



## WHAT ARE THE ROLES OF BURSA MALAYSIA DERIVATIVES BERHAD, BURSA MALAYSIA DERIVATIVES CLEARING BERHAD & TRADING PARTICIPANTS?



### BURSA MALAYSIA DERIVATIVES BERHAD (BMD)

- To operate a futures and options exchange under the supervision of Securities Commission and governed by Capital Market and Services Act 2007. It falls under the jurisdiction of the Ministry of Finance of Malaysia.
- To facilitate liquidity and standardization of derivatives contracts.
- To allow transparency in trading activities by disseminating pricing information namely price, bids, and offers to all market participant.

### BURSA MALAYSIA DERIVATIVES CLEARING BERHAD (BMDC)

- Provides, operates, and maintains a clearing house for the futures and options exchange.
- Act as the middleman to provide security and efficiency that is integral for financial market stability.
- To mitigate default risk by imposing margin requirement.

### BMD & BMDC



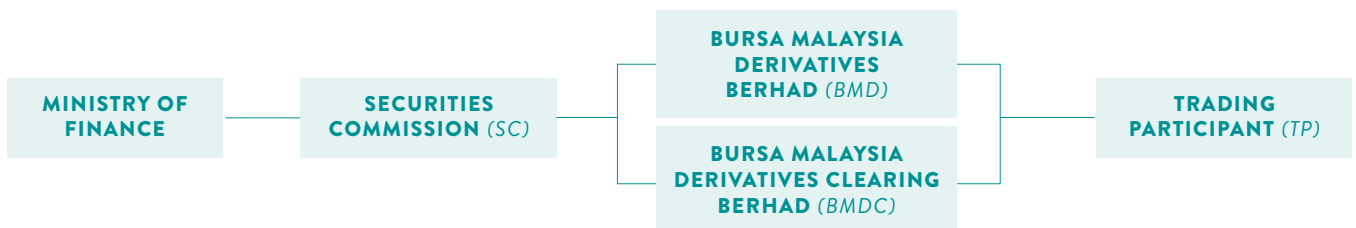
### TRADING PARTICIPANT (TP) / FUTURES BROKER

TP is also known as futures broker, which is a firm that executes orders to buy or sell derivatives contracts on behalf of the clients and charges them a commission.

- Execute trading request for their clients and gain commission from each of the trading transacted.
- Act as intermediary between Bursa Malaysia Derivatives and market participants to facilitate trading activities.
- Provide trading platform for clients to trade on their own.



### REGULATORY STRUCTURE



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