

# FUND FLOW REPORT

(Week ended 24 November 2023)

*Expecting the end of rate hikes*

27 NOVEMBER 2023 | Strategy - Weekly Fund Flow

Royce Tan Seng Hooi  
royce.tan@midf.com.my

## EXPECTING THE END OF RATE HIKES

## A. MARKET SNAPSHOT

- Minutes from the Federal Open Market Committee's meeting on Oct 31 and Nov 1 that was released last week revealed rather hawkish sentiments as policy makers remained restrictive on the monetary policy stance as inflation still hovers above their intended 2% goal. However, this did not stop the markets from their view that the Fed is done with its rate-hikes.
- The CME FedWatch Tool showed a 95.5% probability that rates would be maintained in the upcoming Dec 13 meeting and a 21.0% probability that there would be a 25bps cut in the Mar-24 meeting.
- Out of the 20 indices monitored, 13 registered gains for the week. The top three performers were the Dow Jones Industrial Average (+1.27%), South Korea's KOSPI (+1.08%) and the S&P500 (+1.00%). The top decliners were Thailand's SET (-1.30%), Singapore's Straits Times (-0.96%) and the Shenzhen CSI 300 (-0.84%). The FBM KLCI was also among the decliners, losing -0.46% to close at 1,453.92 points for the week.
- The People's Bank of China (PBOC) kept both the 1-year and 5-year Loan Prime Rates (LPRs) steady at 3.45% and 4.20%, respectively, in its Nov-23 interest rate decision. The decision was within market expectations, following signs of faster economic recovery, especially on the domestic front. China's retail trade grew the fastest in five months in Oct-23 at +7.6%yoy, exceeding market expectations of +7.0%yoy. The robust domestic demand was supported by a strong labour market as the jobless rate was steady at 5.0%. However, deflation risks continued as consumer prices contracted -0.2%yoy in Oct-23 (Sep-23: 0%yoy).
- Retail sales in the United Kingdom moderated to +2.3%yoy in Oct-23, the slowest growth in three months. With the headline CPI inflation having moderated to +4.6%yoy during the month, the retail sales growth was sustained since the post-pandemic recovery from Mar-21. The moderate growth, however, was attributable to the contraction in sales of alcoholic drinks (-5.1%yoy) and automotive fuel (-12.3%yoy) as well as lower spending at non-food stores (-0.6%yoy), following reduced sales of among others textiles (-27.3%yoy), computers & telecommunication equipment (-14%yoy) and watches & jewellery (-7%yoy).
- Taiwan's industrial production contracted further albeit slower at -2.3%yoy in Oct-23 (Sep-23: -6.9%yoy). While the pace of decline continued to moderate to the slowest fall over a year, production activities were improving despite it remaining below last year. The smaller contraction was mainly attributable to the improvement (i.e. slower fall) in manufacturing output (Oct-23: -1.9%yoy; Sep-23: -7.2%yoy), especially producer and consumer goods which fell modestly by -1.7%yoy and -3.9%yoy, respectively.
- Singapore's non-oil domestic exports (NODX) shrank -3.4%yoy (Sep-23: -13.2%yoy) in Oct-23. It was the softest contraction in 13 months and better than -6.5%yoy predicted by market consensus. The slower fall reflects the slower decline of -2.7%yoy in non-electronic products (Sep-23: -13.7%yoy), with rebound in exports of chemicals (Oct-23: +2.1%yoy; Sep-23: -19.6%yoy), the first growth in six months.
- Singapore's GDP advanced +1.1%yoy in 3QCY23 (2QCY23: +0.5%yoy), faster than market expectations of +0.7%yoy increase. Although the services sector output expanded slower at +2.3%yoy (2QCY23: +2.8%yoy),

**Table 1** Weekly Performance of Global Benchmark Indices (%)

Index	Last Price	Change (%)
Dow Jones	35,390.15	1.27
KOSPI	2,496.63	1.08
S&P 500	4,559.34	1.00
PSEi	6,269.50	0.93
Stoxx Europe 600	459.98	0.91
Nasdaq	14,250.85	0.89
CAC 40	7,292.80	0.81
DAX 40	16,029.49	0.69
Hang Seng	17,559.42	0.60
JCI	7,009.63	0.46
TAIEX	17,287.42	0.46
Sensex	65,970.04	0.27
Nikkei 225	33,625.53	0.12
ASX 200	7,040.76	-0.12
FTSE 100	7,488.20	-0.21
<b>FBM KLCI</b>	<b>1,453.92</b>	<b>-0.46</b>
Ho Chi Minh VSE	1,095.61	-0.51
Shenzhen CSI 300	3,538.01	-0.84
Straits Times	3,094.81	-0.96
SET	1,397.43	-1.30

