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EB699 RESEARCH PAPER

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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 sought 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	Ascambankers 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