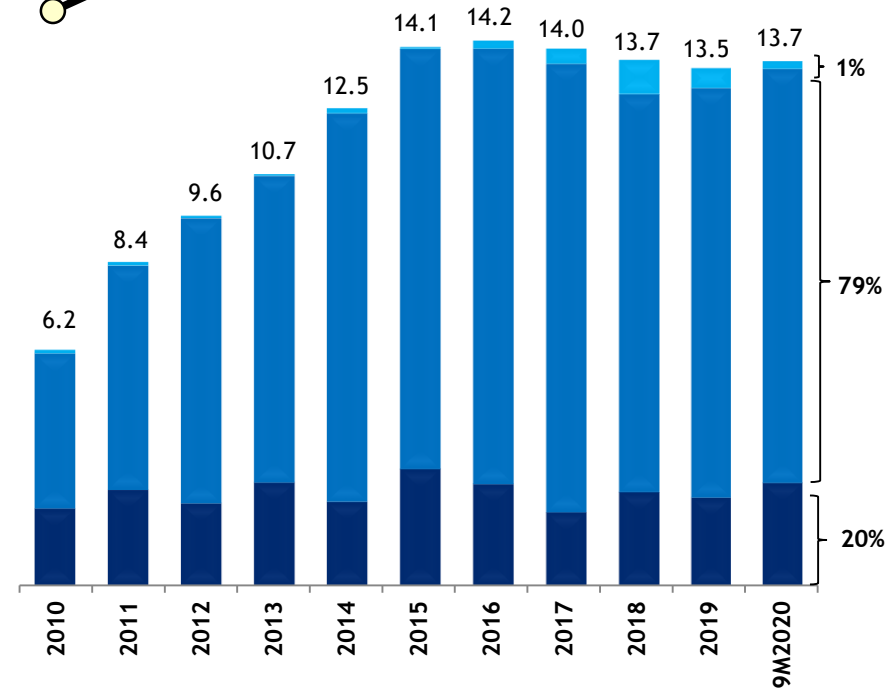
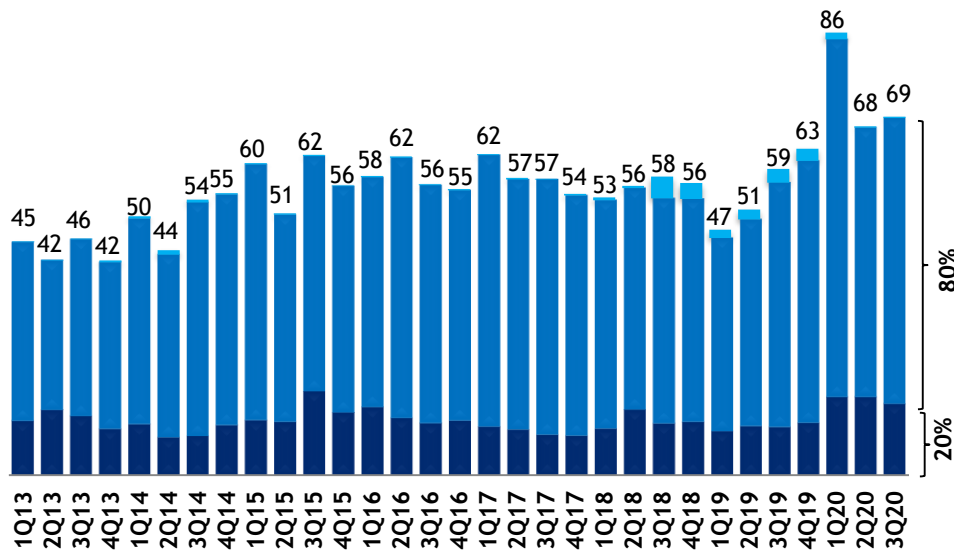
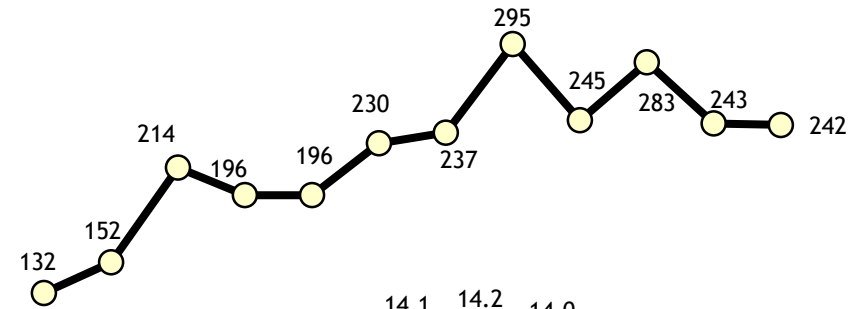


