

Malaysia : Wealth Management Opportunities

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Global Private Wealth Landscape

- 47% of private bankers are recommending their clients overweight cash
- 26% of HNWIs allocating capital to ethical or sharia-compliant investment classes
- 31% of private bankers expect a double-digit annual percentage increase in ethical investments over the next five years
- Emerging markets' share of global GDP has risen from 28% in 2000 to 45% today.
- By 2015, half of the world's GDP will come from the emerging markets.

Asia-Pacific Private Wealth Landscape

- Emerging markets private wealth at US\$55 trillion as of 2011, or 36% of the global total
- Emerging markets have 4.5 million millionaires, or 40.5% of the global total
- Over 60% of private bankers have good understanding on Islamic investment products but only half actually recommend to their clients
- Limited investable shariah-compliant securities/funds (instruments)
- Asia-Pacific is home to many of the world's fastest-growing HNWI populations. In 2010, eight of the 20 fastest-growing HNWI populations were in Asia-Pacific markets, including Hong Kong, Vietnam, Sri Lanka, Indonesia, Singapore, and India

Asia-Pacific Private Wealth Landscape

- Japan remains the single largest HNWIs segment in Asia-Pacific, accounting for 52.5% of the region's HNWIs, followed by China (16.1%), and Australia (5.8%).
- Investment preferences of the world's wealthy in Asia (ex-Japan)
 - International bond issuance in US dollars, Euros and Yen in the first nine months of 2012 exceeded US\$106 billion
 - RMB 1 billion sukuk issuance by a Malaysia's telecommunications company, attracted about 50% subscription from the private wealth segment

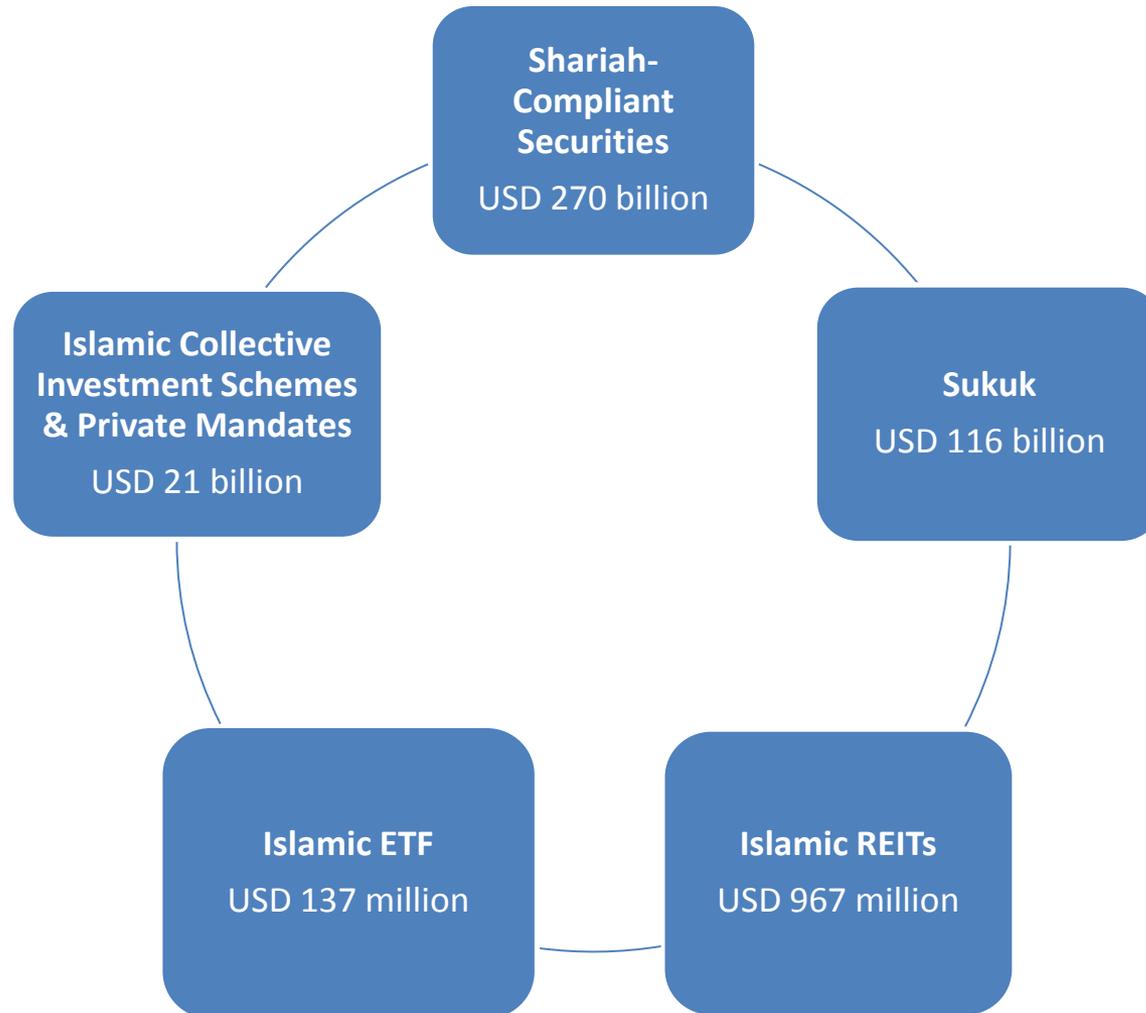
Asia-Pacific Private Wealth Landscape

- Heavily invested in real estate and equities
- 27% was in real estate, 26% was in equities, 22% in fixed income , allocations to cash/deposits are at 22%.
- The majority of Asia-Pacific HNWIs' holdings remained in their home region: 25% was in North America
- In Malaysia, China, and India, the allocations to home-region investments remained high at around 85%
- Asia-Pacific HNWIs are expected to be more heavily invested in equities and fixed income instruments , allocations expected to increase to 31% and 26% respectively.
- The allocations to real estate and cash/deposits are expected to decline further, as HNWIs broaden their risk appetite

Malaysia : Islamic Wealth Management

- BNP Paribas-International Centre For Education In Islamic Finance (INCEIF) Islamic Wealth Management Centre
 - undertaking applied research in specialised Islamic wealth management areas
 - conducting workshops, conferences, roundtable discussions and vocational training
 - aims to be a catalyst of innovation in the area of Islamic wealth management
- Demand for products and support services
 - private banking and family offices
 - asset and fund managers
 - legal advisors
 - tax specialists
 - Islamic scholars
 - research
 - risk management
 - compliance
 - settlement
 - custodian
 - trustee

Malaysia : Islamic Wealth Management



Malaysia : Islamic Wealth Management

- Starting International Islamic wealth management business, the infrastructure available includes:
 - 100% foreign ownership
 - Tax exemption on stamp duty
 - Income tax break
 - No restrictions on employment of expatriates
 - Immigration green lane for expatriates and immediate family members
 - No restriction on income repatriation
 - Zero withholding tax
- Incorporate Islamic business with minimum paid up capital of USD3.17 million covering commercial banking, investment banking and other banking business that includes private banking business
- Alternatively, acquire up to 70% equity in Investment Bank and in domestic Islamic Bank

Malaysia invites you to an environment
of innovation and thought leadership
in Islamic finance.

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