

FUND FLOW REPORT

(Week ended 19 April 2024)

A week of heavy selling

22 APRIL 2024 | Strategy - Weekly Fund Flow

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A WEEK OF HEAVY SELLING

A. MARKET SNAPSHOT

- On Thursday, New York Fed President John Williams joined the ranks of US rate-setters adopting the “no-rush” stance on rate cuts, initially put forth by the Federal Reserve (Fed) Governor Christopher Waller in Feb-24. This view has since been echoed by many colleagues, reflecting the cautious approach amidst slow and uneven progress on inflation despite the enduring strength of the US economy.
- US industrial production rose for the second consecutive month in Mar-24, with factory output exceeding expectations, signalling continued stabilisation in manufacturing. Factory production increased by +0.4%, matching the prior month's gain. While mining and energy extraction decreased, utilities output saw an uptick. Manufacturing output grew by +0%. led by motor vehicles and planes. Excluding autos, factory production rose by a more modest +0.3% in Mar-24.
- US retail sales exceeded expectations in Mar-24, with the previous month's figures also revised upwards, underscoring the continued strength of consumer demand driving the unexpectedly robust economy. The unadjusted value of retail purchases increased by +0.7% from Feb-24, while sales excluding cars and gasoline surged by +1.0%. Control-group sales saw a notable increase of +1.1%, the largest since the beginning of the previous year.
- Last week, the majority of major markets experienced declines, with 17 out of the 20 indices we monitor recording losses. China's CSI 300 led with a growth of +1.89%, followed by the CAC 40 (+0.14%), and the Dow Jones Industrial Average, which inched up only by +0.01%. Notable decliners included the Ho Chi Minh VSE (-7.97%), Nikkei 225 (-6.21%), and TAIEX (-5.83%).
- In the UK, inflation decelerated by a smaller margin than anticipated last month, driven by a slight increase in fuel prices. According to the Office of National Statistics (ONS), consumer prices rose by +3.2%yoy in Mar-24 (Feb-24: +3.4%). Although it marked the lowest rate since Sep-21, it surpassed both the Bank of England's (BOE) and economists' forecast of +3.1%.
- Britain's unemployment rate unexpectedly climbed to its highest level in six months, signalling a cooling in the once-hot labour market as the number of jobs in the economy declined. The jobless rate increased to +4.2% in the three months through Feb-24, up from +4.0% in the preceding period ending in Jan-24. This marks the highest level since the summer of CY23. However, the report also indicated that wage growth remained stubbornly high, albeit easing to +6.0%.
- China's central bank opted to keep a key policy interest rate unchanged while renewing maturing medium-term loans and withdrawing some liquidity from the banking system through bond instruments. The People's Bank of China (PBOC) announced it would maintain the rate of CNY100.0b worth of 1-year medium-term lending facility (MLF) loans to certain financial institutions at 2.50%. With CNY170.0b worth of MLF loans set to expire this month, the operation resulted in a net withdrawal of CNY70.0b from the banking system.
- China's economy surpassed expectations by growing +5.3% in 1QCY24, providing some reassurance to officials grappling with efforts to bolster growth amidst prolonged challenges in the property sector and increasing local government debt. Despite this, a series of Mar-24 indicators released alongside it, such as property investment,

Table 1 Weekly Performance of Global Benchmark Indices (%)

Index	Last Price	Change (%)
Shenzhen CSI 300	3,541.66	1.89
CAC 40	8,022.41	0.14
Dow Jones	37,986.40	0.01
FBM KLCI	1,547.57	-0.22
DAX 40	17,737.36	-1.08
Stoxx Europe 600	499.29	-1.18
FTSE 100	7,895.85	-1.25
Straits Times	3,176.51	-1.26
Sensex	73,088.33	-1.56
JCI	7,087.32	-2.74
ASX 200	7,567.28	-2.84
Hang Seng	16,224.14	-2.98
S&P 500	4,967.23	-3.05
PSEi	6,443.00	-3.25
KOSPI	2,591.86	-3.35
SET	1,332.08	-4.60
Nasdaq	15,282.01	-5.52
TAIEX	19,527.12	-5.83
Nikkei 225	37,068.35	-6.21
Ho Chi Minh VSE	1,174.85	-7.97

