

FUND FLOW REPORT

(Week ended 6 October 2023)

A Turbulent Week

9 OCTOBER 2023 | Strategy - Weekly Fund Flow
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A TURBULENT WEEK
A. MARKET SNAPSHOT

- It was a week filled with turbulence, led by the sell-off in the bond market, which saw the United States 10-year Treasury yield hitting its highest level since 2007. At the same time, investors waited closely for the crucial nonfarm payrolls numbers that was released on Friday.
- The Labour Market reported 336,000 new jobs were added in Sept-23, almost double consensus estimates of 170,000 and higher than the revised figure of 227,000 for Aug-23, raising concerns whether this would lead the Federal Reserve to raise rates again.
- Among the 20 global indices we monitor, 15 registered weekly declines, while four advanced, with China's CSI300 being the only one that remained unchanged. Advancers were the Nasdaq Composite Index (+1.60%), TAIEX (+1.02%), the S&P500 (+0.48%) and the Sensex (+0.25%). The most notable losers were the Nikkei 225 (-2.71%), KOSPI (-2.29%) and Thailand's SET (-2.24%).
- Headline personal consumption expenditures (PCE) inflation in the US accelerated to +3.5%yoy in Aug-23 (Jul-23: +3.4%yoy), within market consensus. The faster increase in PCE prices was mainly underpinned by the significantly smaller contraction of energy prices at -3.6%yoy (Jul-23: -13.0%yoy) due to higher oil prices, in contrast to food inflation which eased to the softest rise in two years at +3.1%yoy (Jul-23: +3.7%yoy). Nevertheless, the demand-driven inflation softened further as core PCE inflation decelerated to +3.9%yoy (Jul-23: +4.3%yoy), the slowest since Jun-21.
- Retail trade in euro area fell sharper than expected at -2.1%yoy in Aug-23 (Jul-23: -1.0%yoy), marking the 11th consecutive month of contraction. On a month-on-month basis, retail trade was -1.2%mom lower (Jul-23: -0.1%mom), also worse than market consensus of -0.3%mom. The monthly drop was mainly underpinned by lower sales of non-food products, which declined by -0.9%mom (Jul-23: +0.2%mom), ending four months of expansions.
- The United Kingdom saw house prices falling for the sixth consecutive month in Sept-23, easing -0.4%m-o-m, according to data from Halifax, a mortgage provider. On a year-on-year comparison, house prices were down -4.7%yoy (Aug-23: -4.5%yoy), marking the largest drop since 2009.
- India's manufacturing activities grew for the 27th month as its S&P Global Manufacturing PMI remained on expansionary mode at 57.5 in Sep-23 (Aug-23: 58.6). Although the pace of increase was the softest since Apr-23, the continued expansion was mainly underpinned by a historic rise in new orders, signalling robust demand conditions and positive market dynamics. Growth of new export orders moderated but remained robust as firms reported new businesses from Asia, Europe, North America and the Middle East.
- In Japan, the services activity remained in expansion for the 13th consecutive month, recording a purchasing manager's index (PMI) of 53.8 in Sept-23 (Aug-23: 54.3), though at the slowest pace since Jan-23. As for manufacturing PMI, it declined to 48.5 in Sept-23 (Aug-23: 49.6) on the back of declines in outputs and new orders.

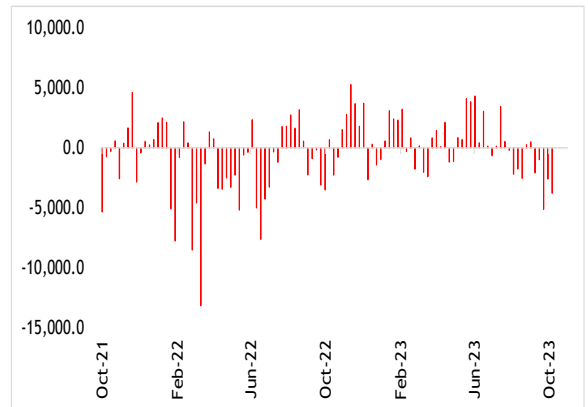
Table 1 Weekly Performance of Global Benchmark Indices (%)

