

PARTICIPATING ORGANISATIONS' CIRCULAR

Date: 29 July 2022

No: R/R 3 of 2022

AMENDMENTS IN RELATION TO THE TOTAL NET SHORT POSITION THRESHOLD FOR PERMITTED SHORT SELLING¹ ("PSS") BY THE MARKET MAKERS FOR EXCHANGE TRADED FUND ("ETF") UNITS**1. AMENDMENTS TO DIRECTIVE**

- 1.1 Bursa Malaysia Securities Berhad ("**the Exchange**") has amended Directive 8-002 to increase the total net short position threshold for PSS by the market makers for ETFs ("**PSS threshold for ETF market makers**").
- 1.2 The PSS threshold for ETF market makers has been increased from 10% to 100% of the quantity of the outstanding units of the ETF units.
- 1.3 The new threshold would provide greater flexibility to the ETF market makers in conducting their market making, while at the same time mitigating any potential settlement failure by ETF market makers.
- 1.4 The amended Directive No. 8-002 is set out in **Annexure 1**.

2.0 EFFECTIVE DATE

- 2.1 The amendments to Directive No. 8-002 will take effect on **29 August 2022**.

3. CONTACT PERSONS

- 3.1 In the event of any queries in relation to the above matter, kindly contact us at the following:

	Contact Details
Origination and Listing	pmd@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**

¹ Pursuant to Rule 1.01 of the Rules of Bursa Malaysia Securities Bhd, "Permitted Short Selling" means the short selling of PSS Securities carried out in accordance with Part E of Chapter 4.