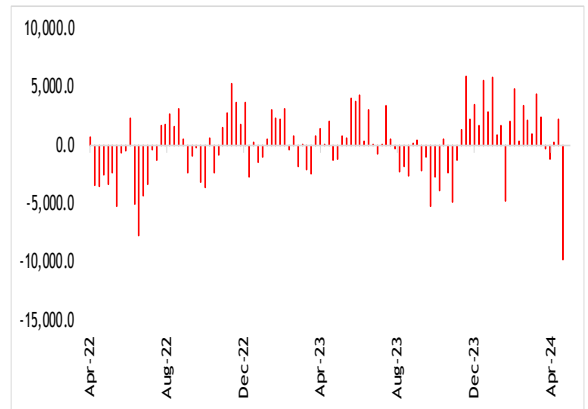
Source: Bloomberg

retail sales, and industrial output, highlighted ongoing weaknesses in domestic demand, which are hampering overall momentum.

- Consumer inflation in Japan moderated more than anticipated, although it remained above the Bank of Japan’s target. In Mar-24, consumer prices excluding fresh food increased by +2.6%yoy, showing a slowdown from the +2.8% rise in Feb-24. A broader measure of inflation, which excludes fresh food and energy prices, also cooled to +2.9%, marking the first time it dipped below +3.0% since Nov-22.
- As reported by the Department of Statistics Malaysia (DOSM) advance estimates for gross domestic product (GDP), Malaysia’s economy expanded by +3.9%yoy and +3.0%qoq in 1QCY24. The surge in economic activity was primarily driven by the services sector, with all key sectors experiencing growth. The services sector saw a +4.4% increase (4Q23: +4.2%), buoyed by growth in sub-sectors such as wholesale & retail trade, transport & storage, and business services.
- Malaysia experienced a slowdown in the contraction of its exports in Mar-24, primarily attributed to reduced international demand for electronics, alongside a decline in shipments to China. Exports amounted to RM128.64b, reflecting a decrease of -0.8%yoy. Conversely, import growth exceeded expectations, surging by +12.5%yoy in Mar-24, surpassing the +8.4% increase recorded in Feb-24.
- The International Monetary Fund (IMF) has revised Malaysia’s GDP growth forecast up to +4.4% for CY24 (CY23: +3.7%), from +4.3%), and maintains it at +4.4% for CY25. This growth is modest compared to historical trends due to factors such as high borrowing costs, reduced fiscal support, and the Ukraine crisis. Weak productivity growth and increasing geoeconomic fragmentation are also contributing factors.
- The Ringgit depreciated against the US Dollar by -0.27% to close at RM4.7832 on Friday. The Brent crude oil price declined -3.49% to USD87.29 per barrel while the crude palm oil price dropped by -6.75% to RM3,926.00 per tonne.

Chart 1

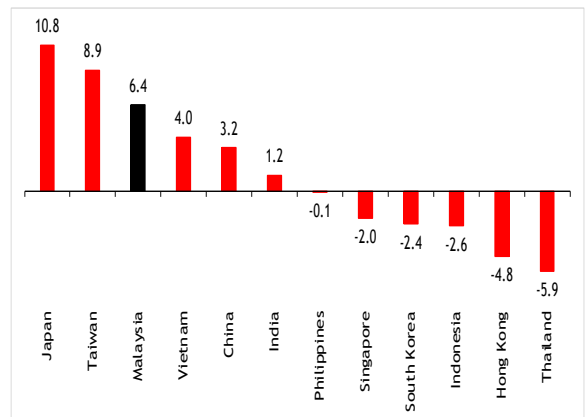
Net Foreign Fund Flows into Equity in 8 Asian Markets Since Apr-22 (USD'm)



