C&M industry represents 7.6% of Bursa Malaysia market capitalisation
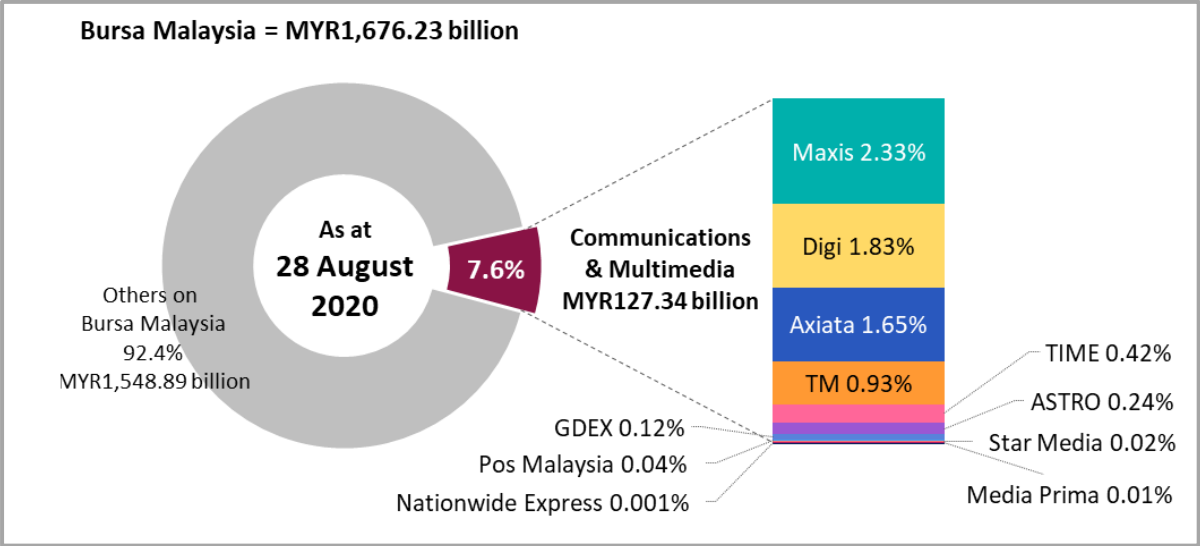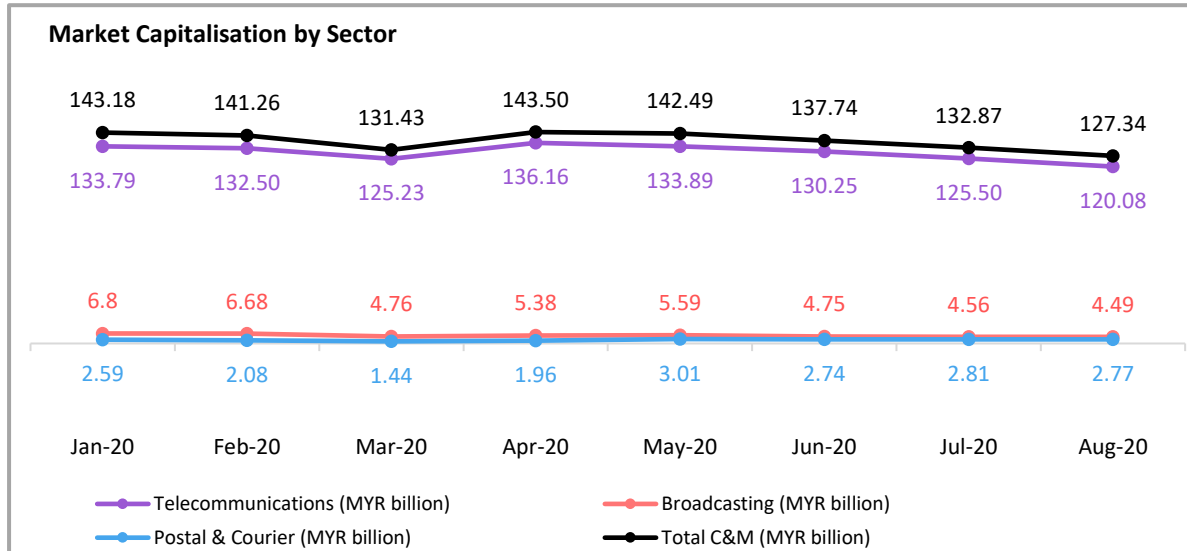

Source: Bursa Malaysia (data extracted as at 28 August 2020), Bloomberg, MCMC

- The Communications and Multimedia (C&M) industry market capitalisation declined 4.2% to MYR127.34 billion as at end of August 2020 compared with July 2020 (MYR132.87 billion), as investors concern over companies' earnings outlook and dividend commitments.

