

MALAYSIA EQUITY RESEARCH | 14 December 2015

Week Ended 11 December 2015

- The flow out of Asian equity continued unabated last week for the fifth the consecutive week since mid-November.
- All the seven Asian exchanges that we track recorded negative flows last week.
- The North Asian markets suffered the largest outflows led by Taiwan at more than USD1b and followed by Korea.
- Likewise, foreign money continued to exit the Malaysian equity market on net basis for the third week in a row.
- Investors classified as “foreign” were net sellers in all of the five trading days on Bursa Malaysia last week.

14 December 2015 | Strategy - Weekly Fund Flow

Last-minute outflows in anticipation of lift-off

TRACKING MONEY FLOW – ASIA

- The flow out of Asian equity continued unabated last week for the fifth the consecutive week since mid-November. All the seven Asian exchanges that we track recorded negative flows last week.
- Funds classified as “foreign” were, in aggregate, net sellers of stocks in the Asian exchanges that we track. The net amount sold last week totalled -USD2.56b, improved slightly from -USD2.71b in the earlier week.
- The North Asian markets suffered the largest outflows led by Taiwan at more than USD1b and followed by Korea.

WEEKLY NET FLOW OF FOREIGN FUND INTO EQUITY (USD'm)								
WEEK ENDED	KOREA	THAI	INDON	PHIL	INDIA	TAIWAN	MALAYSIA	TOTAL
JUL 3	-45.5	-170.1	-0.3	6.5	-21.2	-387.1	-83.4	-701.2
JUL 10	-1,227.8	-318.9	48.3	-55.1	362.0	-1,120.5	-213.2	-2,525.2
JUL 17	319.8	-24.5	-28.8	-21.3	476.9	97.7	-48.2	771.7
JUL 24	-874.9	-206.1	-12.3	-39.6	227.7	-24.8	-218.3	-1,148.3
JUL 31	18.5	-51.1	-8.3	-69.1	-345.3	-193.8	-221.6	-870.8
AUG 7	-186.3	-172.2	-66.9	-7.0	297.1	-104.6	-124.3	-364.2
AUG 14	-535.4	-168.0	-220.9	-80.3	-369.1	-475.6	-353.3	-2,202.6
AUG 21	-903.2	-483.8	-309.4	-52.3	-537.7	-653.3	-327.5	-3,267.1
AUG 28	-1,950.1	-434.9	-133.5	-240.1	-1,903.9	-405.6	-192.7	-5,260.8
SEP 4	-369.9	-73.9	-58.6	-47.6	-636.2	-193.3	-148.8	-1,528.3
SEP 11	-791.7	-116.6	-127.7	-67.5	-359.3	587.5	-172.0	-1,047.2
SEP 18	313.9	61.3	-116.1	-525.0	575.0	655.2	161.4	1,125.7
SEP 25	-923.2	-277.2	-139.7	-49.9	-287.5	-1,099.9	-293.3	-3,070.7
OCT 2	116.8	-158.1	-42.3	-8.4	-221.9	79.8	-135.1	-369.3
OCT 9	303.0	143.9	161.8	-12.3	122.7	201.1	187.7	1,107.9
OCT 16	-70.1	43.4	-10.5	-41.7	418.5	804.5	98.9	1,243.0
OCT 23	-97.7	-1.1	82.1	-21.8	304.6	856.4	54.3	1,176.8
OCT 30	-134.7	-189.4	-575.6	0.8	-80.5	185.3	-139.4	-933.5
NOV 6	171.6	96.6	-12.3	-10.2	41.5	904.0	14.8	1,205.9
NOV 13	-584.6	-247.5	-110.6	-65.7	-340.5	-1,339.5	-163.3	-2,851.6
NOV 20	-246.9	-129.6	-37.6	-33.2	-372.9	-318.9	-73.3	-1,212.4
NOV 27	-333.9	-51.2	22.6	-59.1	-190.1	234.7	30.4	-346.7
DEC 4	-1,150.3	-109.5	-165.4	-42.6	-623.5	-576.7	-38.3	-2,706.4
DEC 11	-957.6	-94.3	-49.8	-52.0	-197.8	-1,049.8	-155.1	-2,556.5

Source: Various countries' exchanges. These figures are subject to revisions.

TRACKING MONEY FLOW – MALAYSIA

- Foreign money continued to exit the Malaysian equity market on net basis for the third week in a row.
- Last week, investors classified as “foreign” offloaded local equity in the open market (i.e. excluding off-market deals) amounted to nearly -RM663m and were net sellers in all of the five trading days last week.
- Foreign participation rate (daily average gross purchase and sale) nonetheless dwindled to RM861 from a year-to-date high of RM1.68b recorded in earlier week.
- Local institutions continued to help supported the market last week, mopping up almost RM631m net. The participation rate remained relatively high at RM2.14b.
- Local retailers were marginal net buyers at RM32m. Likewise, its participation rate continued to decline to RM631m last week.