Source: Bloomberg

the information & communications, finance & insurance, which accounts for over a quarter of total GDP, grew faster at +2.2%yoy (2QCY23: +1.2%yoy). Wholesale & retail trade also recorded sustained growth, albeit moderating at +1.3%yoy (2QCY23: +2.2%yoy).

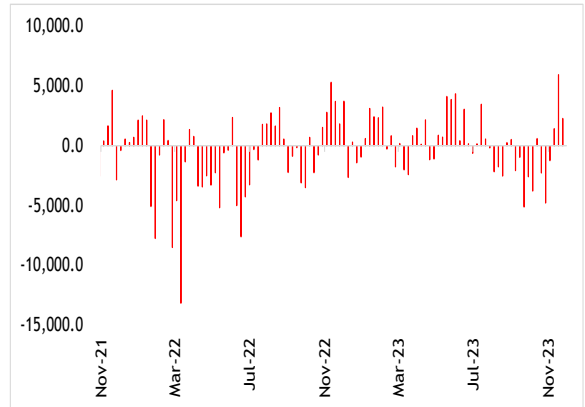
- Malaysia’s total trade declined further for the eighth straight month but at slower pace of -2.4%yoy in Oct-23, with the total trade value reaching a 12-month high at RM239.5b. The +6.8%mom growth in total trade was mainly due to strong surge in imports (+13.4%yoy), which also resulted in the trade surplus shrinking to RM12.9b (Sep-23: RM24.4b), approximately -30.3%yoy lower than the surplus a year ago.
- Meanwhile, the country’s headline inflation declined to a three-year low of +1.8%yoy in Oct-23, the lowest since Mar-21. Core inflation rate was lower at +2.4%yoy yet still above the pre-pandemic average of +1.7%. The average 10MCY23 headline inflation was +2.7% (2022: +3.4%) and core inflation rate was +3.2% (2022: +3.0%). The softening inflationary pressure is a positive signal especially for domestic demand to stay on expansionary path in 4QCY23 onwards.
- The Ringgit depreciated against the US dollar by -0.10% to close at RM4.6853 on Friday. The Brent crude oil price declined by -5.33% to USD80.58 per barrel while the crude palm oil price declined by -1.04% to RM3,980.00 per tonne.

**B. TRACKING MONEY FLOW - ASIA**

- In the eight markets we monitor, foreign investors continue to pour funds into Asia for the third consecutive week, net buying USD2.26b of equities, though this was 2.6x lower than the net inflows recorded in the week before. Only India, Thailand and Vietnam recorded net outflows last week.
- Taiwan recorded the highest net foreign inflow for the second consecutive week at USD1.91b, with most of the inflows coming in on Tuesday at USD1.27b. Taiwan is heading for its Presidential election in January and the candidate of the ruling Democratic Progressive Party (DPP) Lai Ching-te is leading opinion polls as the next President.
- South Korea came in second with a net foreign inflow of USD510.5m. The country’s producer’s inflation moderated to +0.8%yoy (Sep-23: +1.4%yoy) in Oct-23, the softest in three months. The moderation was mainly underpinned by the deflation in energy prices at -1.7%yoy (Sep-23: +4.7%yoy). Food inflation, however, accelerated to +10.9%yoy (Sep-23: +2.3%yoy), the steepest in 7 months. Excluding volatile items, core producers’ prices rose +0.7%yoy (Sep-23: +0.8%yoy).
- Indonesia recorded a net foreign inflow of USD80.1m, its second straight week of inflows. The country has launched a USD20b renewable energy investment plan under the Comprehensive Investment and Policy Plan (CIPP). Under the CIPP, the country seeks to cut carbon dioxide emissions to 250 metric tonnes from a baseline of 305 metric tonnes, and to achieve a 44% renewable energy generation share by 2030. Investments worth USD97.3b are needed to achieve these targets, including USD66.9b for 400 projects by 2030.
- The Philippines locked in a net foreign inflow of USD18.0m last week. Central bank Governor Eli Remelona said the country’s monetary policy will remain hawkish for a while, adding that policy makers could resume its tightening stance should inflation come in higher than expected.