Index	Last Price	Change (%)
Nasdaq	13,431.34	1.60
TAIEX	16,520.57	1.02
S&P 500	4,308.50	0.48
Sensex	65,995.63	0.25
Shenzhen CSI 300	3,689.52	0.00
Dow Jones	33,407.58	-0.30
FBM KLCI	1,416.88	-0.51
JCI	6,888.52	-0.74
PSEi	6,259.95	-0.97
DAX 40	15,229.77	-1.02
CAC 40	7,060.15	-1.05
Stoxx Europe 600	444.93	-1.17
ASX 200	6,954.17	-1.34
Straits Times	3,174.39	-1.34
FTSE 100	7,494.58	-1.49
Hang Seng	17,485.98	-1.82
Ho Chi Minh VSE	1,128.54	-2.22
SET	1,438.45	-2.24
KOSPI	2,408.73	-2.29
Nikkei 225	30,994.67	-2.71

Source: Bloomberg

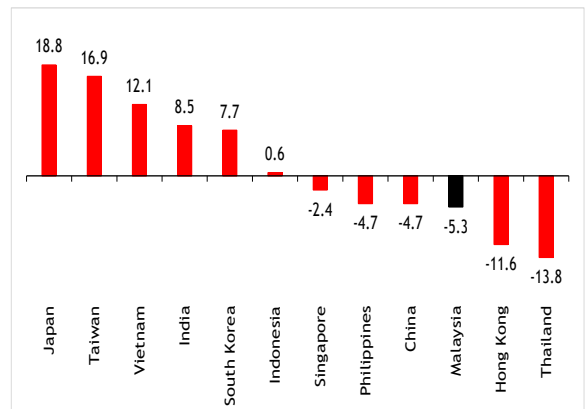
- In Singapore, retail sales grew faster in Aug-23 at +4.0%yoy (Jul-23: +1.3%yoy), the fastest in five months. The faster growth was, among others, underpinned by supermarket sales which rebounded to expand +1.1%yoy (Jul-23: -2.2%yoy).
- Malaysia's leading index (LI) recorded the fifth straight month of contraction, albeit falling slower at -0.9%yoy (Jun-23: -2.1%yoy). With the LI continuing to fall, this signal moderate growth momentum will continue in the later part of the year.
- Activities in Malaysia's manufacturing sector deteriorated further with sharper contraction in Sep-23 as the country's S&P Global Manufacturing PMI declined to 46.8 (Aug-23: 47.8). The PMI reading in Sep-23 was the lowest since Jan-23 and marked the 13th consecutive month of contraction. New orders registered the 13th continuous month of easing and the sharpest in eight months amid weak domestic and external demand.
- The Ringgit depreciated against the US dollar by -0.39% to close at RM4.7135 on Friday. The Brent crude oil price declined -0.63% to USD84.58 per barrel while the crude palm oil price decreased by -3.48% to RM3,636.00 per tonne.

Chart 1 Net Foreign Fund Flows into Equity in 8 Asian Markets Since Oct-21 (USD'm)



Sources: Bloomberg & MIDFR

Chart 2 YTD Performance of Asian Benchmark Indices (%)



