

## Investment Bank

#### **News Release**

# Maybank Investment Bank issues four new structured warrants over CPO Futures — one of the first on Bursa Malaysia

**Kuala Lumpur, 24 January 2025** — Maybank Investment Bank ("Maybank IB") has issued four new structured warrants linked to Crude Palm Oil Futures ("FCPO") traded on Bursa Malaysia Derivatives. The warrants are available to be traded from today, making Maybank IB one of the first issuers of this instrument referencing a commodity.

On 2 January 2024, Bursa Malaysia had officially classified commodity futures contracts as 'securities' through Chapter 5 of the Main Market Listing Requirements. This allows futures contracts for commodities such as CPO, crude oil and gold to be the underlying asset for warrants.

Michael Oh-Lau, Chief Executive Officer, Maybank Investment Bank Berhad, said, "We are excited to be among the first issuers of structured warrants over FCPO, which marks a significant development in the Malaysian capital market. The introduction of commodity futures structured warrants provides diversification and choice for investors; allowing them to broaden their exposure beyond the traditional equity space.

"We would like to thank Bursa Malaysia for the close collaboration during the review of the structured warrants framework that enabled this positive development. As a leading broker and one of the top issuers of structured warrants, Maybank Investment Bank is committed to continue enhancing dynamism and investor participation in the capital market together with stakeholders," he added.

With the availability of FCPO structured warrants, investors can now have exposure to CPO price movements via a local share trading account. Structured warrants are a leveraged financial instrument with no margin call, therefore capping losses at the initial capital.

To further support investors, the Maybank IB warrants website has a Live Matrix tool that can be used to gauge indicative bid/ask prices of the warrants at different price levels of the referenced FCPO contract. Live Matrix provides transparency and helps in risk management for entry and exit points.

FCPO on Bursa Malaysia Derivatives is denominated in Ringgit and has served as a global price benchmark for the crude palm oil market since October 1980. Over the past four decades, FCPO has been actively utilised by participants in the edible oils and fats industry for risk management, as well as by fund managers and financial institutions to navigate market price fluctuations.

Monthly trading volume on Bursa Malaysia Derivatives hit an all-time high of 2.34 million contracts in October 2024, which is 10% higher than the previous record of 2.13 million contracts in March 2020. This notable increase was fueled by FCPO monthly trading volume of 2.03 million contracts, surpassing its previous record of 1.71 million contracts in June 2021.



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For more information, visit warrants.maybank2u.com.my

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### **About Maybank Investment Bank Berhad**

Maybank Investment Bank Berhad is part of the Maybank Investment Banking Group, the investment banking arm of Maybank. As Malaysia's leading investment bank, Maybank Investment Bank has been supporting clients for over 50 years through our twin pillars of Investment Management and Investment Banking & Advisory. Our suite of financial solutions includes debt advisory and arrangement via bonds/sukuk, project financing, leveraged financing and loan syndication, corporate finance, equity capital markets, merger and acquisition advisory, sector advisory, equity derivatives, retail and institutional securities broking and research.

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