**Chart 1**

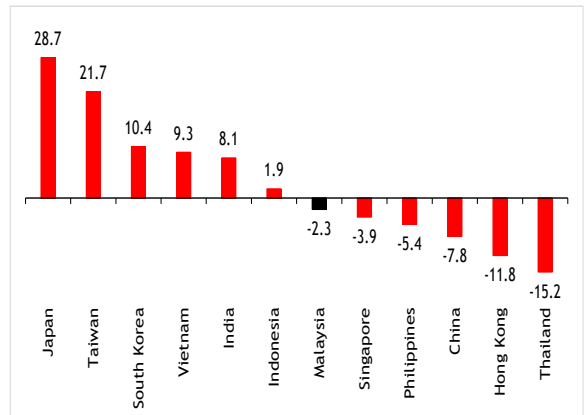
**Net Foreign Fund Flows into Equity in 8 Asian Markets Since Nov-21 (USD'm)**



Sources: Bloomberg & MIDFR

**Chart 2**

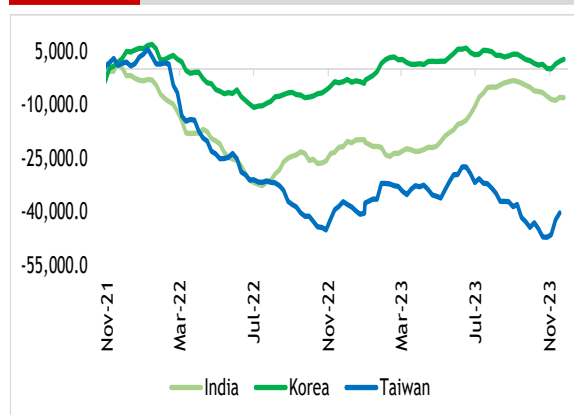
**YTD Performance of Asian Benchmark Indices (%)**



Sources: Bloomberg & MIDFR

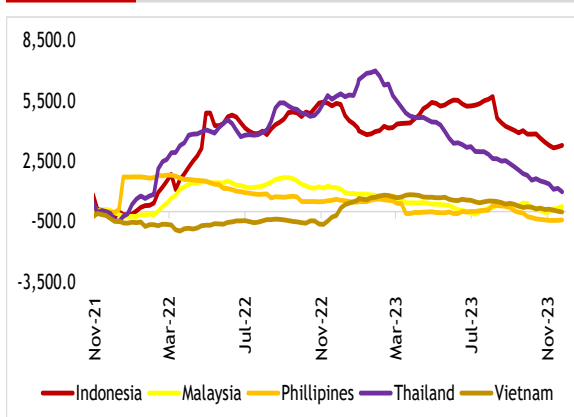
- Thailand saw the highest net foreign outflow last week at -USD178.4m, with net outflows recorded every day of the week. Prime Minister Srettha Thavisin remarked that he was very worried about the slower than expected economic growth in the third quarter, which grew only +1.5%yoy. Three days after that remark, he told a forum that Thailand’s economy is in a “crisis” with fewer foreign arrivals than targeted and stressed on the need of a big economic stimulus.
- Foreign investors net sold in India again at -USD126.7m last week after briefly net buying the week before. They net sold every day, except on Friday when they net bought USD172.0m. The country saw its retail inflation easing to a four-month low of +4.87%yoy in Oct-23, while core inflation fell to 4.3% (Sept-23: +4.5%yoy).
- In Vietnam, foreign investors net sold for the third consecutive week at -USD37.6m. The country is extending its anti-corruption campaign for the long-term after it was revealed that financial scandals in the real estate sector are worth more than 3% of the country’s GDP.