Sources: Bloomberg & MIDFR

Chart 2

YTD Performance of Asian Benchmark Indices (%)



Sources: Bloomberg & MIDFR

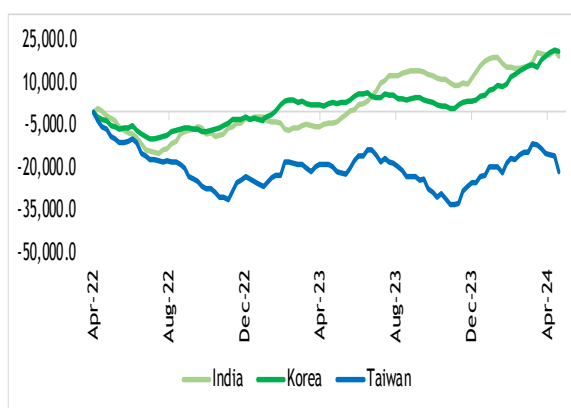
B. TRACKING MONEY FLOW - ASIA

- Foreign investors turned extra cautious amid rising geopolitical conflicts, apart from concerns that interest rates in the US will remain higher for longer. After briefly net buying for two weeks, foreign investors net sold in the eight markets we track at a massive -USD9.68b, the highest weekly net selling amount in more than two years. It was also the only week that saw net selling in all eight markets, something that was last seen 25 weeks ago.
- The highest net foreign outflow last week was from Taiwan, totalling -USD5.87b, the highest in two years. During the week ended March 11, 2022, foreigners net sold -USD6.743b of equities. This is the sixth straight week of net selling in Taiwan and foreigners have been net selling for seven consecutive trading days. TSMC slashed its growth forecast for the semiconductor market to only 10%, citing macroeconomic and geopolitical uncertainties that may weigh on consumer sentiments and end-market demand.
- India recorded the second highest net outflow at -USD2.23b as foreign investors net sold every trading day. Wednesday was a public holiday in India in conjunction with the Shri Ram Navmi festival. The start of the country’s election on Friday, which will run until June 1, is among the several factors contributing to the volatility of its markets. It is dubbed the largest election in the world, with about 1b voters. Incumbent Prime Minister Narendra

Modi is favoured to win a rare third term in office.

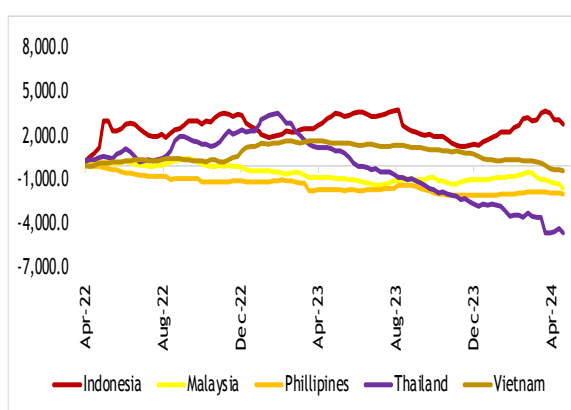
- South Korea saw -USD573.7m leaving its shores last week after four weeks of net inflows. Foreign investors net bought USD604.3m on Thursday but were net sellers for the remainder of the week. There is excessive volatility in the currency market, which saw the Korean won plunging to a 17-month low of 1,400 to the greenback on Tuesday. Bank of Korea governor Rhee Chang-yong said the central bank was ready to deploy measures to calm the market as the currency movements have been excessive.
- Foreign investors net sold -USD285.5m in Thailand last week, net selling every day from Wednesday to Friday. Monday and Tuesday were public holidays in conjunction with Songkran or the Thai New Year.
- Indonesia recorded its third consecutive week of net outflows, amounting to -USD277.3m. Foreign investors only net bought USD0.03m on Monday but net sold for the rest of the week. Apart from the volcano eruption in North Sulawesi that disrupted airspace during the week, the rupiah was among the currencies that plunged to multi-year lows against the dollar in light of the tensions between Israel and Iran. Bank Indonesia said it will intervene “more boldly” in the foreign exchange markets to aid the rupiah.
- Vietnam saw foreign investors net selling for the seventh consecutive week at -USD60.5m. Reuters broke the news that the State Bank of Vietnam had pumped USD24b in “special loans” in what is dubbed an unprecedented rescue of the Saigon Joint Stock Commercial Bank, which is involved in one of the largest financial fraud cases in the country and has been placed under special supervision since Oct-22.
- The Philippines recorded its fourth consecutive week of net selling at -USD57.4m. The heat wave in the Philippines saw power plants forcefully shut down on Tuesday. The grid on Luzon Island was placed on red alert, a sign that supply was insufficient to meet demand. A total of 19 generators were offline while three others were on reduced capacity. Meanwhile, the Visayas grid was on yellow alert, which saw 12 facilities offline. The Department of Energy urged businesses and households to reduce power usage during peak demand hours.

