CHAPTER 3: WHAT IS A STOCK

WHAT IS A STOCK?

www.BursaMalaysia.com

Known as Kuala Lumpur Stock Exchange (KLSE) under Securities Commission Malaysia (SC)

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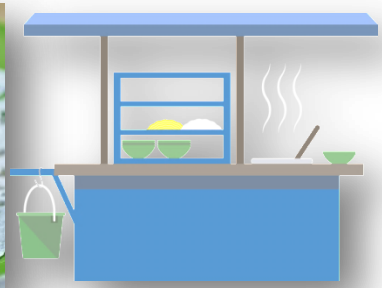
Equity= Share
***known as securities**

Plain and simple, stock is a share in the ownership of a company. Stock represents a claim on the company's assets and earnings. As you acquire more stock, your ownership stake in the company becomes greater. Whether you say shares, equity, or stock, it all means the same thing.

Business performance can be measured
1. Total increase in unit price
2. Dividends received
3. Bonus Issue (Unit Split)

For Illustration purposes only:
This is PAK AMAN



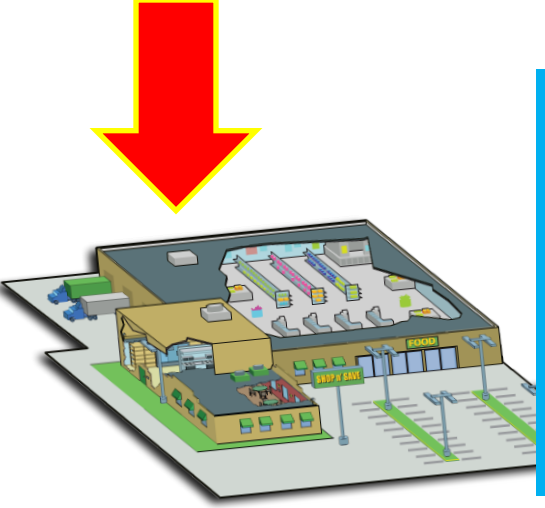
Pak Aman –street vendor
Aman Food Enterprise

HIGHER DEMAND GOOD QUALITY PRODUCT

Pak Aman have ANGEL INVESTOR and ready to Scale up and open few branches. Company changes from Enterprise to **Aman Food Sdn Bhd**

EVEN HIGHER DEMAND
-OVERSEAS
-EXPORT

NEED BIGGER CAPITAL
-Food Processing Factory
-Man powers/ Workers
-Better infrastructure
-Business Plan / Great Model



AMAN FOOD BERHAD

Public Company shall report quarterly and yearly profit to the public

***Quarterly**
***Yearly**

Initial Capital via Initial Public Offering (IPO)
-Financial Institution
-Public

Via Bursa Malaysia and Securities Commission(SC)