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



Sources: Bloomberg & MIDFR

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



Sources: Bloomberg & MIDFR

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

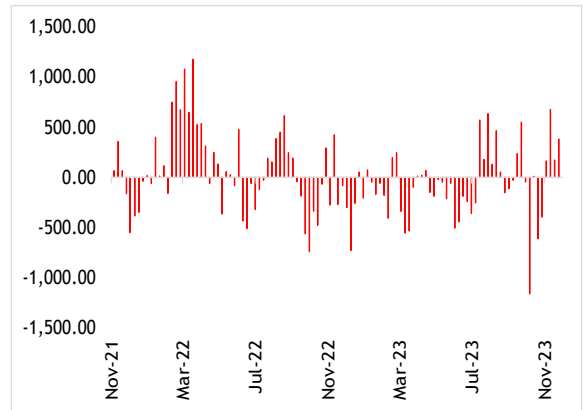
Period	India	Indo	Korea	M'sia	Phil	Taiwan	Thai	Viet	Total
MTD (Nov-23)	45.30	-54.9	2,882.2	303.4	8.6	7,483.1	-387.3	-142.4	10,138.1
1Q23	-3,200.4	445.4	5,469.6	-421.8	-518.3	7,970.2	-1,645.6	252.6	8,351.8
2Q23	12,492.0	644.8	2,474.7	-506.4	51.0	3,277.1	-1,461.2	-265.5	16,706.5
3Q23	5,382.2	-1,399.9	-1,635.9	488.1	-261.9	-13,427.4	-1,419.8	-331.9	-12,606.4
QTD (4Q23)	-2,904.6	-551.1	384.8	-157.0	-162.1	2,526.2	-818.1	-254.5	-1,936.5
YTD	11,769.3	-860.8	6,693.2	-597.1	-891.3	346.1	-5,344.7	-599.3	10,515.3

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

C. TRACKING MONEY FLOW - MALAYSIA

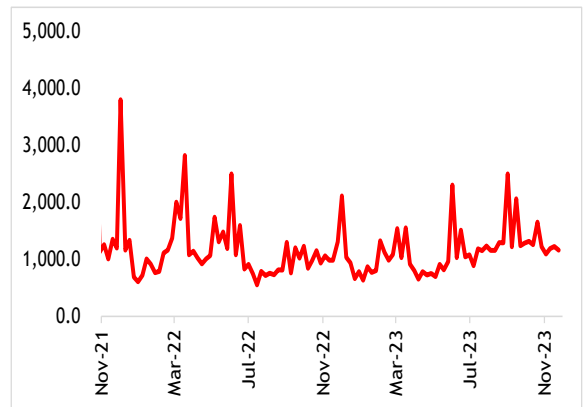
- Foreign investors maintained their position as net buyers on Bursa Malaysia for the fourth consecutive week, with a total of RM382.8m, showing a significant improvement over RM172.4m in the previous week. They net bought every day of the week, with the highest inflow on Tuesday at RM232.6m.
- They also net bought RM6.5m on Monday, RM36.6m on Wednesday, RM74.0 on Thursday and RM33.1m on Friday.
- The top three sectors with the highest net foreign inflows were Utilities (RM86.4m), Healthcare (RM85.2m) and Technology (RM82.0m), while the top three sectors with the highest net foreign outflows were Consumer Products & Services (-RM38.9m), Energy (-RM21.2m) and Telecommunication & Media (-RM20.1m).
- Local institutions continued to net sell for the fourth consecutive week, disposing -RM355.0m of equities. They net bought RM11.0m on Monday but net sold from Tuesday to Friday.
- Local retailers continued their net selling streak for the seventh consecutive week, with net sales amounting to RM27.8m. They were net buyers on RM24.6m only on Wednesday but were net sellers for the rest of the week.
- In terms of participation, there were increases in average daily trading volume (ADTV) among local retailers by +4.9% and local institutions by +9.8%, but a decline among the foreign investors by -5.4%.

**Chart 5** Net Foreign Fund Flows into Malaysian Equity Since Nov-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: Market Participation (RM'b)

Period	Local Retail			Local Institution			Foreign			*Net (USD'b)
	Bought	Sold	Net	Bought	Sold	Net	Bought	Sold	Net	
MTD (Nov-23)	9.37	9.69	-0.32	13.92	15.02	-1.10	10.73	9.31	1.42	0.30
1Q23	36.28	36.19	0.09	62.10	60.32	1.77	30.28	32.15	-1.87	-0.42
2Q23	29.03	28.65	0.37	46.57	44.61	1.96	29.49	31.81	-2.33	-0.51
3Q23	34.89	35.98	-1.09	54.18	55.32	-1.14	42.77	40.54	2.23	0.49
QTD (4Q23)	20.89	21.33	-0.43	32.48	31.28	1.20	24.28	25.05	-0.77	-0.16
YTD	121.09	122.15	-1.06	195.32	191.53	3.79	126.82	129.55	-2.73	-0.60

