



**FIX**PROTOCOL  
INDUSTRY-DRIVEN MESSAGING STANDARD™

A long-exposure photograph of a city street at night, showing light trails from cars and the Petronas Twin Towers in the background. The Bursa Malaysia logo is in the top left corner.

**BURSA MALAYSIA**  
Profit from our potential

Bursa Malaysia, home to the world's largest palm oil futures contract.  
For enquiries contact us at [DMA@bursamalaysia.com](mailto:DMA@bursamalaysia.com)

**Direct Market Access to Malaysia**  
**When speed matters**

To trade on Bursa Malaysia, please refer to the list of futures brokers on [www.bursamalaysia.com](http://www.bursamalaysia.com)

8 October 2008

## The Shape of Things to come in Malaysia

Gerald Blondel  
Head, Infrastructure Planning  
Bursa Malaysia





## Driven by Technology & Competitiveness

- Bursa Malaysia implemented DMA on the 7<sup>th</sup> of April 2008 for Derivatives Markets based on FIX 4.4
  - The DMA Gateways are shared by our licensed brokers and hosted in Bursa Malaysia data center.
  - The DMA Clients of brokers are connected directly to us.
  - The DMA Gateway has an integrated risk management module.
- Bursa Malaysia will implement DMA for Equities mid 2009
- Real-time Market Data will be available in FIX/FAST protocol mid 2009
- We are studying a co-location facility, which could be available mid 2009, giving our algo traders sub-millisecond latency to access to our trading engine



## Driven by Technology & Competitiveness

- Strong Technology partners help us compensate our late exit from the Asian Crisis.
  - NYX (NYSE Euronext) provided us with its Trading Platform and its DMA Gateway.
  - KRX provided us with its Bond Platform and will provide us with its Market Making Monitoring Tools.
  - We are hosting GL Trade Gateway in our Data Center.



## Hot Spots

- **Regulated Short Selling** (RSS) and the Permitted Short Selling (PSS) for dealers of ETFs have been introduced early 2007. **RSS phase 2** will be launched early 2009.
- **i-SBL**: We are looking to introduce a Shariah compliant alternative to the conventional SBL which uses the mechanism of selling and buying instead of borrowing and lending by Q1 2009.
- **Market Making** Framework for Derivatives and Equities Markets will be ready by Q1 2009.
- ASEAN Trading Board may become a reality. This initiative would encourage cross-trading amongst the regional exchange.
- Malaysian Securities Commission issuing more **Foreign Brokers Licenses**.
  - SC granted Nomura Group a license to establish a stock broking company in Malaysia.



## Market Performance

- Our financial system has been somewhat impacted by the current global economic crisis but our economic fundamentals have been cushioning the effect.
- The market has demonstrated its resiliency and the ability to withstand crisis in the past due to its strong underlying fundamentals, and we are confident the market will remain resilient for the next six to 12 months. However, we hope that the local political issues will be resolved soon.
- This is a period of uncertainty and investor sentiment has been sliding for the past few months but judging from the market's track record, I am optimistic that the Malaysian market will still hold its attractiveness and offer long-term gains.



## Market Performance

- However, the lackluster market has not dampened foreign investor interest significantly.
- The fact that foreign funds have not left the market signals sustained investor confidence and we still have some good stocks with strong fundamentals that are attractively priced for the informed investor.
- Foreign investor interest in the market remains at 42% as at 29 August 2008.



Thank you.

Gerald Blondel

**[Gerald\\_Blondel@BursaMalaysia.com](mailto:Gerald_Blondel@BursaMalaysia.com)**