

FUND FLOW REPORT

(Week ended 20 October 2023)

A week of turbulence

23 OCTOBER 2023 | Strategy - Weekly Fund Flow
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A WEEK OF TURBULENCE
A. MARKET SNAPSHOT

- Global markets went on a turbulent ride as Treasury bond yields continued rising to their highest levels in 16 years. The 10-year Treasury yields rose to 4.91% while the 30-year rose to 5.01%.
- That, on top of geopolitical tension Middle East, mixed corporate results on Wall Street and the Federal Reserve leaving the door open for a new interest rate hike did not go down well on investors who made their pessimism felt in the market.
- All 20 indices that we track declined for the week, which saw declines in FBM KLCI (-0.21%), Jakarta Composite Index (-1.12%) and India's Sensex (-1.34%). Among the worst weekly decliners were the CSI 300 (-4.17%), Ho Chi Minh VSE (-4.04%) and the Hang Seng Index (-3.60%).
- Retail sales in the United States grew stronger at +3.8%yoy in Sep-23 (Aug-23: +2.9%yoy), marking the fastest expansion since Mar-23. The acceleration was mainly underpinned by stronger sales in motor vehicles and parts dealers and non-store retailers, which grew +6.2%yoy (Aug-23: +4.6%yoy) and +8.4%yoy (Aug-23: +7.9%yoy), respectively.
- Meanwhile, industrial production in the US maintained its pace in Sept-23 at +0.1%yoy. Manufacturing production, which held a 75.4% weight in the US IPI, fell further for the seventh consecutive month at -0.8%yoy (Aug-23: -0.9%yoy). The sustained growth in production of computer and electronic products (Sept-23: +2.6%yoy; Aug-23: +3.4%yoy) was insufficient to offset reduced output of other manufactured products. Nevertheless, the marginal growth in IPI was supported by growing output in the mining sector (Sep: +3.4%yoy; Aug-23: +4.2%yoy) and electric and gas utilities (Sep-23: +2.0%yoy; Aug-23: +1.3%yoy).
- China's GDP growth moderated to +4.9%yoy in 3QCY23 (2QCY23: +6.3%yoy), but better than market expectations of +4.4%yoy. Despite stronger growth in the primary sector which expanded at +4.2%yoy (2QCY23: +3.7%yoy) marking the highest expansion in five quarters, moderation in the overall GDP growth reflected the slower growth in the secondary and services sectors, which moderated to +4.6%yoy (2QCY23: +5.2%yoy) and +5.2%yoy (2QCY23: +7.4%yoy), respectively.
- China's exports shrunk -6.2%yoy in Sept-23 (Aug-23: -8.8%yoy), the softest pace of contraction in five months. Exports to major destinations showed that shipments to the US declined marginally softer at -9.3%yoy (Aug-23: -9.5%yoy) but contracting for the 14th straight month. Exports to the EU registered the fifth month of decline albeit also slower at -11.6%yoy (Aug-23: -19.6%yoy), while outbound shipment to the UK ended three months of contraction to expand by +5.3%yoy (Aug-23: -12.9%yoy). Exports to ASEAN, which accounted for 14.7% of total exports, marked the 5th month of consecutive contraction at -15.8%yoy (Aug-23: -13.4%yoy).
- Japan's exports rebounded to expand +4.3%yoy in Sept-23 (Aug-23: -0.8%yoy), ending two months of contractions and surpassing market expectations of +3.1%yoy. Exports of goods commodities categorised under "others", which comprised a significant 15.6% of total exports, advanced +6.6%yoy (Aug-23: -1.3%yoy). Exports of manufactured goods ended five months of contraction, growing by +2.2%yoy (Aug-23: -1.1%yoy).

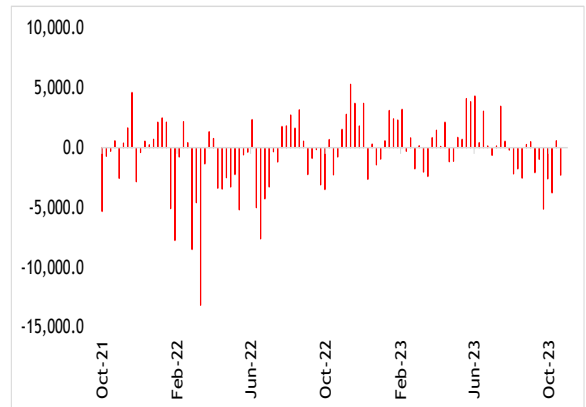
Table 1 Weekly Performance of Global Benchmark Indices (%)

