CLOSED STACKS

A STRATEGIC - STRUCTURAL ANALYSIS OF THE MALAYSIAN MERCHANT BANKING INDUSTRY

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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.
ACKNOWLEDGMENTS

First and foremost, my sincere thanks and appreciation to Dr. Mohd. Nazari bin Ismail, Ph.D, for his guidance and valuable advice in the development and timely completion of this report. His generous grant of time albeit additional paternal commitments is very much appreciated.

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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.
exempli Gratia, meaning for example

etc.
et cetera, meaning so on and the others

Forex
Foreign Exchange

GDP
Gross Domestic Product

GNP
Gross National Product

i.e.
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