

**IOMA/IOCA ANNUAL CONFERENCE AT THE ANDAMAN, LANGKAWI
MONDAY, 12 MAY 2008, 9:30AM**

**WELCOME ADDRESS BY
TUN MOHAMED DZAIDDIN HAJI ABDULLAH,
CHAIRMAN, BURSA MALAYSIA BERHAD**

A very good morning

Mr William J. Brodsky, Chairman and Chief Executive Officer of the Chicago Board Options Exchange and IOMA Chairman,

Mr Thomas Krantz, WFE Secretary General,

WFE IOMA/IOCA Members, WFE Affiliates and Invited Speakers and Guests,

Ladies and gentlemen,

On behalf of Bursa Malaysia, I am pleased to welcome all delegates to the International Options Market Association and International Options Clearing House Association (IOMA/IOCA) Annual Conference 2008. *Selamat Datang* to Malaysia. Bursa Malaysia is honoured to host this gathering. I appreciate your presence here as your interest and ongoing commitment is fundamental to the growth and success of the derivatives and options market internationally.

The IOMA/IOCA conference has established itself as a key event in which influential players in the derivatives and options industry, from developed and emerging markets, come together to share insights and influence each other's agendas. The derivatives sector is a fast growing segment which is crucial to the growth of a country's economy. Recent global uncertainties have had an effect on the derivatives sector and impact has been felt in most markets. This has caused concerns on issues one of which is the increasing commodity prices - one of the major issues, here, today, that we need to address. We also need to ask ourselves

- How has the volatile physical commodities market impacted the exchanges?
- Does the volatility and surging prices enable the respective markets to expand, grow and facilitate more hedging opportunities?

As exchanges, we need to keep abreast with changes and challenges and equip ourselves with new solutions in order to ensure sustainable competitiveness.

Allow me to take this opportunity to congratulate the Committee under William J. Brodsky's chairmanship on the progress it has made in steering the development agenda for all exchanges. The range of issues in which IOMA/IOCA associates itself to, is really wide in scope. Despite this, the Committee has been successfully addressing issues of common concern and interests over these years. I believe that the value of this annual conference lies in the opportunity it provides for in-depth dialogues between fellow exchanges and industry players. The presentations and discussions that will take place throughout this 2½ days will give a wider perspective and greater knowledge of opportunities and risks ahead, in the derivatives and clearing industry.

Ladies and gentlemen,

I believe we aspire to move to markets with broader reach, through globally accepted products, technology platforms models, enhanced clearing systems and other mechanisms. Therefore, we recognise the need to be competitive, how this will affect the role of exchanges, and contribute towards the development of a broader marketplace. As our products cross international borders, we will coordinate our efforts to ensure that the markets remain open and accessible.

I note with interest, the contemporary topics for discussion throughout this conference. Issues of risk management, technology trends to new products are important issues. On Bursa Malaysia's part, we are committed towards spurring the interest of local and foreign investors in our derivatives market. To achieve this, we are implementing several new and improved initiatives. Amongst them is our Direct Market Access (DMA) platform, which was recently introduced. DMA demonstrates Bursa Malaysia's ongoing effort to achieve greater efficiency and access in the marketplace.

Product-wise, our crude palm oil futures contract (FCPO) has become the preferred benchmark for the pricing of palm oil products globally, signalling the increased international appeal of this contract. In fact, FCPO has proven itself to be a viable instrument for investors and traders to hedge their price exposure or as a trading tool. We are leveraging on the highly popular FCPO contract and expanding our derivative product range with the imminent introduction of an USD denominated Crude Palm Oil Futures (FUPO) contract, hopefully within the next few months. We are also exploring

the development of Islamic derivative products for Bursa Malaysia, and I believe we will be discussing this niche derivative product in one of the conference panel sessions.

It is with pride that I inform you of the award Bursa Malaysia has just won – “Exchange of the Year (Asia Pacific) 2008” award given by the Futures & Options World (FOW).

Ladies and Gentlemen,

I am confident that this annual conference will enhance further the co-operation between our exchanges. In conclusion, I hope that the exchanging of ideas at this platform, will enable us to support each other towards continued success in the international marketplace. On this note, I take the opportunity to thank all fellow exchanges and guest speakers for sharing your valuable perspectives. To all delegates, I wish you all a productive and fruitful conference.

Thank you.