Derivatives Market Activity

Quarterly Average Daily Contracts ('000)



Total Annual Contract (mil)



○ Open Interest ('000)

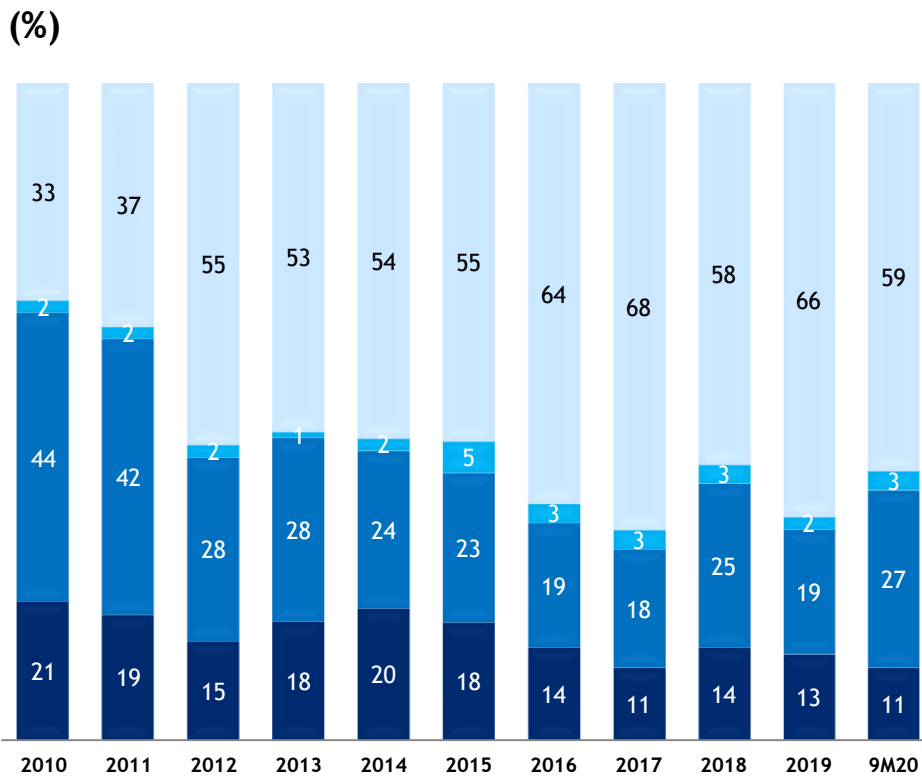
Others

Crude Palm Oil Futures

FBMKLCI Futures

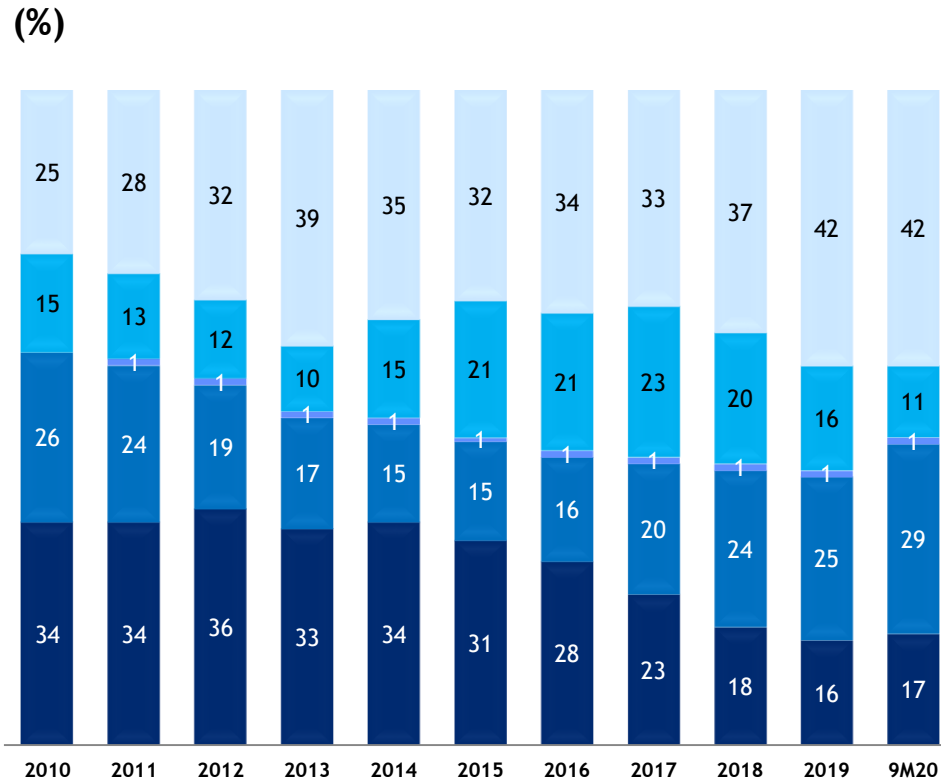
Derivatives Market Demography

FKLI