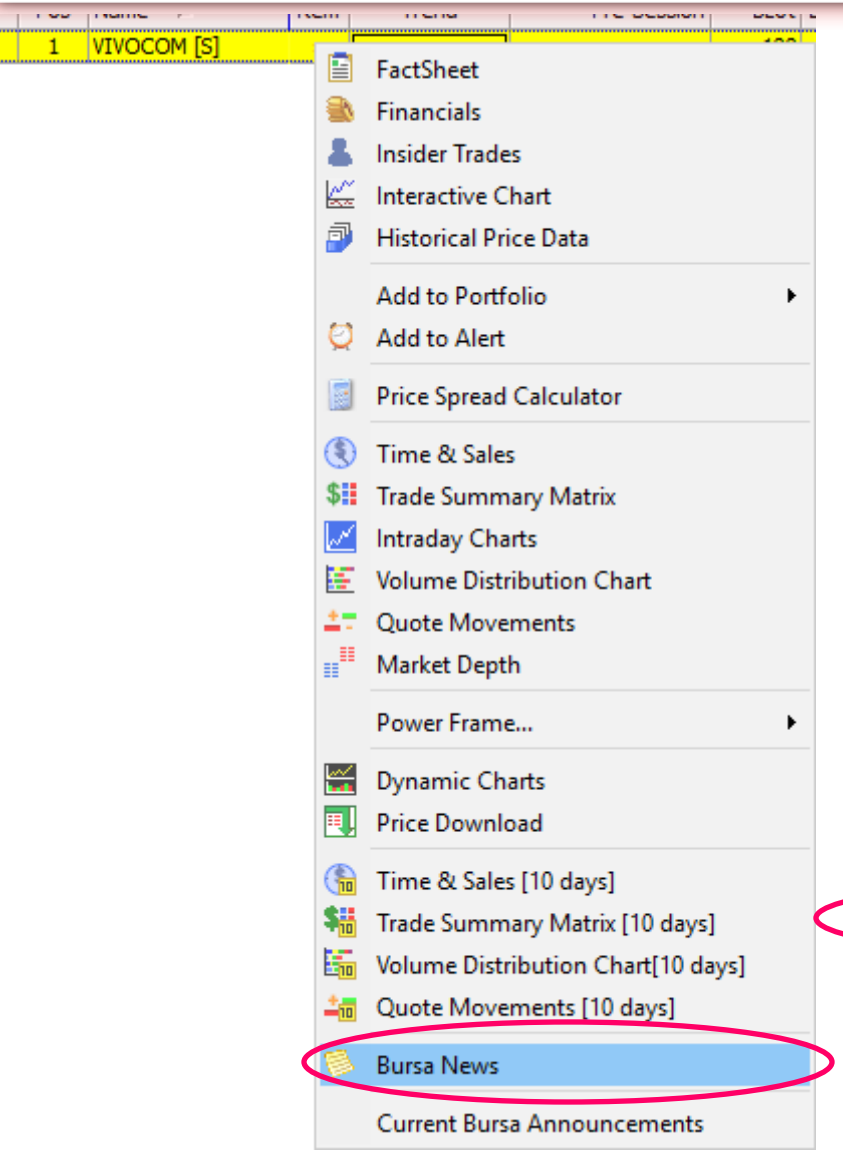
Initial Public Offering (IPO) Floated shares and investors can profit in three way
1.The increase in stock price per unit
2.dividend
3.Split Unit (Unit Supplement) (Bonus Issues)

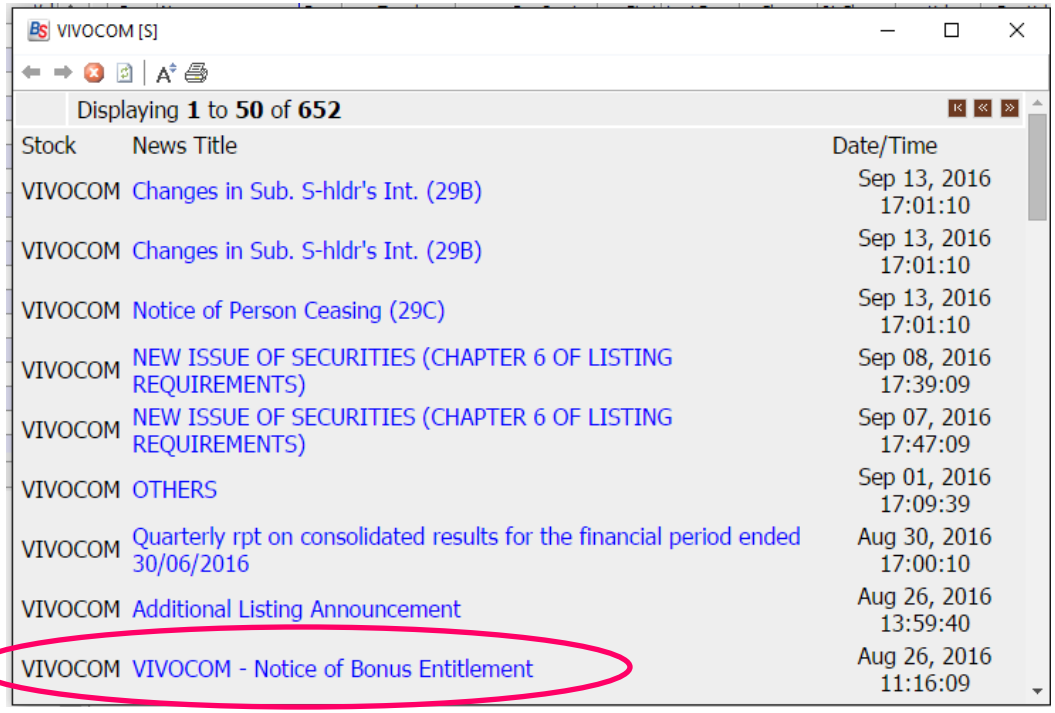
Q1= JAN-MAC	**Q3=JULY-SEP**
Q2= APR-JUN	Q4=OCT-DEC