Chart 3 Net Foreign Fund Flows into North Asia and India Since Apr-22 (USD'm)



Sources: Bloomberg & MIDFR

Chart 4 Net Foreign Fund Flows into Southeast Asia Since Apr-22 (USD'm)



Sources: Bloomberg & MIDFR

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

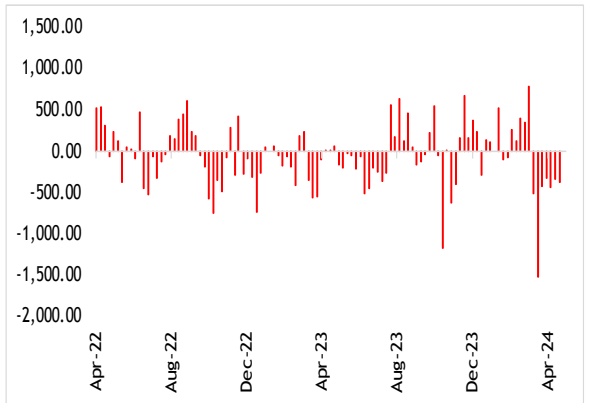
Period	India	Indo	Korea	M'sia	Phil	Taiwan	Thai	Viet	Total
Apr-24	-626.7	-749.8	1,573.6	-482.0	-96.9	-6,451.5	-17.8	-195.0	-7,046.1
1Q24	1,329.4	1,685.7	12,188.7	-186.8	162.6	4,729.4	-1,933.4	-561.9	17,413.7
1Q23	-3,200.4	445.4	5,469.6	-421.8	-518.3	7,970.2	-1,645.6	252.6	8,351.8
2Q23	12,492.0	644.8	2,474.7	-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
4Q23	6,069.0	-43.6	4,396.8	-72.7	-134.1	9,113.0	-980.6	-681.3	17,666.5

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

C. TRACKING MONEY FLOW - MALAYSIA

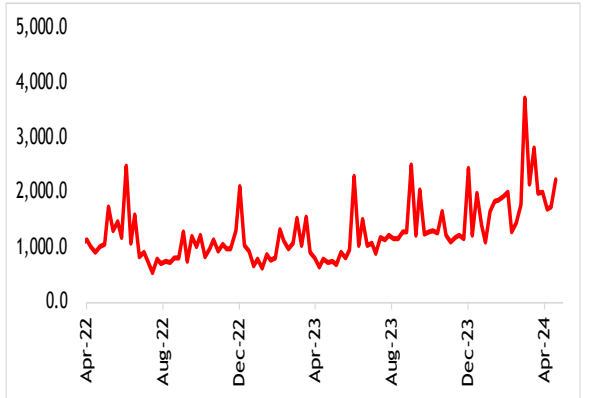
- Like most of its Asian counterparts, Bursa Malaysia recorded massive net selling last week, amounting to -RM1.59b, the highest weekly net outflow in four years, during the time when the country went into movement control order (MCO) in Mar-20. This was the eighth consecutive week of net selling in Malaysia by foreign investors.
- They net sold every day last week and have been net selling Malaysian equities for nine straight trading days.
- The only sector with a net foreign inflow last week was Telecommunication & Media (RM9.3m), while the top three sectors that recorded the highest net foreign outflows were Financial Services (-RM425.8m), Consumer Products & Services (-RM308.9m), and Industrial Products & Services (-RM206.3m).
- The local bourse continued to be supported by local institutions, net buying RM1.79b for the week, a six-year high since Feb-18. This is their eighth consecutive week of net buying. In terms of days, they have been net buying for 11 straight trading days.
- Meanwhile, local retailers remained net sellers for the sixth consecutive week, with net sales amounting to -RM195.8m. They net bought RM59.5m on Monday but were net sellers for the rest of the week.
- In terms of participation, the average daily trading volume (ADTV) saw increases across the board, led by local institutions (+30.2%), followed by foreign investors and local retailers at +28.4% and +19.5% respectively.

