# CLOSED STACKS

## A STRATEGIC - STRUCTURAL ANALYSIS OF THE MALAYSIAN MERCHANT BANKING INDUSTRY

 $\mathbf{B}\mathbf{y}$ 

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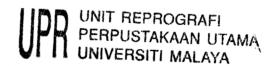
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#### EB699 RESEARCH PAPER

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#### **ABSTRACT**

This research aims to analyse the structure of the Malaysian merchant banking industry utilising the 'Five Forces Industry Analysis' invented by Michael Porter and attempts to explore the competitive forces at work and in particular that influences X Merchant Bank Berhad. It further soughts to propose recommendations and suggestions for future strategic maneuvers for X Merchant Bank Berhad.

The study found that the merchant banking industry is oligopolistic in nature. It is noted that three large merchant banks led the industry while the rest compete for remaining market share in most areas of business activity. The author then proceeded to examine X Merchant Bank Berhad using strategic analysis tools. As a final part of the report, corporate and firm/micro level strategies were recommended to X Merchant Bank Berhad.

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#### **GLOSSARY**

AMANAH

Amanah Merchant Bank Berhad

**AMDB** 

Arab-Malaysian Merchant Bank Berhad

**ASEAM** 

Aseambankers Merchant Bank Berhad

**AIMB** 

Asian International Merchant Bank Berhad

Bhd.

Berhad

**BMBB** 

Bumiputra Merchant Bankers Berhad

**BNM** 

Bank Negara Malaysia

**BAFIA** 

Banking and Financial Institutions Act

CIMB

Commerce International Merchant Bankers Berhad

DCB

DCB Sakura Merchant Bankers Berhad

e.g.

exampli Gratia, meaning for example

etc.

et cetera, meaning so on and the others

Forex

Foreign Exchange

**GDP** 

Gross Domestic Product

**GNP** 

i.e.

**Gross National Product** 

Abbreviation id est, meaning that is

INTERNET

International Network of Computers

Ltd.

Limited

**PDS** 

Private Debt Securities

**PERDANA** 

Perdana Merchant Bankers Berhad

**MIMB** 

Malaysia International Merchant Bankers Berhad

PERMATA

Permata Merchant Bank Berhad

BSN

BSN Merchant Bank Berhad

RAKYAT

Rakyat Merchant Bankers Berhad

RAM

Rating Agency (M) Berhad

RM

Ringgit Malaysia

ROA

Return On Assets

**UMBC** 

United Malayan Banking Corporation Berhad

UTAMA

Utama Wardley Berhad

US / USA

United States of America