Allowing Foreigner Participation in Daily Share Trading of Listed Companies in Yangon Stock Exchange (YSX)

In exercise of the power conferred by sub-section (b) of section 71 of the Securities Exchange Law, the Securities and Exchange Commission of Myanmar (SECM) hereby issues this notification in respect of allowing foreigner participation in daily share trading of listed companies in Yangon Stock Exchange (YSX).

1. The term “foreigner” contained in this notification shall be defined as follows:

   (a) in the case of an individual, a person who is not a citizen, an associate citizen or a naturalized citizen defined under sub-section (e) of section 2 of the Myanmar Citizenship Law;

   (b) in the case of an institution, a company or an institution that is formed in the Republic of the Union of Myanmar under any existing law or a company or an institution formed outside the Union under any law including a law of a jurisdiction other than the Union.

2. The Yangon Stock Exchange (YSX) shall:

   (a) announce the date on which foreigners may start share trading of listed companies;

   (b) obtain the prior permission of the Commission (SECM), and issue necessary conditions for foreign participation and investment;

   (c) allow only one type of shares in the trading of shares;
(d) transact the trading of shares only within the percentage of foreign ownership to be allowed that is submitted by each listed company to the Commission (SECM);

(e) prescribe and calculate only direct shareholding as foreign ownership in case it is a foreign company in calculating foreign ownership of listed companies, when shares are recorded in securities companies after completion of a trade at Yangon Stock Exchange (YSX).

3. Regarding the foreigner participation in daily share trading, the listed companies of Yangon Stock Exchange (YSX) shall:

(a) notify Yangon Stock Exchange (YSX) in advance about the percentage of foreign ownership to be allowed in their companies; and

(b) ensure that the permission of the relevant supervisory organization has obtained in accordance with the existing laws in making such notification.

4. The securities companies shall comply with the directives issued by the Commission (SECM), on performing the opening of securities account and trading regarding foreigner participation.

5. The Commission (SECM) shall issue necessary directives pursuant to this notification.

(Maung Maung Win)
Chairperson
Securities and Exchange Commission of Myanmar

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