Chart 5 Net Foreign Fund Flows into Malaysian Equity Since Apr-22 (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	
Apr-24	7.74	8.22	-0.47	17.22	14.44	2.78	11.29	13.59	-2.30	-0.48
1Q24	38.14	39.45	-1.31	76.23	74.05	2.18	61.41	62.28	-0.88	-0.19
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
4Q23	35.65	36.00	-0.35	56.14	55.42	0.72	44.33	44.71	-0.38	-0.07

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 19 APRIL 2024)
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
RHB Bank	30.4	Malayan Banking	202.8	YTL Power int.	28.4
Genting	28.4	Tenaga Nasional	142.4	Axiata Group	24.3
UEM Sunrise	24.1	CIMB Group Holdings	125.2	Inari Amertron	22.7
Public Bank	13.8	Sime Darby	114.0	Mah Sing	18.5
Genting Malaysia	12.8	YTL Corp.	109.5	Petronas Gas	14.5
Tanco Holdings	10.3	Press Metal	99.5	Genting Malaysia	13.1
Capital A	10.0	Dialog	68.3	Pertama Digital	7.3
Genetec Tech.	8.1	YTL Power Int.	67.9	Eco World Development	6.7
Malaysian Resources	8.0	RHB Bank	66.9	Bank Islam	5.3
My E.G. Services	7.6	Sunway	55.2	PIE Industrial	4.8
Top 10 Stocks with Weekly Net Outflows					
Company	Value	Company	Value	Company	Value
Malayan Banking	-45.9	Inari Amertron	-33.3	Malayan Banking	-125.1
YTL Power Int.	-43.1	Genting Malaysia	-28.9	Sime Darby	-106.4
Tenaga Nasional	-29.4	Axiata Group	-25.7	RHB Bank	-96.1
CIMB Group Holdings	-22.2	Genting	-24.5	Tenaga Nasional	-94.1
YTL Corp.	-19.5	UEM Sunrise	-10.4	CIMB Group Holdings	-87.6
Press Metal	-18.6	Oriental Holdings	-8.8	Press Metal	-80.0
Mah Sing	-17.1	Petronas Gas	-7.6	YTL Corp.	-78.9
Sunway	-17.1	Hartalega Holdings	-5.2	Public Bank	-67.6
PIE Industrial	-16.2	Globetronics Tech.	-5.0	S P Setia	-58.9
United Plantations	-15.5	Sunway REIT	-4.8	Sime Darby Property	-51.0

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

Appendix: Foreign Shareholdings of the Companies Under Our Coverage as at Mar-24 (%)