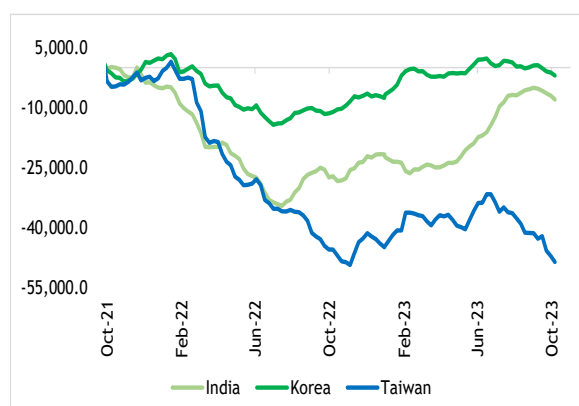
Sources: Bloomberg & MIDFR

B. TRACKING MONEY FLOW - ASIA

- The turbulent week saw the exodus of foreign funds from Asian markets extending into its fifth week as the net selling expanded by 45.3% to -USD3.78b as foreign investors disposed equities in all eight markets that we track, something last seen a year ago during the week ended Sept 23, 2022.
- Taiwan recorded the highest net foreign outflow again for the third straight week at -USD1.52b. Foreigners net bought USD167.3m on Monday and net sold for the rest of the week. Taiwan is currently suffering from the effects of Typhoon Koinu, which led to the suspension of work and school and also the cancellation of more than 100 flights. Year-to-date, foreigners have net sold -USD3.70b of equities in Taiwan.
- India was the second largest casualty last week with a net outflow of -USD961.5m, marking the fifth consecutive week of outflows. It was a shortened trading week in India due to the Gandhi Jayanti holiday on Monday and foreign investors net sold the entire week when markets reopened on Tuesday. The Reserve Bank of India (RBI) maintained its rates for the fourth consecutive policy meeting, but hinted that it would maintain rates high and keep its liquidity tight. The central bank is also closely monitoring some of the fast-growing personal loans for signs of nascent stress. India remains the best performing country year-to-date, with a net foreign inflow of USD14.14b.
- South Korea posted its fourth consecutive week of net foreign fund outflows at -USD750.8m. It was also a shortened trading week in the country with public holidays on Monday and Tuesday and foreign investors net sold for the rest of the week when the market reopened on Wednesday. Central bank governor Rhee Chang-yong remarked that rates would stay higher for longer, adding that there was a need to improve the system for a better supply of liquidity in cases of unexpected financial instability. Year-to-date, there has been a net foreign inflow of USD5.56b into South Korea.

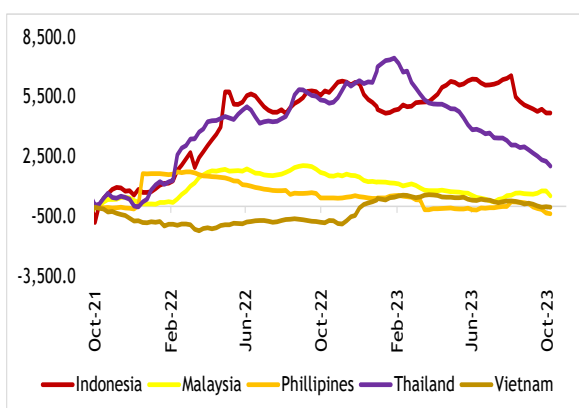
- Thailand saw its sixth consecutive week of net selling by foreign investors as they disposed -USD239.1m net. They net bought USD0.9m on Wednesday but were net sellers for the rest of the week. Tourism stocks took a hit last week following the deadly mass shooting at Siam Paragon in Bangkok that killed two. Meanwhile, the baht also fell to an 11-month low with the central bank citing external factors. Year-to-date, Thailand is the worst performing country with a net outflow of -USD4.77b.
- Foreign investors net sold in the Philippines for the ninth consecutive week at -USD45.4m as they net sold every day. The central bank and the government seem to have differing views over monetary policy. While Bangko Sentral ng Pilipinas was ready to continue tightening after consumer prices rose for the second consecutive month to +6.1%yoy in Sept-23, the economics minister questioned the necessity, saying that increasing rates further could hurt consumers that were already suffering from high inflation. Year-to-date, -USD774.6m of foreign funds have flowed out of the Philippines.
- In Vietnam, foreign investors turned net sellers again at -USD15.9m after briefly net buying the week before. Year-to-date, foreign investors have net sold -USD360.7m of equities in Vietnam.
- Foreign investors net sold in Indonesia for the second straight week, though at a much-moderated amount of -USD0.6m. Bank Indonesia has plans to hold its key interest rates in order to protect the rupiah from the global market selloff. On a more optimistic front, the country is planning to roll out is USD20b energy transition investment plan next month. Foreign investors have net sold -USD310.3m from Indonesia year-to-date.