Index	Last Price	Change (%)
FBM KLCI	1,441.04	-0.21
JCI	6,849.17	-1.12
Sensex	65,397.62	-1.34
Dow Jones	33,127.28	-1.61
PSEi	6,142.90	-1.97
TAIEX	16,440.72	-2.04
ASX 200	6,900.72	-2.13
S&P 500	4,224.16	-2.39
DAX 40	14,798.47	-2.56
FTSE 100	7,402.14	-2.60
CAC 40	6,816.22	-2.67
Nasdaq	12,983.81	-3.16
Nikkei 225	31,259.36	-3.27
KOSPI	2,375.00	-3.30
Straits Times	3,076.69	-3.42
Stoxx Europe 600	433.73	-3.44
SET	1,399.35	-3.54
Hang Seng	17,172.13	-3.60
Ho Chi Minh VSE	1,108.03	-4.04
Shenzhen CSI 300	3,510.59	-4.17

Source: Bloomberg

- Indonesia's exports in Sept-23 shrank at a slower pace at -16.2%yoy (Aug-23: -21.2%yoy), the softest decline in four months. Excluding oil and gas, the country's exports declined by -17.7%yoy (Aug-23: -21.3%yoy), with shipments to ASEAN (share: 16.8% of total non-oil exports) declining for the seventh month by -21.6%yoy (Aug-23: -19.7%yoy). Exports to China, which made up a quarter of the total Indonesian exports, plunged -15.9%yoy, also the steepest contraction in four months.
- The Ringgit depreciated against the US dollar by -0.83% to close at RM4.7677 on Friday. The Brent crude oil price increased by +8.27% to USD92.16 per barrel while the crude palm oil price rose by +0.32% to RM3,771.00 per tonne.

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

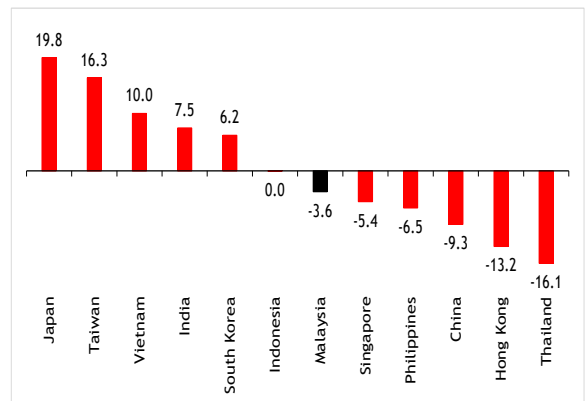


Sources: Bloomberg & MIDFR

B. TRACKING MONEY FLOW - ASIA

- Foreign funds continued to leave Asia as investors returned to their net selling stance, after briefly net buying the week prior. They net sold -USD2.28b last week, from six out of the eight markets we track. Only South Korea and Vietnam registered net inflows.
- South Korea received a net foreign fund inflow of USD213.3m last week, after five weeks of net outflow. The Bank of Korea kept its interest rates unchanged but maintained its hawkish stance, saying that price pressures would persist and that it may take longer for consumer inflation to reach its target level. The central bank also reaffirmed its commitment to maintain a "restrictive policy stance for a considerable time. Year-to-date, South Korea has received USD5.27b of foreign funds.

Chart 2 YTD Performance of Asian Benchmark Indices (%)



