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MIDF AMANAH
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FUND FLOW REPORT

(Week ended 2 June 2023)

Debt ceiling relief, strong job numbers lift markets



MIDF EQUITY STRATEGY | 6 JUNE 2023

6 JUNE 2023 | Strategy - Weekly Fund Flow

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DEBT CEILING RELIEF, STRONG JOB NUMBERS LIFT MARKETS

A. MARKET SNAPSHOT

- Fears of a credit default in the United States were alleviated following an agreement between the House of Representatives and the Senate to lift the debt ceiling for two years. Major benchmarks continued to advanced, especially on Thursday and Friday following a strong jobs report from the US.
- The Bureau of Labour Statistics recorded +339K of nonfarm payrolls in May-23 (Apr-23: +294K), as compared to Wall Street estimates of +195K while the unemployment rate grew to 3.7% in May-23 (Apr-23: 3.4%). These led markets to advance further on the back of rising expectations of a rate pause by the Federal Reserve in the upcoming Federal Open Market Committee (FOMC) meeting on June 14. The CME FedWatch Tool now indicates a 78.3% probability of the target rate being maintained while 21.7% indicated a 25bps hike.
- 13 out of the 20 global major indices that we track ended the week in the positive territory. The top advancer was Vietnam's Ho Chi Minh VSE (+2.55%), followed by Nasdaq (+2.04%) and Dow Jones (+2.02%). The biggest weekly loser was Malaysia's FBM KCLI (-1.55%), followed by Singapore's Straits Times (-1.28%) and Indonesia's JCI (-0.80%).

Table 1 Weekly Performance of Global Benchmark Indices (%)

Index	Last Price	Change (%)
Ho Chi Minh VSE	1,090.84	2.55
Nasdaq	13,240.77	2.04
Dow Jones	33,762.76	2.02
Nikkei 225	31,524.22	1.97
S&P 500	4,282.37	1.83
KOSPI	2,601.36	1.66
TAIEX	16,706.91	1.22
Hang Seng	18,949.94	1.08
DAX 40	16,051.23	0.42
Shenzhen CSI 300	3,861.83	0.28
Stoxx Europe 600	462.15	0.16
Sensex	62,547.11	0.07
SET	1,531.20	0.02
ASX 200	7,145.14	-0.13
FTSE 100	7,607.28	-0.26
PSEi	6,512.01	-0.28
CAC 40	7,270.69	-0.66
JCI	6,633.26	-0.80
Straits Times	3,166.30	-1.28
FBM KLCI	**1,381.26**	**-1.55**

Source: Bloomberg

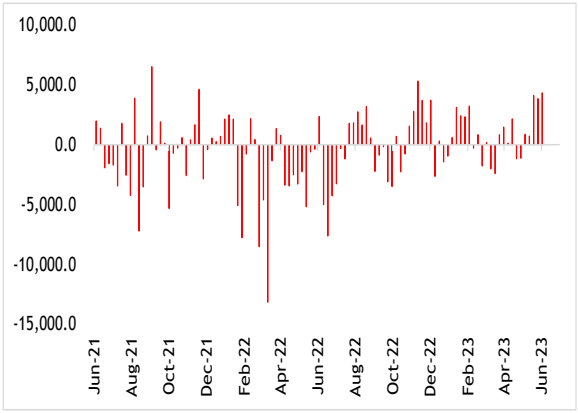
- The US manufacturing PMI contracted for a seventh straight month to 46.9 in May-23 (Apr-23: 47.1) owing to declining new orders amid higher interest rates, but factories have reportedly boosted employment to a 9-month high.
- The eurozone inflation eased more than expected to +6.1% in May-23 (Apr-23: +7.0%) as underlying price growth slowed.
- South Korea's consumer inflation eased for a fourth consecutive month in May-23 after rising by +3.3%yoy, its slowest place in 19 months. The central bank said the inflation outlook is highly uncertain at this point due to risks arising from global oil prices, economic growth, and public utility price increases.
- China's factory activity unexpectedly recorded growth in May-23 from 49.5 in Apr-23 to 50.9, supported by improved production and demand.
- Industrial production in Japan entered its sixth consecutive month of contraction, but at a slower pace of -0.3%yoy in Apr-23. On a monthly basis, it fell by -0.4%mom (Mar-23: -1.1%mom), weaker than market consensus of +1.5%mom.
- Thailand's exports contracted more than expected in Apr-23 by -7.6%yoy as the slowdown was mostly contributed by the uncertain global economic conditions.
- Malaysia's S&P manufacturing Purchasing Managers' Index contracted to 47.8 in May-23 from 48.8, remaining below the 50-demarcation line for the ninth consecutive month and marking the steepest decline in five months.
- The Ringgit appreciated against the US dollar by +0.52% to close at USDMYR4.5765 on Friday. The Brent crude oil price declined by –10.6% to USD76.13 per barrel, while the crude palm oil price