Chart 3 Net Foreign Fund Flows into North Asia and India Since Oct-21 (USD'm)



Sources: Bloomberg & MIDFR

Chart 4 Net Foreign Fund Flows into Southeast Asia Since Oct-21 (USD'm)



Sources: Bloomberg & MIDFR

Table 2 Weekly Net Foreign Fund Flows into Equity by Market (USD'm)

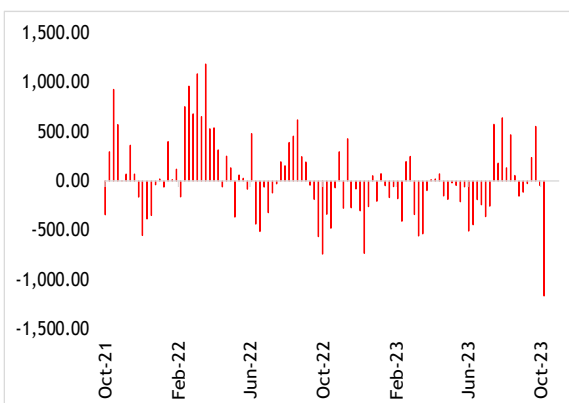
Week Ended	India	Indo	Korea	M'sia	Phil	Taiwan	Thai	Viet	Total
8-Sep	-230.2	-104.7	18.8	-6.0	-163.5	-1,390.9	-161.2	-54.1	-2,091.8
15-Sep	-495.4	-118.4	-728.7	50.2	-77.4	631.9	-156.5	-89.3	-983.6
22-Sep	-648.4	110.6	-789.6	117.4	-47.0	-3,621.7	-184.4	-67.9	-5,131.0
29-Sep	-553.9	-183.3	-309.9	-9.5	-176.5	-1,310.1	-83.8	25.7	-2,601.4
6-Oct	-961.5	-0.6	-750.8	-246.2	-45.4	-1,520.7	-239.1	-15.9	-3,780.2

Source: Respective stock exchange statistics as reported on Bloomberg. These figures are subject to revisions.

C. TRACKING MONEY FLOW - MALAYSIA

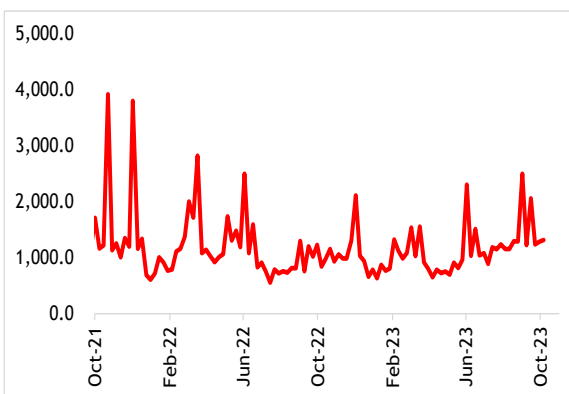
- Foreign investors continued to net sell again on Bursa Malaysia, totalling -RM1.16b last week, a massive amount not seen in the last three years, during the week ended March 20, 2020, when they net sold -RM1.79b.
- Foreign investors net bought RM20.6m on Monday but net sold for the rest of the week: -RM39.3m on Tuesday, -RM397.6m on Wednesday, -RM410.6m on Thursday and -RM336.3m on Friday.
- The top three sectors with net foreign inflows for the week were Utilities (RM86.2m), Construction (RM41.8m) and Property (RM21.9m), while the top three sectors that recorded net foreign outflows were Financial Services (-RM770.3m), Consumer Products & Services (-RM246.5m) and Healthcare (-RM159.8m). Year-to-date, foreign investors have net sold -RM3.13b on Bursa Malaysia.
- Local institutions broke their three-week net selling streak with a net buy of RM1.05b, the highest net buying amount seen in three years since the week ended June 5, 2020 when they net bought RM1.18b. Year-to-date, local institutions have net bought RM3.63b of equities.
- They were net buying sectors such as Financial Services (RM678.5m), Healthcare (RM138.6m) and Consumer Products & Services (RM127.2m).
- Local retailers continued to net buy domestic equities for the second consecutive week at RM114.4m. They net bought every day except on Thursday, net selling -RM22.6m. Year-to-date, retailers have recorded net sales amounting to -RM508.2m
- In terms of participation, there was an increase in average daily trading volume (ADTV) among foreign investors by +2.4% last week and +3.6% among local institutions while local retailers saw a decline of -3.7%.