Company	%	YTD %	Company (cont'd)	%	YTD %	Company (cont'd)	%	YTD %
Automotive			Padini	6.3	0.0	MISC	10.4	4.0
Bermaz Auto	8.9	-22.6	QL Resources	8.4	-4.5	Suria Capital	5.4	-3.6
MBM Resources	1.7	-22.7	Rhong Khen International	62.3	0.0	Westports Holdings	27.2	0.4
Tan Chong	10.5	0.0	Spritzer	13.7	-1.4	Property		
Aviation			Gloves			Eco World	6.7	42.6
Capital A	13.8	1.5	Hartalega	14.5	-1.4	Glomac	3.8	0.0
Malaysia Airports	24.5	0.0	Kossan Rubber	12.1	-4.0	IOI Properties	6.2	6.9
Banking			Top Glove	28.7	-0.3	Mah Sing	25.3	25.9
Affin Bank	27.0	0.4	Healthcare			Matrix Concepts	9.7	-5.8
Alliance Bank	20.2	1.0	IHH Healthcare	49.7	-0.4	S P Setia	19.2	12.3
AMMB Holdings	28.3	-27.6	KPJ Healthcare	10.4	4.0	Sunway	5.2	-1.9
Bank Islam	1.5	53.0	Pharmaniaga	0.3	-25.0	UOA Development	3.5	0.0
CIMB Group	30.9	-1.6	Logistics			REITs		
Hong Leong Bank	10.1	-2.9	CJ Century	58.0	0.0	Al-'Aqar Healthcare	0.6	20.0
Hong Leong Financial	30.6	-0.6	Swift Haulage	6.8	-6.8	Axis REIT	14.7	-1.3
Malayan Banking	19.9	0.0	Tasco	66.7	0.3	IGB REIT	2.6	0.0
Public Bank	26.4	-3.6	Non-bank Financials			KLCCP Stapled	0.4	0.0
RHB Bank	13.4	-5.6	Bursa Malaysia	15.2	-1.9	Pavilion REIT	32.3	0.6
Building Materials			AEON Credit	68.1	-0.1	Sunway REIT	4.4	-2.2
Cahaya Mata Sarawak	6.5	1.6	Oil & Gas			Solar EPCC		
Malayan Cement	5.6	0.0	Bumi Armada	15.7	4.7	Pekat	2.0	-16.7
Conglomerate			Deleum	4.4	7.3	Samaiden	11.9	6.3
YTL Corporation	25.6	0.0	Dialog	17.0	-2.3	Sunview	7.5	5.6
Construction			Gas Malaysia	19.4	-2.0	Technology		
Gamuda	26.1	3.2	MMHE	8.3	0.0	D & O Green Tech	35.7	0.8
IJM Corp	17.3	-2.8	Petronas Chemicals	8.4	-3.4	Datasonic	5.9	-3.3
KKB Engineering	0.5	-16.7	Petronas Dagangan	7.0	-2.8	Globetronics	0.4	-71.4
MRCB	12.4	6.0	Petronas Gas	10.2	-1.0	Inari Amertron	17.4	-7.9
Pintaras Jaya	0.2	0.0	Plantation			My E.G. Services	11.4	-3.4
Sunway Construction	1.4	40.0	FGV Holdings	3.7	0.0	Unisem	2.4	4.3
WCT Holdings	6.6	-4.3	Genting Plantations	6.0	5.3	Telecommunication		
Consumer			IOI Corp	10.8	-2.7	Axiata	10.6	2.9
AEON Co.	53.4	-0.6	KL Kepong	12.5	-6.7	CelcomDigi	60.0	0.0
Asia File	3.5	0.0	PPB Group	20.4	-2.9	Maxis	7.9	0.0
Fraser & Neave	60.6	-0.3	Sarawak Plantation	2.6	0.0	Telekom Malaysia	12.7	0.0
Hup Seng Industries	1.9	0.0	Sime Darby Plantation	9.6	-2.0	Utilities		
Leong Hup	7.8	-0.9	Ta Ann	13.2	0.0	Ranhill Utilities	12.9	-2.3
MSM Malaysia	4.0	42.9	TSH Resources	18.7	-0.5	Tenaga Nasional	14.0	2.2
Nestlé (Malaysia)	81.8	-0.1	Port & Shipping			YTL Power	13.3	-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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