■ Foreign Institutions
■ Domestic Institutions
■ Domestic Retail
■ Local

FCPO

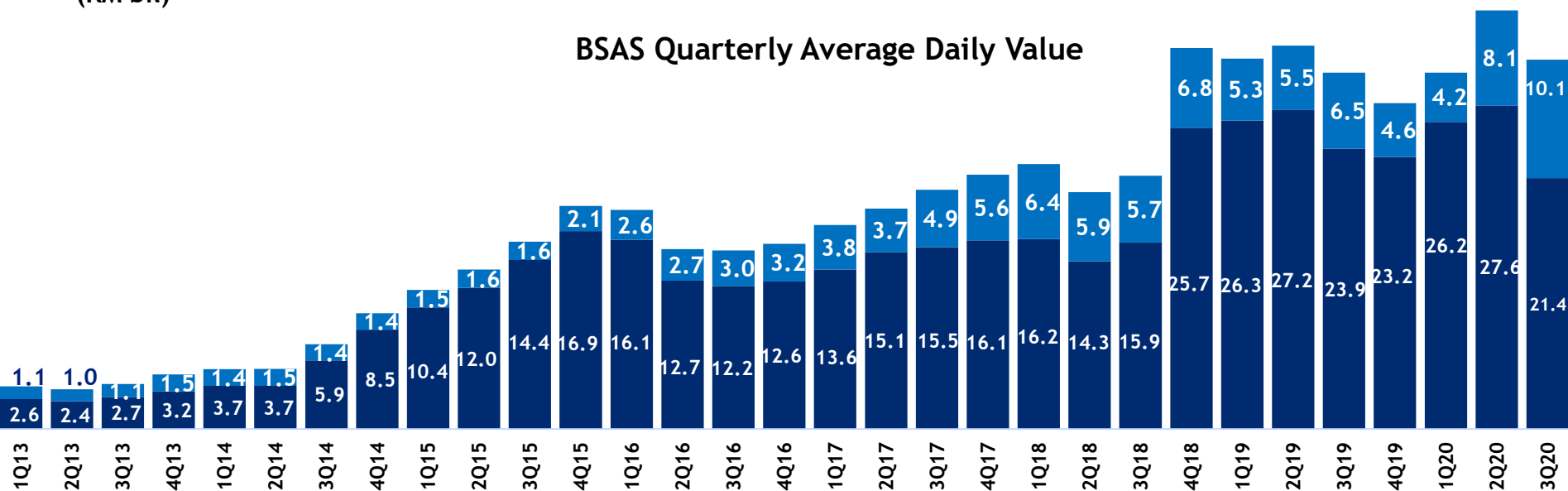


■ Foreign Institutions
■ Domestic Institutions
■ Domestic Retail
■ Local
■ Foreign Retail

Islamic Capital Market Activity

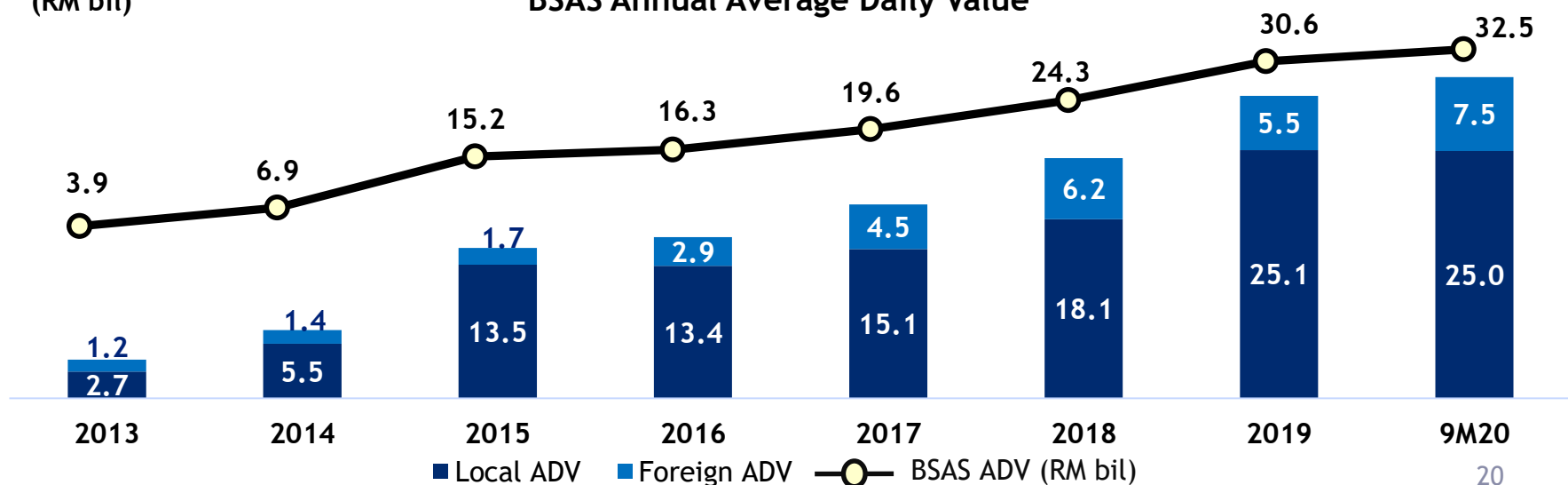
(RM bil)

BSAS Quarterly Average Daily Value



(RM bil)

BSAS Annual Average Daily Value



INVESTOR RELATIONS CONTACT INFORMATION

RASMONA ABDUL RAHMAN
rasmona@bursamalaysia.com
603-2034 7175

RAFIDAH AZIZ
rafidahaziz@bursamalaysia.com
603-2034 7262

E-mail : ir@bursamalaysia.com

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