- As at end August 2020, the C&M industry represents 7.6% of total Bursa Malaysia's market capitalisation of MYR1,676.23 billion. Maxis and Digi captured the largest share of market capitalisation for telecommunications sector at 2.33% and 1.83% respectively.

Resilient economic position for Malaysia C&M Industry

Market Capitalisation by Sector

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
Total C&M	143.18	141.26	131.43	143.50	142.49	137.74	132.87	127.34
Telecommunications	133.79	132.50	125.23	136.16	133.89	130.25	125.50	120.08
Broadcasting	6.8	6.68	4.76	5.38	5.59	4.75	4.56	4.49
Postal & Courier	2.59	2.08	1.44	1.96	3.01	2.74	2.81	2.77

Legend:
Telecommunications (MYR billion) Broadcasting (MYR billion) Postal & Courier (MYR billion) Total C&M (MYR billion)
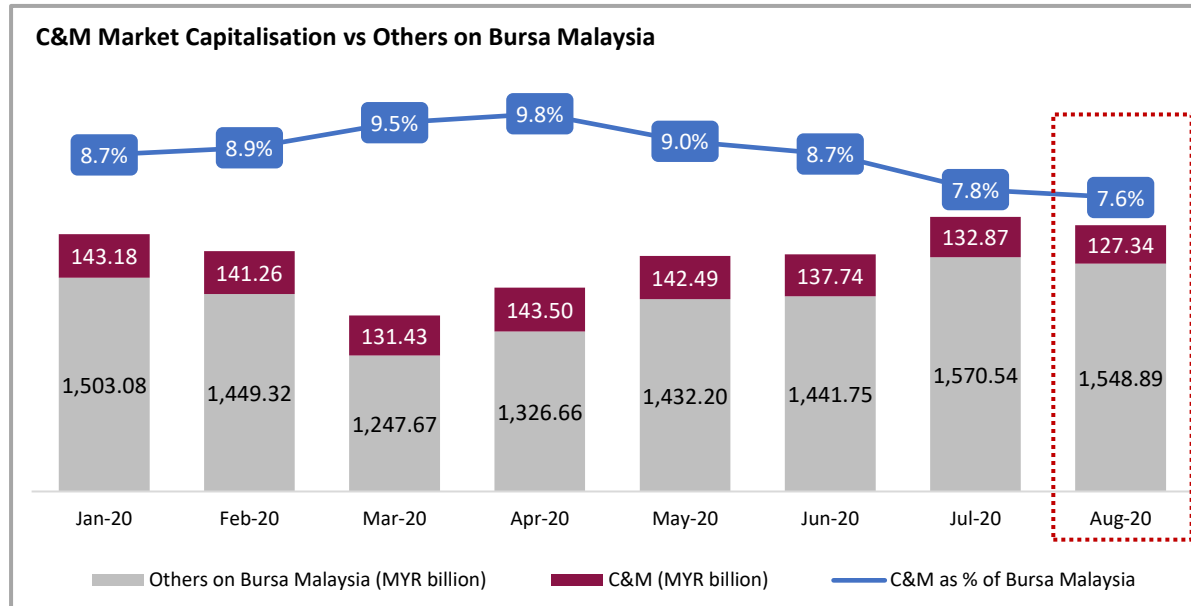
Source: Bloomberg, MCMC

- Market Capitalisation by sector:
  - Telecommunications – MYR120.08 billion
  - Broadcasting – MYR4.49 billion
  - Postal & Courier – MYR2.77 billion

- Postal & Courier sector recorded a healthy growth of 41% in market capitalisation since April 2020, driven by the increase in demand from eCommerce and online marketplaces.

- Industry players are seeing a higher than usual courier volume even after the easing of movement restrictions and this trend is expected to continue throughout the rest of the year. In 2Q 2020, monthly web visits for top three merchants in Malaysia (Shopee, Lazada, and PG Mall) rose by 42%, compared with 1Q 2020[1].