Latest Financial Report
www.MalaysiaStock.biz

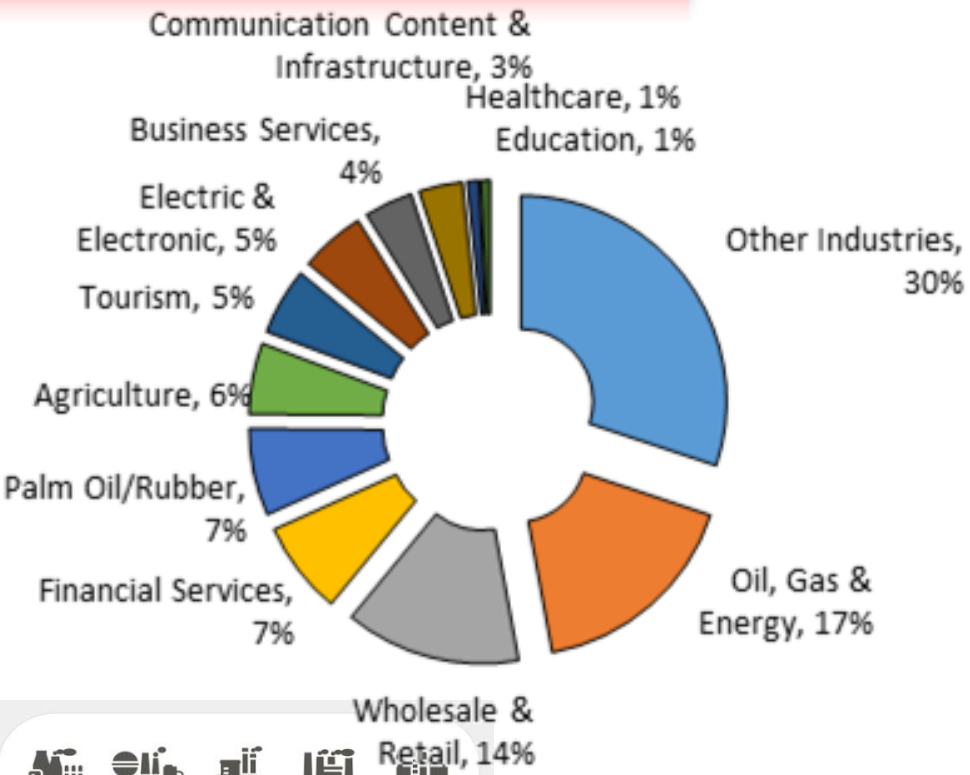
Latest Financial Report
http://klse.i3investor.com/index.jsp