rose -5.06% to RM3,379 per tonne.

B. TRACKING MONEY FLOW - ASIA

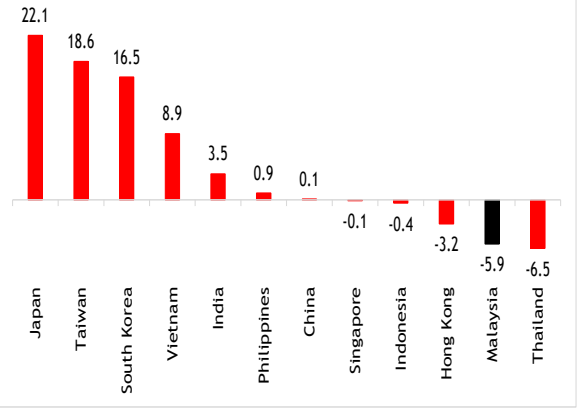
- Foreign investors remained net buyers of Asian equities last week, with most of the interest focusing on Taiwan, India, and South Korea. Based on the provisional aggregate data for the eight exchanges that we track, foreign investors net bought USD4.32b equities, the highest amount of net foreign inflows ever recorded this year. The only countries that recorded outflows were Thailand, Malaysia, Philippines, and Vietnam.
- For the third consecutive week, Taiwan continued to receive the highest net foreign inflow at USD1.96b last week. Notably, a new trade deal was signed between the U.S. and Taiwan on Thursday, as announced by Taiwan's Office of Trade Negotiations. This deal, which encompasses measures aimed at streamlining border procedures, is the first agreement under the framework called the US-Taiwan initiative on 21st Century Trade. Year-to-date, Taiwan has received a net foreign inflow of USD11.06b.
- Going into the sixth consecutive week, India recorded the highest net foreign inflow thus far this year at USD1.57b. The heaviest inflows were recorded on Thursday at USD464.2m, the day after India announced a stronger-than-expected GDP growth of +6.1%yoy in the January-March period, bringing the annual expansion to +7.2%yoy. Foreign investors have been net buyers of Indian equities this year to the tune of USD4.34b.

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



Sources: Bloomberg & MIDFR

Chart 2 YTD Performance of Asian Benchmark Indices (%)