BURSA MALAYSIA: WEEKLY MARKET PARTICIPATION (RM'm)										
Week ended	LOCAL RETAIL			LOCAL INSTITUTION			FOREIGN			
	BOUGHT	SOLD	NET (RM)	BOUGHT	SOLD	NET (RM)	BOUGHT	SOLD	NET (RM)	NET (USD)*
3 July	1,584.0	1,739.9	-155.9	5,552.9	5,082.1	470.8	2,246.5	2,561.4	-314.9	-83.4
10 July	1,788.8	1,762.8	26.0	5,199.6	4,413.9	785.7	1,897.1	2,708.8	-811.7	-213.2
17 July	1,167.9	1,242.7	-74.8	3,454.9	3,196.7	258.2	1,251.6	1,435.0	-183.4	-48.2
24 July	1,839.8	1,882.4	-42.6	4,573.7	3,700.0	873.7	1,521.8	2,351.9	-830.1	-218.3
31 July	2,005.6	2,099.0	-93.4	5,364.6	4,426.2	938.4	1,991.9	2,836.9	-845.0	-221.6
7 Aug	1,601.8	1,561.8	40.0	4,461.1	4,013.3	447.8	1,928.3	2,416.1	-487.8	-124.3
14 Aug	2,142.0	2,043.3	98.7	6,903.2	5,584.8	1,318.4	1,718.6	3,135.7	-1,417.1	-353.3
21 Aug	1,684.3	1,676.1	8.2	6,058.1	4,717.3	1,340.8	1,993.9	3,342.9	-1,349.0	-327.5
28 Aug	2,132.8	2,234.7	-101.9	6,955.0	6,036.8	918.2	3,083.9	3,900.2	-816.3	-192.7
4 Sep	1,365.7	1,324.6	41.1	4,384.2	3,793.8	590.4	2,091.1	2,722.6	-631.5	-148.8
11 Sep	1,872.2	1,911.9	-39.7	5,673.1	4,889.6	783.5	1,998.8	2,742.6	-743.8	-172.0
18 Sep	1,656.0	1,820.7	-164.7	5,366.1	5,886.4	-520.3	3,365.5	2,680.5	685.0	161.4
25 Sep	1,480.4	1,335.1	145.3	4,896.2	3,772.8	1,123.4	1,519.9	2,788.6	-1,268.7	-293.3
2 Oct	1,689.6	1,630.0	59.6	5,286.0	4,746.9	539.1	2,559.9	3,158.6	-598.7	-135.1
9 Oct	2,028.9	2,216.5	-187.6	6,904.7	7,500.5	-595.8	3,767.0	2,983.6	783.4	187.7
16 Oct	1,638.6	1,656.0	-17.4	4,813.4	5,207.7	-394.3	2,969.2	2,557.5	411.7	98.9
23 Oct	2,110.3	2,182.3	-72.0	5,384.1	5,542.5	-158.4	2,638.3	2,407.9	230.4	54.3
30 Oct	1,943.6	1,847.2	96.4	6,126.9	5,623.2	503.7	1,989.3	2,589.4	-600.1	-139.4
6 Nov	2,240.3	2,268.3	-28.0	6,495.2	6,530.0	-34.8	2,148.4	2,085.6	62.8	14.8
13 Nov	1,822.9	1,716.8	106.1	4,739.7	4,131.8	607.9	1,430.8	2,144.8	-714.0	-163.3
20 Nov	2,386.1	2,388.0	-1.9	5,550.4	5,228.4	322.0	1,898.3	2,218.4	-320.1	-73.3
27 Nov	2,347.9	2,406.2	-58.3	5,927.6	5,997.3	-69.7	2,448.5	2,320.5	128.0	30.4
4 Dec	1,638.0	1,709.0	-71.0	5,656.6	5,424.3	232.3	4,126.8	4,288.1	-161.3	-38.3
11 Dec	1,593.2	1,561.1	32.1	5,658.4	5,027.7	630.7	1,820.4	2,483.2	-662.8	-155.1

* Estimate by MIDF Research based on prevailing exchange rate.
Source: Bursa's preliminary data

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MIDF AMANAH INVESTMENT BANK : GUIDE TO RECOMMENDATIONS

STOCK RECOMMENDATIONS

BUY	Total return is expected to be >15% over the next 12 months.
TRADING BUY	Stock price is expected to <i>rise</i> by >15% within 3-months after a Trading Buy rating has been assigned due to positive newsflow.
NEUTRAL	Total return is expected to be between -15% and +15% over the next 12 months.
SELL	<i>Negative</i> total return is expected to be -15% over the next 12 months.
TRADING SELL	Stock price is expected to <i>fall</i> by >15% within 3-months after a Trading Sell rating has been assigned due to negative newsflow.

SECTOR RECOMMENDATIONS

POSITIVE	The sector is expected to outperform the overall market over the next 12 months.
NEUTRAL	The sector is to perform in line with the overall market over the next 12 months.
NEGATIVE	The sector is expected to underperform the overall market over the next 12 months.