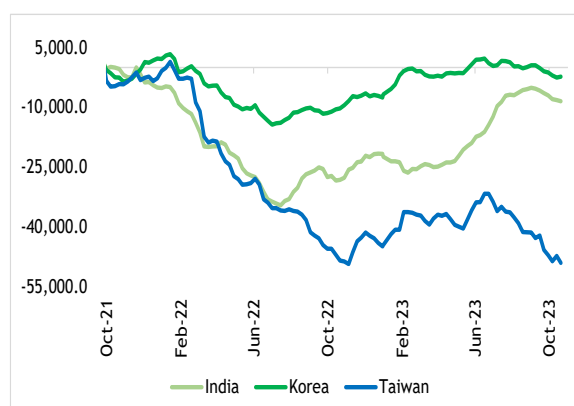
Sources: Bloomberg & MIDFR

- Vietnam was the only other country which saw net buying activities from foreign investors, recording a net inflow of USD31.6m, though this was still unable to reverse the outflows recorded over the past two weeks, totalling -USD94.2m. The National Assembly expect the country to miss its GDP growth target this year of 6.5%. Year-to-date, there has been a net foreign outflow of -USD407.4m out of Vietnam.
- The major outflow last week was from Taiwan, where foreign investors disposed -USD1.77b, net. Foreign investors net sold every day, marking the six straight days of net selling. Other than the ongoing tensions between China and Taiwan which saw 13 Chinese air force planes in Taiwan's air defence zone, Taiwan Semiconductor Manufacturing Company (TSMC) posted a lower net profit by -24.9%yoy in 3QFY23 and inventories are expected to continue to decline, due to the weak macroeconomic conditions and China's slow demand recovery. Taiwan is now the second worst performing market with a net outflow of -USD4.14b.
- The net foreign outflow from India has stretched to its seventh consecutive week, with a net outflow of -USD283.7m last week. The rupee fell to a yearly low level against the US dollar, amid concerns on the oil prices and the ongoing tensions in the Middle East. However, year-to-date, foreign investors have channelled USD13.64b into India.
- Indonesia recorded a net outflow of -USD208.3m last week, after foreign investors net sold every day. Bank Indonesia surprised markets last week when it raised its benchmark seven-day repurchase rate

unexpectedly by 25bps to 6.00%. This was the central bank's second hike this year. Governor Perry Warjiyo said the hike was to strengthen stabilisation measures for the rupiah against the impact of rising uncertainties and to mitigate the impact on inflation through imported goods. Indonesia has seen a net outflow of -USD501.3m year-to-date.

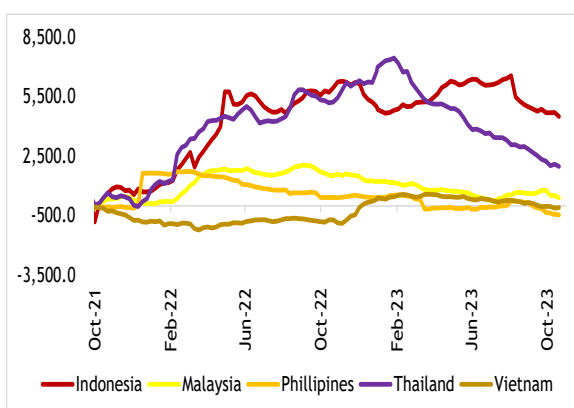
- Thailand posted a net outflow of -USD111.5m, as foreign investors net sold every day except on Wednesday when they net bought USD77.0m. Thailand remains the worst performing country, with a net foreign outflow of -USD4.80b.
- Foreign investors continue to net sell equities in the Philippines for the 11th consecutive week, totalling -USD-23.8m last week. They net sold everyday except on Tuesday when they net bought USD4.9m. The country may miss its inflation target for the third consecutive year in 2024. Bangko Sentral ng Pilipinas' meeting minutes showed comments that risks for its inflation outlook were tilted to the upside for 2023 to 2025. Year-to-date, -USD856.7m of foreign funds have left the Philippines.

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)

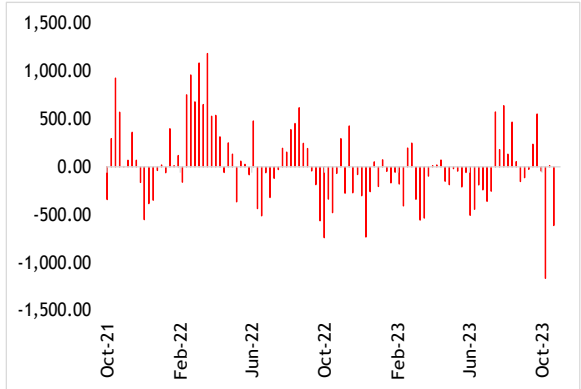
Week Ended	India	Indo	Korea	M'sia	Phil	Taiwan	Thai	Viet	Total
22-Sep	-648.4	110.6	-789.6	117.4	-47.0	-3,621.7	-184.4	-67.9	-5,131.0
29-Sep	-553.9	-183.3	-309.9	-9.5	-176.5	-1,310.1	-83.8	25.7	-2,601.4
6-Oct	-961.5	-0.6	-750.8	-246.2	-45.4	-1,520.7	-239.1	-15.9	-3,780.2
13-Oct	-214.7	17.3	-501.1	2.2	-58.3	1,333.1	77.0	-78.3	577.2
20-Oct	-283.7	-208.3	213.3	-129.0	-23.8	-1,769.0	-111.5	31.6	-2,280.4