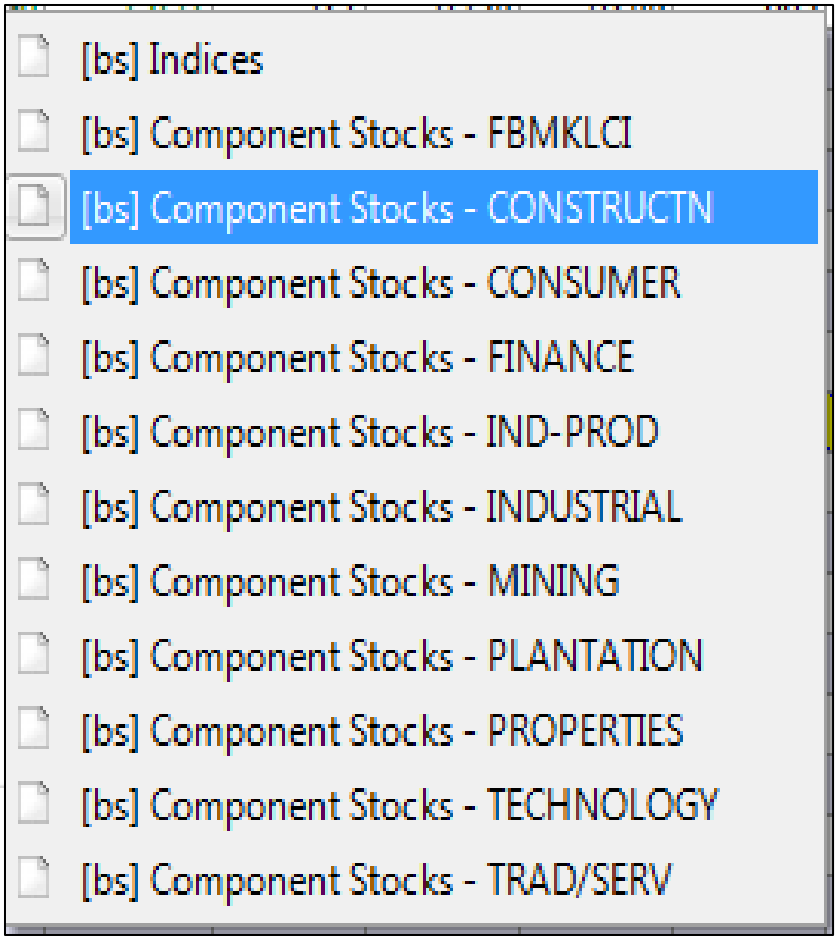
SOFTWARE SHARE INVESTOR STATION





JENIS-JENIS SEKTOR





STOCK CATEGORIES

BLUE CHIP
30
COMPANIES
"INDEX
STOCK"
MAIN LINER

GREEN CHIP
Above
RM5.00/ unit
2nd LINER

CHOCOLATE
CHIP
Above
RM 0.70
2nd Liner

PENNY
STOCKS
Below
RM 0.40.
LOWER LINER

30 COMPANIES BLUE CHIP- INDEX LINK STOCKS

1. AMMB (1015) – AMMB Holdings Berhad
2. AXIATA (6888) – Axiata Group Berhad
3. ASTRO (6399)- ASTRO Holdings Berhad
4. BAT (4162) – British American Tobacco (Malaysia) Berhad
5. CIMB (1023) – CIMB Group Holdings Berhad
6. DIGI (6947) – DiGi.Com Berhad
7. GENM (4715) – Genting Malaysia Berhad
8. GENTING (3182) – Genting Berhad
9. HLBANK (5819) – Hong Leong Bank Berhad
10. HLFG (1082) – Hong Leong Financial Group Berhad
11. IOICORP (1961) – IOI Corporation Berhad
12. KLK (2445) – Kuala Lumpur Kepong Berhad
13. KLCC (5235SS)- KLCC Prop & Reits Stapled
14. IHH (5225) – IHH Health Care Berhad
15. MAXIS (6012) – Maxis Berhad
16. MAYBANK (1155) – Malayan Banking Berhad
17. MISC (3816) – MISC Berhad
18. PBBANK (1295) – Public Bank Berhad
19. PCHEM (5183) – Petronas Chemicals Group Berhad
20. PETDAG (5681) – Petronas Dagangan Berhad
21. PETGAS (6033) – Petronas Gas Berhad
22. PLUS (5052) – PLUS Expressways Berhad
23. PPB (4065) – PPB Group Berhad
24. RHBCAP (1066) – RHB Capital Berhad
25. SIME (4197) – Sime Darby Berhad
26. TENAGA (5347) – Tenaga Nasional Berhad
27. TM (4863) – Telekom Malaysia Berhad
28. UMW (4588) – UMW Holdings Berhad
29. WPRTS (5246)- WESTPORT Holdings Berhad
30. YTL (4677) – YTL Corporation Berhad

SYARIAH & NON SYARIAH STOCKS

Sekuriti patuh Syariah di Bursa Malaysia

Pasaran Utama/ Pasaran ACE	Sekuriti patuh Syariah	Jumlah sekuriti[4]	Peratus sekuriti patuh Syariah (%)
Barangan Pengguna	122	132	92
Barangan Industri	253	263	96
Perlombongan	1	1	100
Pembinaan	41	44	93
Dagangan/Perkhidmatan	174	202	86
Hartanah	71	84	85
Perladangan	37	40	93
Teknologi	93	95	98
Infrastruktur	6	6	100
Kewangan	2	37	5
SPAC	1	1	100
Hotel	Tiada	4	Tiada
Dana Tertutup	Tiada	1	Tiada
Jumlah	**801**	**910**	**88**

HOW DOYOU KNOW THE STOCKS IS SHARIAH COMPLIANT?