Chart 5 Net Foreign Fund Flows into Malaysian Equity Since Oct-21 (RM'm)



Sources: Bursa Malaysia & MIDFR

Chart 6 Daily Average of Foreign Participation in Bursa Malaysia for the Week (RM'm)



Sources: Bursa Malaysia & MIDFR

Table 3 Bursa Malaysia: Weekly Market Participation (RM'm)

Week Ended	Local Retail			Local Institution			Foreign			*Net (USD'm)
	Bought	Sold	Net	Bought	Sold	Net	Bought	Sold	Net	
8-Sep	2,996.8	3,029.7	-33.0	4,733.0	4,672.4	60.6	3,040.5	3,068.2	-27.7	-6.0
15-Sep	2,574.0	2,677.7	-103.7	4,184.3	4,315.8	-131.5	5,264.0	5,028.9	235.1	50.2
22-Sep	3,006.5	3,084.9	-78.4	4,608.3	5,080.7	-472.5	3,367.3	2,816.4	550.9	117.4
29-Sep	2,356.8	2,213.7	143.1	3,469.0	3,567.4	-98.5	2,547.5	2,592.1	-44.7	-9.5
6-Oct	2,807.7	2,693.3	114.4	5,078.7	4,029.9	1,048.8	2,708.1	3,871.3	-1,163.2	-246.2

Source: Daily statistics provided by Bursa Malaysia. *Estimated by MIDFR based on the prevailing exchange rates.

D. NET INFLOWS AND OUTFLOWS BY STOCK (WEEK ENDED 6 OCTOBER 2023)
Table 4 Top 10 Stocks with Inflows and Outflows for the Week by Investor Class (RM'm)

LOCAL RETAIL		LOCAL INSTITUTION		FOREIGN	
Top 10 Stocks with Weekly Net Inflows					
Company	Value	Company	Value	Company	Value
Malayan Banking	30.0	Malayan Banking	256.9	YTL Corp	66.4
Top Glove Corp	28.9	Hong Leong Bank	113.0	YTL Power International	58.7
IOI Properties Group	27.7	Public Bank	110.0	Boustead Plantations	31.6
Genting	27.0	IHH Healthcare	108.2	Gamuda	26.8
Genting Malaysia	25.0	CIMB Group Holdings	102.4	VS Industry	13.2
Public Bank	12.2	Tenaga Nasional	64.2	ITMAX System	13.1
KNM Group	11.9	RHB Bank	57.2	Sunway	13.1
YTL Corp	11.0	UMW Holdings	47.5	IJM Corp	11.9
RHB Bank	8.5	Nestle	41.7	Inari Amertron	11.6
Yinson Holdings	7.3	Press Metal Aluminium	38.6	Kuala Lumpur Kepong	10.6
Top 10 Stocks with Weekly Net Outflows					
Company	Value	Company	Value	Company	Value
Boustead Plantations	-47.2	YTL Power International	-73.5	Malayan Banking	-309.6
Tenaga Nasional	-18.9	YTL Corp	-64.6	Public Bank	-128.7
Hap Seng Consolidated	-14.0	Gamuda	-29.7	Hong Leong Bank	-114.5
Hextar Global	-10.8	IOI Properties Group	-20.6	IHH Healthcare	-108.7
Hartalega Holdings	-10.4	Inari Amertron	-15.6	CIMB Group Holdings	-108.3
Mah Sing Group	-7.4	VS Industry	-13.9	RHB Bank	-61.5
S P Setia	-5.2	Kuala Lumpur Kepong	-11.4	UMW Holdings	-53.9
Sarawak Consolidated Industries	-4.7	Genting	-9.0	Nestle	-42.4
UEM Sunrise	-4.2	Top Glove Corp	-8.8	Press Metal Aluminium	-41.5
Sunway	-4.0	IJM Corp	-6.9	Tenaga Nasional	-40.7

Appendix: Foreign Shareholdings of the Companies Under Our Coverage as at Sept-23 (%)