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

C. TRACKING MONEY FLOW - MALAYSIA

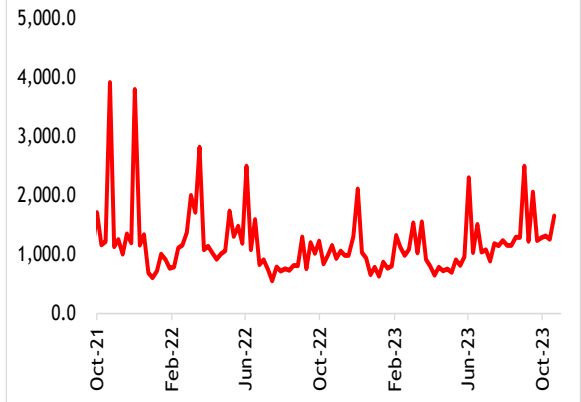
- Foreign investors net sold equities on Bursa Malaysia again, totalling -RM613.0m last week, after briefly net buying RM10.2m the week prior. The week saw foreign investors net selling every day, with most outflow seen on Monday at -RM208.7m. They have been selling for six consecutive days.
- There were only three sectors that saw net buying by foreign investors, which were Utilities (RM28.5m), Property (RM20.8m) and REITs (RM5.4m). Sectors with the highest amount of net outflows were Financial Services (-RM337.1m), Consumer Products & Services (-RM100.6m) and Telecommunications & Media (-RM51.4m).
- Year-to-date, foreign investors have net sold -RM3.73b.
- Local institutions maintained their net buying stance for the third straight week at RM618.3m. They net bought every day, with the strongest net buying activity on Monday at RM221.7m.
- Local retailers continued being net sellers on Bursa Malaysia, though at a much-moderated amount of -RM5.3m as compared to -RM147.1m the week before. Year-to-date, they have net sold -RM660.6m.
- In terms of participation, there was an increase in average daily trading volume (ADTV) among foreign investors by +31.6% while retail and institutional investors saw declines of -2.2% and -6.7% respectively.

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	
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
13-Oct	2,632.4	2,779.5	-147.1	4,029.9	3,893.1	136.9	3,145.1	3,134.9	10.2	2.2
20-Oct	2,643.0	2,648.4	-5.3	4,004.1	3,385.8	618.3	3,825.0	4,437.9	-613.0	-129.0

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 20 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
Genting	15.1	Hong Leong Bank	118.6	YTL Power International	34.1
Top Glove Corp	11.7	CIMB Group Holdings	104.9	Malayan Banking	20.8
Genting Malaysia	10.1	RHB Bank	67.2	Petronas Gas	18.4
Malaysian Resources Corp	9.5	Public Bank	54.3	Gas Malaysia	16.7
Capital A	8.8	Tenaga Nasional	49.3	Petronas Chemicals Group	16.3
Rapid Synergy	7.7	Gamuda	37.0	UMW Holdings	15.6
UEM Sunrise	7.5	Malaysia Airports Holdings	36.4	MISC	14.0
Ekovest	7.0	Time Dotcom	35.8	Sime Darby Property	13.0
YTL Corp	6.3	Bermaz Auto	34.7	Inari Amertron	11.9
Alliance Bank Malaysia	4.9	IHH Healthcare	29.1	Dialog	11.0
Top 10 Stocks with Weekly Net Outflows					
Company	Value	Company	Value	Company	Value
Public Bank	-16.3	YTL Power International	-30.0	Hong Leong Bank	-119.6
Tenaga Nasional	-14.3	Petronas Gas	-17.6	CIMB Group Holdings	-99.9
Malayan Banking	-11.0	Gas Malaysia	-14.9	RHB Bank	-57.4
Telekom Malaysia	-6.6	Genting	-13.0	Time Dotcom	-39.7
Boustead Plantations	-6.4	MISC	-12.4	Tenaga Nasional	-38.5
Chin Hin Group	-5.9	Sime Darby Property	-11.4	Malaysia Airports Holdings	-35.7
Kinergy Advancement	-5.1	Petronas Chemicals Group	-10.0	Gamuda	-35.6
Hap Seng Consolidated	-5.0	YTL Corp	-9.9	Hong Leong Financial Group	-31.0
Malaysia Building Society	-5.0	Ekovest	-8.9	My E.G. Services	-29.9
Press Metal Aluminium	-4.4	Hibiscus Petroleum	-8.3	Bermaz Auto	-29.3

Source: Dibots (based on the data provided by Bursa Malaysia).