Almost 88% of the listed company's core business is sharia compliance. Stock investment is legitimate as long as the stock you bought the core business ARE HALAL

In Share Investor Software, shariah stock usually ends with [S],
For example, **PENTA [S], EVERGRN [S], SKPRES [S], HOMERIZ [S],** etc.

Menwhile to the "Non-Muslim", you have the advantages to choose either all shares regardles Non-Islamic Shariah or Shariah

TYPES OF STOCKS FOR ILLUSTRATION PURPOSES ONLY

MOTHER SHARE — AMANFOOD [S] — x 1

COMPANY WARRANT — AMANFOOD-WA [S] — x 2

Structured Warrant
CALL WARRANT (3RD PARTY)
(NON SYARIAH) — AMANFOOD-C1 — x 5

Structured Warrant
PUT WARRANT (3RD PARTY)
(NON SYARIAH) — AMANFOOD-H1 — x 5

*Warrant have maturity date. Refer at www.BursaMalaysia.com or KLSE Screener to view Maturity date. You also can refer using Share Investor Station

KLSE SCREENER

KLSE SCREENER

AIRASIAC46 (509946)

0.2

+0.030 (+17.65%)

High	0.200		
Low	0.170	Vol	9,845,400
Bid/Ask	0.195/0.200	B/S	5,000 / 5,165

HISTORICAL CHART

Type	CALL
Exercise Value	2.5
Exercise Ratio	3 : 1
Premium	0.35
Premium %	12.73
Gearing	4.58
Maturity	31 May, 2017
52w	0.110 - 0.245
Issuer	MACQUARIE CAPITAL SECURITIES (

Pos	Name	Volume	Pre-Session	Last Done	% Cha...	Re
1	TEKSENG-WA [S]	14,715		0.585	3.31	

FactSheet
Interactive C
Historical Price
Add to Portfolio
Add to alert
Price Spread Calculator Ctrl+Shift+P
Time & Sales F5

TEKSENG-WA [S]

Price:0.585 -0.020 Vol:14,715 Buy:0.580 (837) Sell:0.585 (245) PE:0.000 Price/NAV:0.000

Key Statistics

Exercise Price (MYR)	0.2500	Implied Gearing [a]	1.188	Conversion Ratio	1 Share : 1 Warrant(s)
Premium (%)	9.150	Simple Gearing	1.308	Expiry Date [b] (Countdown)	29 Jan 2020 (1,071 days)
Outstanding Warrants [c]	42,798,638	Underlyings (Price)	TEKSENG (0.585)		
Listing Date	-				
Exchange Code	7200WA.MY	ISIN Code	MYL7200WAU14		

Notes:

a. Implied Gearing refers to gearing or volatility which is calculated using ShareInvestor's own internal algorithm.

Google Search

**Generally, do not trade warrant if near to maturity date- at least 30 days before maturity*

Basic Idea About **Structured Warrant**

NOT FOR NEWBIE

Call/Put warrants are being traded due to their leveraging concept in nature. Leveraging means they share exactly the same risk with derivatives. FYI, call/put warrants are created by Structured and Derivatives Department. Leveraging means you trade using a fraction of the mother price to control exactly the same market value.

Leveraging concept in a nutshell means it MAGNIFIES YOUR WINNINGS AND LOSSES AT THE SAME TIME

Delta Value:

Delta = Change in warrant price / Change in underlying share price. Meaning how many % the warrant price change vs the changes of the mother price. You need a higher delta so that when the mother price moves, the warrants will moves in a higher %

Effective Gearing (Very important) = Gearing X Delta Value

% change of price of warrant vs the change of 1% in the mother price. You need a higher EG to have a meaningful fluctuations of warrant price.

Implied Volatility

It is a probability/estimation of future prices, rather. The higher IV, the probability of warrants futures price moves in tandem with mother price will be correlated. Higher IV, the better.