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 24 NOVEMBER 2023)**
**Table 4** Top 10 Stocks with Inflows and Outflows for the Week by Investor Class (RM'm)

LOCAL RETAIL		LOCAL INSTITUTION		FOREIGN	
<b>Top 10 Stocks with Weekly Net Inflows</b>					
Company	Value	Company	Value	Company	Value
United Plantations	43.4	CIMB Group Holdings	63.8	Public Bank	76.6
Pertama Digital	24.6	Nestle (Malaysia)	49.1	Malayan Banking	53.7
Inari Amertron	21.1	CelcomDigi	22.3	Top Glove Corp.	52.1
Capital A	18.3	Bermaz Auto	21.8	United Plantations	42.2
YTL Corp.	16.3	Genting Malaysia	20.8	Genting	41.5
Malayan Banking	11.9	MISC	17.3	YTL Power Int.	41.3
RHB Bank	7.8	Yinson Holdings	12.9	Press Metal Aluminium	36.6
AirAsia X	7.2	Sunway	12.9	Sime Darby	36.3
Ekovest	6.6	Hong Leong Financial Group	12.7	Frontken Corp.	36.3
Hap Seng Consolidated	6.3	Sime Darby Plantation	10.9	Sime Darby Property	35.8
<b>Top 10 Stocks with Weekly Net Outflows</b>					
Company	Value	Company	Value	Company	Value
Top Glove Corp.	-32.4	United Plantations	-102.6	CIMB Group Holdings	-62.3
Public Bank	-32.1	YTL Power Int.	-75.4	Nestle (Malaysia)	-52.6
Genting	-26.9	Malayan Banking	-71.2	Bermaz Auto	-27.6
Frontken Corp.	-26.1	YTL Corp.	-57.0	Hong Leong Financial Group	-25.0
My E.G. Services	-24.0	Sime Darby Property	-39.8	Inari Amertron	-24.6
Boustead Plantations	-21.1	Sime Darby	-36.7	CelcomDigi	-23.9
Supermax Corp.	-16.4	Press Metal Aluminium	-34.9	Capital A	-23.3
Genting Malaysia	-15.8	Public Bank	-30.3	Dayang Enterprise	-18.5
Tenaga Nasional	-14.1	Malayan Cement	-24.9	MISC	-17.9
Teo Seng Capital	-10.6	RHB Bank	-23.7	Sime Darby Plantation	-11.6

