



**PRESS RELEASE
FOR IMMEDIATE RELEASE**

Kenanga Collaborates with Yuanta Securities to Offer ETFs

Kuala Lumpur, 30 May 2018: Kenanga Investment Bank Berhad (“Kenanga Group”) recently announced a strategic collaboration, between its asset management arm, Kenanga Investors Berhad, and Taiwan-based Yuanta Securities Investment Trust Co., Ltd (“Yuanta”).

In a move to support the call to develop a more vibrant Exchange-Traded Fund (“ETF”) market that provides greater opportunities and options for investors and more inclusive participation in the Malaysian capital market by the Securities Commission Malaysia and Bursa Malaysia, this strategic collaboration is set to enable the development of ETF product by encouraging product innovation, the introduction of new types of ETFs, including futures-based and conventional commodity-based ETFs. This will provide affordable entry points for retailers in traditionally difficult-to-access investments. The collaboration is expected to see new innovative strategies including the introduction of Leveraged and Inverse ETFs in the near future.

“We are excited with this opportunity to collaborate with Taiwan’s largest securities house. Yuanta has immense retail experience and ETF expertise having launched Taiwan’s first ETF 15 years ago. Over the last decade, they have played an instrumental role in the launch of ETFs regionally, including Thailand, Korea, Hong Kong and China. We hope that this will boost the exchange of ideas and existing business interactions between the both company and also respective country stock exchange development. I am sure we will be able to create synergy and sparkle off innovative ideas. This will also see Kenanga Group dynamics at work with our asset management and equity Broking business playing a pivotal role in both products and market making abilities,” said Datuk Chay Wai Leong, Group Managing Director, Kenanga Investment Bank.

Chief Executive Officer of Bursa Malaysia Berhad, Datuk Seri Tajuddin Atan said, “There is considerable opportunity to be tapped in view of the growth in popularity for ETFs globally. Kenanga’s commitment to contribute to the success of the Malaysian ETF market is highly commendable. This strategic partnership is a constructive step towards improving the liquidity and vibrancy of the industry, and we look forward to greater innovation and expansion of the market through similar initiatives. We will continue to work closely with the industry to spur the sustained development and increase competitiveness of the Malaysian ETF market through education and implementation of relevant recommendations by the ETF Taskforce. Bursa Malaysia remains committed to provide a conducive environment and facilitate the creation of investment opportunities that are attractive and diverse to cater for the changing needs of retail and institutional investors.”

An ETF Task Force chaired by Securities Commission Malaysia and comprising Bursa Malaysia, fund managers, market makers and institutional investors was set up in 2016 and in mid-2017 recommended measures to spur sustained development and competitiveness of the Malaysian ETF market. The task force recommended measures to spur innovation and drive industry growth and key recommendations aimed at attracting greater investor participation and incentivising issuances by ETF managers in the Malaysian market. The recommendations seek to enhance the ecosystem and drive further growth of the ETF industry in Malaysia.

Among the recommendations include facilitating issuances and investments, enabling product innovation and intensifying investor engagements. To increase investor awareness and understanding of ETFs, Bursa Malaysia has intensified its nationwide roadshows and investor education programmes to attract participation, and to ensure that investors are knowledgeable and well-equipped in trading ETFs.

“Capitalising on the strong growth trend and potential of the global ETF industry, the timing of this collaboration is significant. As we work together to develop ETF offerings in Malaysia, we expect to achieve a multiplier effect whereby increased offerings will stimulate demand and ultimately an inclusive participation in the Malaysian capital market. Jointly with the regulators, Bursa Malaysia and Securities Commission, we will work to promote this new product in the marketplace,” added Mr Ismitz Matthew De Alwis, Chief Executive Officer, Kenanga Investors Berhad.

“We are privileged to be working with Kenanga Investment Bank, Malaysia’s leading independent investment bank known for their active development of innovative products and solutions in the country. We are confident that the impact of our collaboration will be one that is engaging and fruitful in pushing the envelope of innovation in the regional financial space,” said Mr Huang Gu Bin, Chairman, Yuanta Funds.

Buoyant by all this, Kenanga looks forward to exploring new ways to further develop this co-operative initiative and joining hands with Yuanta to build a strong alliance for the common good of our respective market that we operate in.

For more information on Kenanga Group, please visit www.kenanga.com.my.

###

About Kenanga Investment Bank Berhad (15678-H)

Established for more than 40 years, Kenanga is a financial group in Malaysia with extensive experience in equity broking, investment banking, listed derivatives, treasury, corporate advisory, Islamic banking, wealth management and investment management.

Today Kenanga Investment Bank Berhad is the largest independent investment bank* by equity trading volume and value, as well as is one of the top brokerage houses with the largest network of remisers in the country. Our clients also enjoy convenience through more than 30 locations throughout Malaysia.

Kenanga Investment Bank offers a wide range of products and services such as corporate and institutional coverage, corporate finance, debt capital markets, equity capital markets, corporate banking, Islamic finance, equity broking, equity derivatives and structured products, treasury as well as investment research and advisory services.

In addition, Kenanga Futures Sdn Bhd (previously known as Kenanga Deutsche Futures Sdn Bhd) was named Malaysia's "Best Trading Participant Equity & Financial Derivatives" for the past 14 consecutive years by Bursa Malaysia Derivatives Berhad and were also voted the "Emerging Market Broker of the Year 2015" by Futures & Options World (FOW), a UK based leading News and Data service for the international futures and options industry.

Our investment management subsidiary, Kenanga Investors Berhad has been recognised by the Lipper Fund Awards (Malaysia) for four consecutive years as well as the Fundsupermart.com's Recommended Unit Trusts Awards for its consistent top performing funds.

** year to date, based on Bursa Malaysia's Participating Organisations (POs) Trading Summary.*

This Press Release was issued by Kenanga Group's Marketing & Communications department. For more information, please contact:

Chuah Sze Phing
DID: +603 – 2172 2918
Email: szepingchuah@kenanga.com.my

Melisa Yim
DID: +603 – 2172 8920
Email: melisayim@kenanga.com.my