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[1] iPrice

C&M market capitalisation at RM127.34 billion

C&M Market Capitalisation vs Others on Bursa Malaysia

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
C&M as % of Bursa Malaysia	8.7%	8.9%	9.5%	9.8%	9.0%	8.7%	7.8%	7.6%
C&M (MYR billion)	143.18	141.26	131.43	143.50	142.49	137.74	132.87	127.34
Others on Bursa Malaysia (MYR billion)	1,503.08	1,449.32	1,247.67	1,326.66	1,432.20	1,441.75	1,570.54	1,548.89

Legend: Others on Bursa Malaysia (MYR billion) — C&M (MYR billion) — C&M as % of Bursa Malaysia

Source: Bursa Malaysia (data extracted as at 28 August 2020), Bloomberg, MCMC

- In general, most economic sectors recorded a weak growth amid the imposition of the Movement Control Order (MCO), followed by the Conditional and Recovery MCO. On sectoral basis, the services sector contracted by 16.2% in 2Q 2020 (1Q 2020: 3.1%)[2].

- According to BNM, the impact of COVID-19 on the information and communication sub-sector has so far been modest, cushioned by the continued high demand for data communication services especially during this period of remote working arrangements.

- Given its highly essential nature, telcos will continue to be perceived to possess long-term sustainability and as a supplement to economic recovery in the medium-term[3].

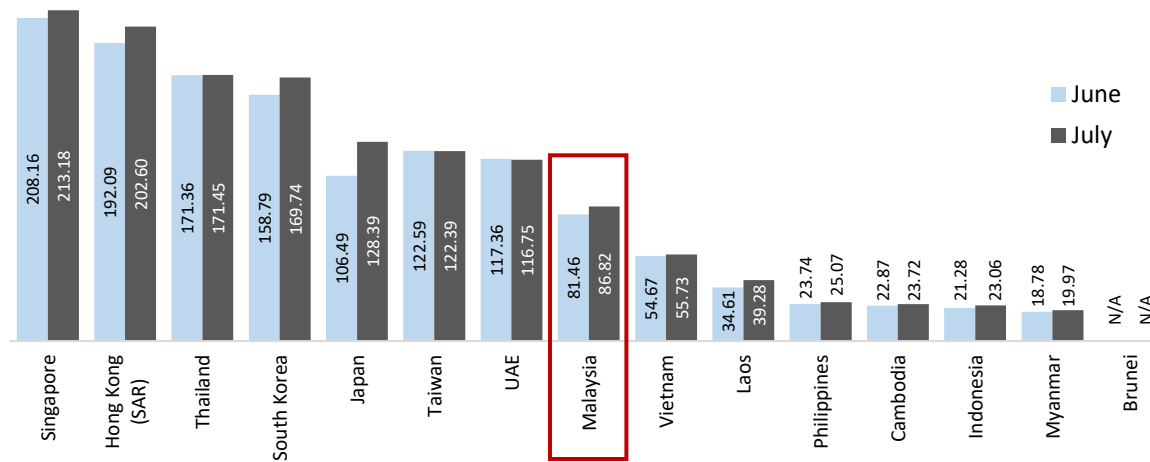[2] *Bank Negara Malaysia*
[3] *Kenanga Research*

Malaysia is ranked #3 in ASEAN for fixed-broadband average download speed

Fixed-Broadband Average Download Speed by ASEAN and Selected Countries (Mbps), June - July 2020

Source: Speedtest Global Index, published as at 19 August 2020

Average Download Speed, July 2020 (Δ change from June)

# World Ranking	Country	Mbps
1 (+0)	Singapore	213.18 (+5.02)
2 (+0)	Hong Kong (SAR)	202.6 (+10.51)
3 (+0)	Thailand	171.45 (+0.09)
4 (+3)	South Korea	169.74 (+10.95)
20 (+10)	Japan	128.39 (+21.90)
23 (-3)	Taiwan	122.39 (-0.20)
27 (-4)	UAE	116.75 (-0.61)
41 (-1)	**Malaysia**	**86.82 (+5.36)**
60 (+0)	Vietnam	55.73 (+1.06)
77 (+7)	Laos	39.28 (+4.67)
109 (-1)	Philippines	25.07 (+1.33)
110 (+0)	Cambodia	23.72 (+0.85)
111 (+3)	Indonesia	23.06 (+1.78)
118 (+3)	Myanmar	19.97 (+1.19)
N/A ()	Brunei	N/A

- Malaysia is ranked #41 worldwide (declined from #40 in June 2020)
- Malaysia is ranked #3 in ASEAN (maintained its position since June 2020)