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

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

Company	%	YTD %	Company (cont'd)	%	YTD %	Company (cont'd)	%	YTD %
<b>Automotive</b>			QL Resources	9.1	-10.8	<b>Port &amp; Shipping</b>		
Bermaz Auto	17.0	6.9	Rhong Khen International	62.2	0.0	MISC	9.3	2.2
MBM Resources	2.1	23.5	Spritzer	16.1	-13.0	Suria Capital	5.9	-6.3
Tan Chong	10.6	-1.9	<b>Gloves</b>			Westports	27.2	-1.1
UMW Holdings	6.9	25.5	Hartalega	14.7	-21.8	<b>Property</b>		
<b>Aviation</b>			Kossan	10.2	-11.3	Eco World	5.2	108.0
Capital A	17.6	-4.3	Top Glove	27.5	-15.4	Glomac	4.2	0.0
Malaysia Airports	25.2	27.9	<b>Healthcare</b>			IOI Properties	10.9	186.8
<b>Banking</b>			IHH Healthcare	49.4	-0.8	Mah Sing	19.2	35.2
Affin Bank	26.3	0.0	KPJ Healthcare	8.9	50.8	S P Setia	14.2	129.0
Alliance Bank	19.7	-10.0	Pharmaniaga	0.5	-58.3	Sunway	5.9	13.5
AMMB Holdings	38.7	-3.0	<b>Logistics</b>			UEM Sunrise	8.5	67.3
Bank Islam	0.8	-60.0	CJ Century	57.9	0.9	UOA Development	3.6	-5.3
CIMB Group	30.1	-0.3	Swift Haulage	12.5	-3.8	<b>REITs</b>		
Hong Leong Bank	10.4	-6.3	Tasco	66.2	0.5	Al-'Aqar Healthcare	0.5	25.0
Hong Leong Financial	31.8	-2.2	<b>Media</b>			Axis REIT	15.2	-5.0
Malayan Banking	18.5	3.4	Astro	37.6	-1.6	IGB REIT	3.8	-20.8
Public Bank	26.4	-4.7	Media Prima	20.2	-3.3	KLCCP Stapled	0.7	-22.2
RHB Bank	15.2	-11.6	<b>Non-bank Financials</b>			Pavilion REIT	33.0	-2.9
<b>Building Materials</b>			Bursa Malaysia	14.5	-28.6	Sunway REIT	4.8	-37.7
Cahaya Mata Sarawak	7.4	-15.9	AEON Credit	69.0	-2.0	<b>Solar EPCC</b>		
Malayan Cement	3.6	28.6	<b>Oil &amp; Gas</b>			Pekat	0.9	-
<b>Conglomerate</b>			Bumi Armada	13.4	-20.2	Samaiden	11.3	-
YTL Corp	22.1	23.5	Deleum	4.2	40.0	Sunview	13.2	-
<b>Construction</b>			Dialog	19.5	-6.3	<b>Technology</b>		
Gamuda	23.1	37.5	Gas Malaysia	19.6	-1.0	D & O Green Tech	34.6	-2.3
IJM Corp	13.7	17.1	MMHE	8.4	-11.6	Datasonic	5.9	0.0
KKB Engineering	0.3	0.0	Petronas Chemicals	8.8	-15.4	Globetronics	3.3	-17.5
MRCB	7.1	-15.5	Petronas Dagangan	7.8	2.6	Inari Amertron	20.5	12.0
Pintaras Jaya	0.1	-80.0	Petronas Gas	9.6	2.1	My E.G. Services	12.9	-9.8
Sunway Construction	1.8	38.5	<b>Plantation</b>			Unisem	2.4	4.3
WCT Holdings	7.5	31.6	FGV Holdings	4.0	-4.8	<b>Telecommunication</b>		
<b>Consumer</b>			Genting Plantations	4.5	-16.7	Axiata	10.0	-9.9
AEON Co.	54.5	-0.5	IOI Corp	10.9	-1.8	CelcomDigi	60.0	0.7
Asia File	3.6	-37.9	KL Kepong	14.0	4.5	Maxis	7.7	10.0
Fraser & Neave	61.3	0.7	PPB Group	20.8	-2.8	Telekom Malaysia	11.3	-8.9
Hup Seng	1.8	-5.3	Sarawak Plantation	2.7	17.4	<b>Utilities</b>		
Leong Hup	10.8	-11.5	Sime Darby Plantation	9.7	-2.0	Ranhill Utilities	12.9	-60.1
MSM Malaysia	1.7	-5.6	Ta Ann	13.8	-1.4	Tenaga Nasional	13.6	9.7
Nestlé (Malaysia)	82.4	-0.2	TSH Resources	19.2	-9.0	YTL Power	10.0	78.6
Padini	8.9	-6.3						

## DISCLAIMER

This report has been prepared by MIDF AMANAH INVESTMENT BANK BERHAD (197501002077 (23878-X)). It is for distribution only under such circumstances as may be permitted by applicable law.

Readers should be fully aware that this report is for information purposes only. The opinions contained in this report are based on information obtained or derived from sources that we believe are reliable. MIDF AMANAH INVESTMENT BANK BERHAD makes no representation or warranty, expressed or implied, as to the accuracy, completeness or reliability of the information contained therein and it should not be relied upon as such.

This report is not, and should not be construed as, an offer to buy or sell any securities or other financial instruments. The analysis contained herein is based on numerous assumptions. Different assumptions could result in materially different results. All opinions and estimates are subject to change without notice. The research analysts will initiate, update and cease coverage solely at the discretion of MIDF AMANAH INVESTMENT BANK BERHAD.

The directors, employees and representatives of MIDF AMANAH INVESTMENT BANK BERHAD may have interest in any of the securities mentioned and may benefit from the information herein. Members of the MIDF Group and their affiliates may provide services to any company and affiliates of such companies whose securities are mentioned herein

This document may not be reproduced, distributed or published in any form or for any purpose.



**MIDF RESEARCH** is part of  
MIDF Amanah Investment Bank Berhad (197501002077 (23878-X))  
(Bank Pelaburan)  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

**Business Address:**  
11th Floor, Menara MIDF,  
82, Jalan Raja Chulan, 50200  
Kuala Lumpur.  
Tel: 2173 8888  
Fax: 2173 8380