BURSA MALAYSIA

Morning Session

Pre –Opening	: 8.30am-8.59am
TRADING SESSION	: 9:00am-12:30pm

Afternoon Session

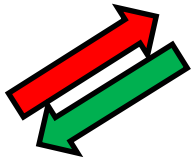
Pre-Opening	: 2.00pm-2.29pm
TRADING SESSION	: 2:30pm-4:45pm
Pre-Closing	: 4.45pm-4.50pm
Final Trading	: 4.50pm-5.00pm

MARKET OPEN :MONDAY -FRIDAY

DEALEAR/ REMISER

CDS PROVIDER

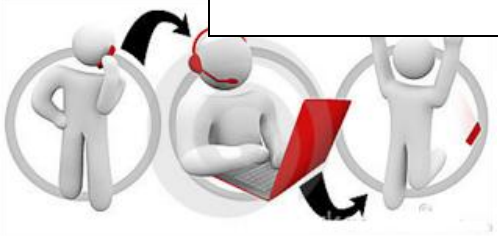
FUND MANAGER



INSTITUTIONAL INVESTOR
(Big Sharks)

1.EPF
2.KWAP
3.LTAT
4. TH
5. KHAZANAH
6. Asset MANAGEMENT COMPANY
And etc

YOU RETAIL INVESTOR OR TRADER



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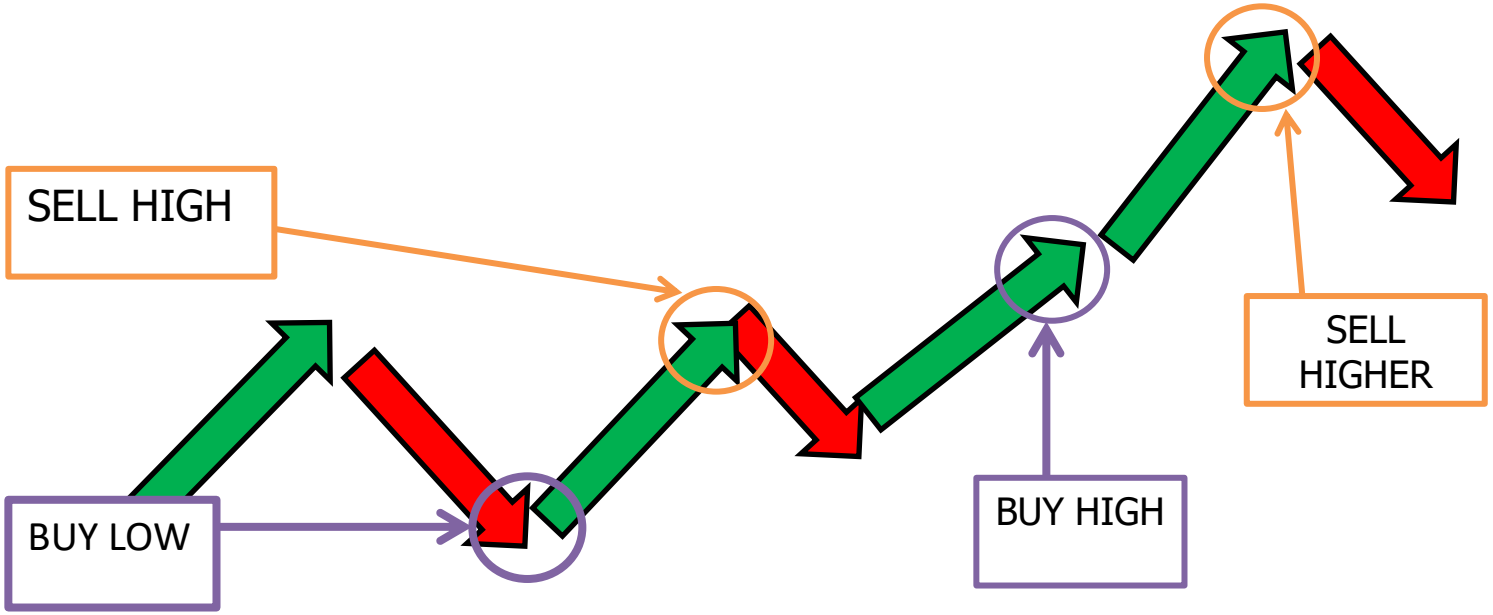
HOW TO MAKE MONEY IN BURSA MALAYSIA

TAD SYSTEM
The Ultimate Trading Template



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All market participants in Bursa Malaysia are traders...

INTRADAY TRADERS
buy and sell within the same day

CONTRA TRADERS
buy and sell within the contra period of 3 days

SHORT TERM TRADERS
buy and sell within weeks

SWING TRADER

MEDIUM TERM TRADERS
buy and sell within months

LONG TERM TRADERS
buy and sell within years

INVESTOR PELABUR

LOST TRADERS
Bought and never sold in their lifetime

SYNDICATES ??