

Malaysia bond pricing agency launches index series

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BOND Pricing Agency Malaysia has launched the BPAM Bond Index Series, or FiiX, which allows investors to track the performance of their bond portfolio.

For a start, the index comprises 694 bonds with a market capitalisation of RM400.5 billion.

More than three-quarters of the market capitalisation consists of Malaysian Government Securities (51.17 per cent), "AAA" bonds (9.36 per cent), "AA" bonds (16.68 per cent) and Cagamas bonds (3.42 per cent). Only 0.02 per cent comprises "BBB" bonds.

"With the index series, investors can value their portfolio every day as it generates the price of the bond at the end of the day," chief operating officer Meor Amri Meor Ayob said in Kuala Lumpur yesterday.

The main index, updated daily, is available on its website for free.

Investors - mainly bondholders, asset managers, investment bankers, fund managers - can also subscribe to customise the sub-indices for a fee.

The series contains a number of indices and allows its users to choose any index, based on the principle (all, conventional or Islamic); index type (all, government, quasi-government, Bank Negara Malaysia, financial, corporate guarantee, corporate or asset-backed securities); and tenure (all, three months to one year, one to three years, three to seven years, or more than seven years).

To date, there are 2,751 active bonds with a value of RM583.305 billion.



MEOR AMRI:
Bond portfolio
can be valued
every day