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

Company	%	MoM %	Company (cont'd)	%	MoM %	Company (cont'd)	%	MoM %
Automotive			Nestlé	82.5	0.0	TSH Resources	18.9	0.0
Bermaz Auto	15.8	12.9	Padini	9.1	-2.2	Port & Shipping		
MBM Resources	2.8	-9.7	QL Resources	9.5	0.0	MISC	9.2	2.2
Tan Chong	10.6	0.0	Rhong Khen International	62.3	0.0	Suria Capital	5.8	0.0
UMW Holdings	7.8	9.9	Spritzer	16.3	-4.1	Westports	27.4	-1.4
Aviation			Gloves			Property		
Capital A	18.7	-5.1	Hartalega	14.7	-3.3	Eco World	29.3	0.7
Malaysia Airports	25.3	4.5	Kossan	10.4	2.0	Glomac	4.3	2.4
Banking			Top Glove	28.5	-2.4	IOI Property	4.6	9.5
Affin Bank	26.2	-0.8	Healthcare			Mah Sing	18.1	11.7
Alliance Bank	20.1	-1.0	IHH Healthcare	49.6	-0.2	S P Setia	13.6	17.2
AMMB Holdings	38.7	-1.0	KPJ Healthcare	8.1	0.0	Sunway	5.2	8.3
Bank Islam	0.6	-14.3	Pharmaniaga	0.6	0.0	UEM Sunrise	8.9	0.0
CIMB Group	29.3	2.4	Logistics			UOA Development	3.7	-2.6
Hong Leong Bank	10.5	0.0	CJ Century	57.9	0.0	REITs		
Hong Leong Financial	32.1	-0.3	Swift Haulage	13.0	-3.7	Al-'Aqar Healthcare	0.6	0.0
Malayan Banking	18.4	-0.5	Tasco	66.1	0.3	Axis REIT	15.0	-0.7
Public Bank	26.7	0.0	Media			IGB REIT	3.7	0.0
RHB Bank	15.6	-3.1	Astro	37.5	-0.5	KLCCP Stapled	0.7	-12.5
Building Materials			Media Prima	20.3	-1.0	Pavilion REIT	33.0	-0.3
Malayan Cement	3.5	9.4	Non-bank Financials			Sunway REIT	4.9	-16.9
Conglomerate			Bursa Malaysia	15.2	-4.4	Technology		
YTL Corp	20.7	3.5	AEON Credit	69.1	0.1	D & O Green Tech	34.7	-0.6
Construction			Oil & Gas			Datasonic	6.2	-6.1
Cahaya Mata Sarawak	6.8	-8.1	Bumi Armada	13.3	-3.6	Globetronics	3.8	8.6
Gabungan AQRS	2.7	58.8	Deleum	4.1	2.5	Inari Amertron	19.6	0.0
Gamuda	21.9	3.3	Dialog	19.4	-1.0	MY E.G. Services	13.8	-7.4
IJM Corp	13.1	4.8	Gas Malaysia	18.2	0.6	Unisem	2.4	4.3
KKB Engineering	0.3	0.0	MMHE	8.6	-2.3	Telecommunication		
MRCB	6.7	-10.7	Petronas Chemicals	8.8	-1.1	Axiata	10.1	0.0
Muhibbah Engineering	14.9	1.4	Petronas Dagangan	7.9	8.2	CelcomDigi	60.0	0.0
Pintaras Jaya	0.1	0.0	Petronas Gas	9.4	2.2	Maxis	7.6	0.0
Sunway Construction	1.7	6.3	Plantation			Telekom Malaysia	11.3	-1.7
WCT Holdings	7.2	9.1	FGV	4.1	0.0	Utilities		
Consumer			Genting Plantations	4.5	-10.0	Ranhill Utilities	32.0	-0.9
AEON Co.	54.6	0.0	IOI Corp	11.1	-1.8	Tenaga Nasional	13.4	1.5
Asia File	3.6	0.0	KL Kepong	14.2	1.4	YTL Power	8.8	20.5
Fraser & Neave	61.2	0.2	PPB Group	21.0	1.0			
Hup Seng	1.8	0.0	Sarawak Plantation	2.7	0.0			
Leong Hup	10.7	0.9	Sime Darby Plantation	9.8	-1.0			
MSM Malaysia	1.6	-5.9	Ta Ann	14.1	-2.1			

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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