Company	%	MoM %	Company (cont'd)	%	MoM %	Company (cont'd)	%	MoM %
Automotive			Nestlé	82.5	-0.1	TSH Resources	18.9	0.5
Bermaz Auto	14.0	-7.3	Padini	9.3	-1.1	Port & Shipping		
MBM Resources	3.1	24.0	QL Resources	9.5	-2.1	MISC	9.0	0.0
Tan Chong	10.6	0.0	Rhong Khen International	62.3	0.2	Suria Capital	5.8	-1.7
UMW Holdings	7.1	26.8	Spritzer	17.0	-1.2	Westports	27.8	-1.1
Aviation			Gloves			Property		
Capital A	19.7	-5.3	Hartalega	15.2	-3.2	Eco World	29.1	0.0
Malaysia Airports	24.2	1.7	Kossan	10.2	0.0	Glomac	4.2	2.4
Banking			Top Glove	29.2	-5.8	IOI Property	4.2	7.7
Affin Bank	26.4	-0.4	Healthcare			Mah Sing	16.2	1.9
Alliance Bank	20.3	1.0	IHH Healthcare	49.7	-0.2	S P Setia	11.6	46.8
AMMB Holdings	39.1	-0.8	KPJ Healthcare	8.1	-2.4	Sunway	4.8	-12.7
Bank Islam	0.7	-36.4	Pharmaniaga	0.6	20.0	UEM Sunrise	8.9	34.8
CIMB Group	28.6	-0.7	Logistics			UOA Development	3.8	2.7
Hong Leong Bank	10.5	-0.9	CJ Century	57.9	0.0	REITs		
Hong Leong Financial	32.2	0.0	Swift Haulage	13.5	0.0	Al-'Aqar Healthcare	0.6	0.0
Malayan Banking	18.5	1.6	Tasco	65.9	-0.3	Axis REIT	15.1	-0.7
Public Bank	26.7	0.4	Media			IGB REIT	3.7	-2.6
RHB Bank	16.1	0.6	Astro	37.7	0.0	KLCCP Stapled	0.8	0.0
Building Materials			Media Prima	20.5	-0.5	Pavilion REIT	33.1	-0.3
Malayan Cement	3.2	18.5	Non-bank Financials			Sunway REIT	5.9	-11.9
Conglomerate			Bursa Malaysia	15.9	0.0	Technology		
YTL Corp	20.0	0.5	AEON Credit	69.0	-1.6	D & O Green Tech	34.9	-0.3
Construction			Oil & Gas			Datasonic	6.6	6.5
Cahaya Mata Sarawak	7.4	-6.3	Bumi Armada	13.8	-8.6	Globetronics	3.5	12.9
Gabungan AQRS	1.7	-22.7	Deleum	4.0	2.6	Inari Amertron	19.6	1.0
Gamuda	21.2	0.5	Dialog	19.6	-2.0	MY E.G. Services	14.9	0.7
IJM Corp	12.5	1.6	Gas Malaysia	18.1	0.6	Unisem	2.3	-8.0
KKB Engineering	0.3	0.0	MMHE	8.8	-3.3	Telecommunication		
MRCB	7.5	5.6	Petronas Chemicals	8.9	-3.3	Axiata	10.1	-1.0
Muhibbah Engineering	14.7	-3.9	Petronas Dagangan	7.3	-2.7	CelcomDigi	60.0	0.0
Pintaras Jaya	0.1	-75.0	Petronas Gas	9.2	0.0	Maxis	7.6	1.3
Sunway Construction	1.6	33.3	Plantation			Telekom Malaysia	11.5	-0.9
WCT Holdings	6.6	11.9	FGV	4.1	0.0	Utilities		
Consumer			Genting Plantations	5.0	-5.7	Ranhill Utilities	32.3	0.9
AEON Co.	54.6	-0.4	IOI Corp	11.3	2.7	Tenaga Nasional	13.2	0.8
Asia File	3.6	0.0	KL Kepong	14.0	2.2	YTL Power	7.3	14.1
Fraser & Neave	61.1	0.0	PPB Group	20.8	0.5			
Hup Seng	1.8	-5.3	Sarawak Plantation	2.7	0.0			
Leong Hup	10.6	1.0	Sime Darby Plantation	9.9	1.0			
MSM Malaysia	1.7	-5.6	Ta Ann	14.4	0.7			

Source: Dibots (estimated from the latest half yearly filings by PLC to Bursa Malaysia and calculated by the demography movement daily).

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