

PARTICIPATING ORGANISATIONS' CIRCULAR

Date : 23 March 2020

No : R/R 5 of 2020

TEMPORARY SUSPENSION OF:

- (1) INTRADAY SHORT SELLING¹;
- (2) REGULATED SHORT SELLING²; AND
- (3) SHORT SALE OF DAY TRADING³ ELIGIBLE SECURITIES
(COLLECTIVELY REFERRED TO AS "SHORT SELLING FRAMEWORKS")

1.0 TEMPORARY SUSPENSION OF THE SHORT SELLING FRAMEWORKS

- 1.1 Bursa Malaysia Securities Berhad ("**the Exchange**") has been monitoring the developments affecting the securities market closely and noted the concerns raised by investors and market participants in relation to the current market volatility within a challenging and uncertain environment.
- 1.2 Hence, as part of the market management measures to manage risks and excessive volatility in the marketplace, the Exchange is temporarily suspending short selling under the Short Selling Frameworks for the duration specified in paragraph 2.1 pursuant to Rule 2.01(2)(r) of the Rules of Bursa Malaysia Securities Bhd ("**BMS Rules**").
- 1.3 In this connection, the Exchange directs that all short selling pursuant to the following BMS Rules and directives are temporarily suspended for the duration specified in paragraph 2.1:
 - (a) Parts C and D of Chapter 8 of the BMS Rules;
 - (b) Directives on the Use of Day Trading Activities Account No. 7.05(1)-001;
 - (c) Directives on Regulated Short Selling No. 8-002;
 - (d) Directive on Intraday Short Selling No. 8-003;
 - (e) Directives on Regulated Short Selling–Approved Securities No. 8.22(5)-001; and
 - (f) Directive on the List of Approved Securities vide Participating Organisations ("PO") Circular No. R/R 6 of 2019.

2.0 EFFECTIVE DATE

- 2.1 The suspension of short selling under the Short Selling Frameworks as stated in paragraph 1.2 above will be effective from 24 March 2020 ("**Effective Date**") until 30 April 2020.

¹ Pursuant to Rule 1.01 of the BMS Rules, "**Intraday Short Selling**" means the short selling of Approved Securities carried out in accordance with Part D of Chapter 8.

² Pursuant to Rule 1.01 of the BMS Rules, "**Regulated Short Selling**" means the short selling of Approved Securities carried out in accordance with Part C of Chapter 8, and "**Regulated Short Sale**" means the sale relating to the same.

³ Pursuant to Rule 1.01 of the BMS Rules, "**Day Trading**" means the taking of proprietary positions by the Participating Organisations on an intraday buy and sell and vice versa, and for the avoidance of doubt excludes Direct Business transactions.

3.0 PREVIOUS DIRECTIVE SUPERSEDED

3.1 The directive in the PO Circular No. R/R 4 of 2020 is superseded by the directive referred to in paragraph 1.2 above with effect from the Effective Date.

4.0 CONTACT PERSON

4.1 In the event of any queries in relation to the above matter, kindly contact the Exchange as follows:

Name	Contact
Market Operations (Trading related matters)	smo@bursamalaysia.com 03-2034 7777
Securities Market	pmd@bursamalaysia.com
Participants Supervision (Compliance)	isd2@bursamalaysia.com
Regulatory Policy & Advisory (Rules and Directives)	rpa@bursamalaysia.com

This Circular is available at:

https://www.bursamalaysia.com/regulation/securities/rules_of_bursa_malaysia_securities

Regulation