Malaysia is ranked #6 in ASEAN for mobile-broadband average download speed
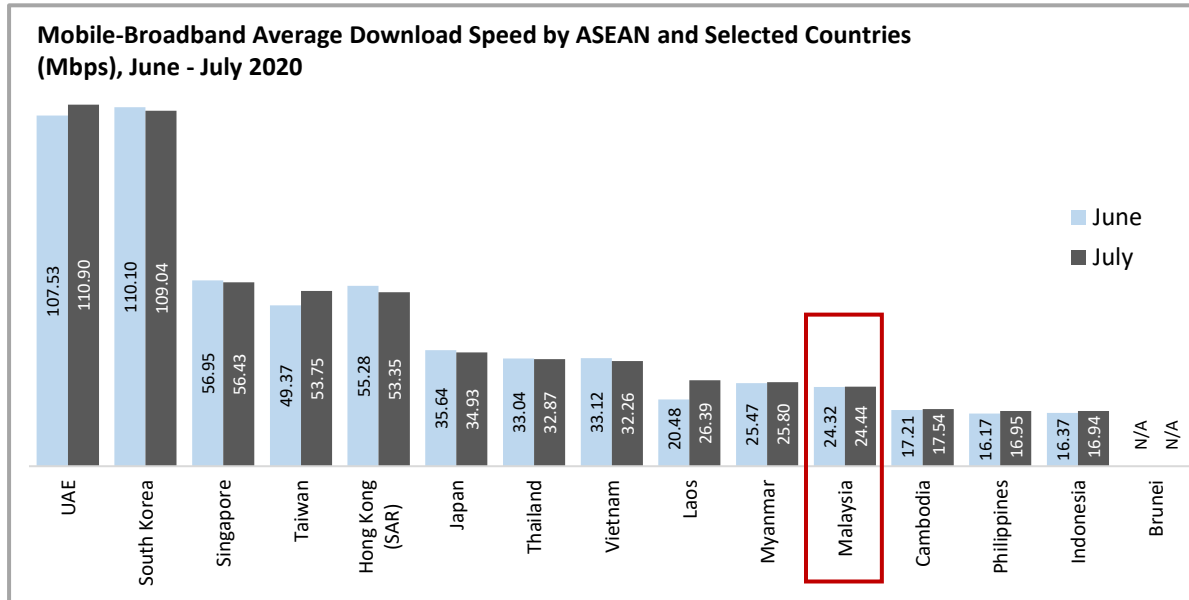
Mobile-Broadband Average Download Speed by ASEAN and Selected Countries (Mbps), June - July 2020

Legend: ■ June ■ July

Bar chart values (June / July):
- UAE: 107.53 / 110.90
- South Korea: 110.10 / 109.04
- Singapore: 56.95 / 56.43
- Taiwan: 49.37 / 53.75
- Hong Kong (SAR): 55.28 / 53.35
- Japan: 35.64 / 34.93
- Thailand: 33.04 / 32.87
- Vietnam: 33.12 / 32.26
- Laos: 20.48 / 26.39
- Myanmar: 25.47 / 25.80
- Malaysia: 24.32 / 24.44
- Cambodia: 17.21 / 17.54
- Philippines: 16.17 / 16.95
- Indonesia: 16.37 / 16.94
- Brunei: N/A / N/A

Source: Speedtest Global Index, published as at 19 August 2020

Average Download Speed, July 2020 (Δ change from June)

# World Ranking	Country	Mbps
1(+1)	UAE	110.9(+3.37)
2(-1)	South Korea	109.04(-1.06)
13(+1)	Singapore	56.43(-0.52)
18(+9)	Taiwan	53.75(+4.38)
19(-2)	Hong Kong (SAR)	53.35(-1.93)
52(-2)	Japan	34.93(-0.71)
59(+2)	Thailand	32.87(-0.17)
62(-2)	Vietnam	32.26(-0.86)
77(+19)	Laos	26.39(+5.91)
80(-3)	Myanmar	25.8(+0.33)
85(-3)	**Malaysia**	**24.44(+0.12)**
109(+0)	Cambodia	17.54(+0.33)
113(+1)	Philippines	16.95(+0.78)
114(-1)	Indonesia	16.94(+0.57)
N/A ()	Brunei	N/A

- Malaysia is ranked #85 worldwide (declined 3 position from June 2020)
- Malaysia is ranked #6 in ASEAN (declined from #5 in June 2020)