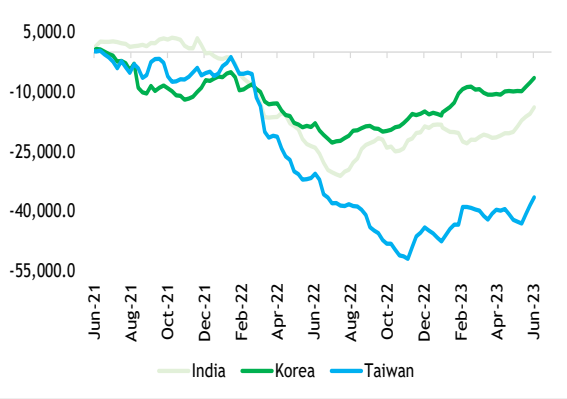


- In South Korea, foreign investors have net bought USD1.18b worth of equities, marking their third consecutive week of net buying. It was a shortened trading week as the market was closed on Monday, in conjunction with Buddha's Birthday. Last Friday, the Bank of Korea announced a +3.0%qoq growth in its GDP for 1Q23 on the back of an increase in private consumption. Additionally, Statistics Korea data showed that the CPI in May-23 has eased to a 19-month low of +3.3%yoy. Year-to-date, USD9.51b worth of foreign funds have flowed into the country.
- Indonesia was the only other country that posted net foreign inflow last week to the tune of USD92.7m. The market was closed on Thursday (Pancasila Day) and Friday (Wesak Day). A senior government official with the investment coordinating ministry said that the government has put on hold its plans to impose taxes on nickel product exports, while they focus on developing a price index by end-CY23 to reduce the fluctuations associated with the London Metal Exchange (LME) benchmark. Year-to-date, foreigners have been net buyers of the Indonesian equities, with inflows amounting to USD1.38b.
- Foreign funds continued to leave Thailand's equity market for the seventh consecutive week. The country recorded net foreign outflow of -USD248.5m last week. Last Wednesday, the Bank of Thailand (BoT) monetary policy committee has voted unanimously to increase the policy rate from 1.75% to 2.00%, bringing the key policy rate to its highest level since early-2015.

Foreign investors have been net sellers of Thai equities, with a year-to-date net foreign outflow amounting to -USD2.94b.

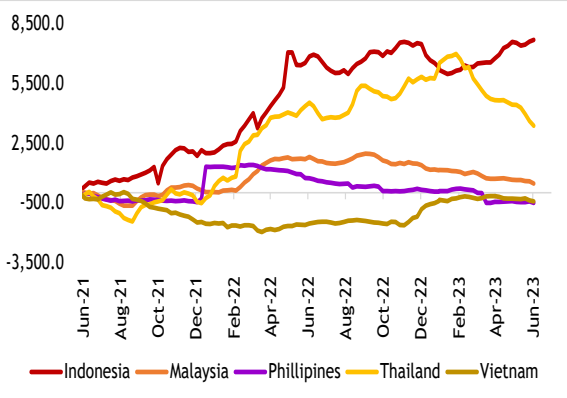
- Foreign investors turned net sellers in the Philippines, after selling -USD77.2m worth of equities last week. Data from the Bureau of the Treasury released Wednesday showed states liabilities amounted to PHP13.91t in Apr-23 or +0.14%mom on the back of higher foreign borrowings, which was bloated by a weak peso. Meanwhile, the Bangko Sentral ng Pilipinas projects last month's inflation to have slowed and settled within the 5.8% to 6.6% range owing to lower pump prices and cheaper poultry and fish. A total of -USD569.3m have left the country's equity market since the start of the year.
- Foreign investors have net sold -USD50.5m worth of Vietnamese equities, marking their second consecutive week of net selling. Data released by the General Statistics Office (GSO) showed that the country's total exports in the January-May period have fallen by -11.6%yoy to USD136.17b, while imports dipped by -17.9%yoy to USD126.37b. Year-to-date, -USD11.2m of foreign funds have left the country.

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



Sources: Bloomberg & MIDFR

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



Sources: Bloomberg & MIDFR

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

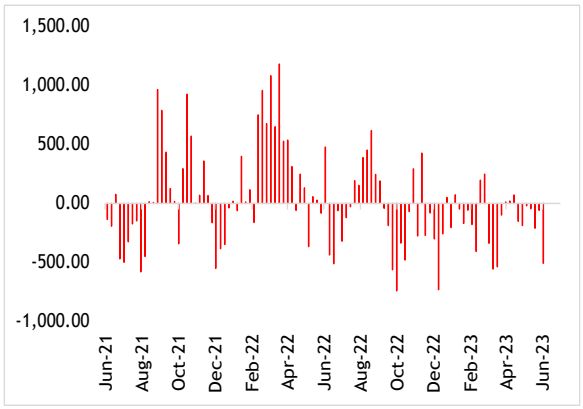
Week Ended	India	Indo	Korea	M'sia	Phil	Taiwan	Thai	Viet	Total
5-May	1,326.6	-49.9	102.1	-4.6	-42.7	-442.2	-12.2	-21.3	855.8
12-May	1,502.7	-139.6	-30.6	-10.3	-12.4	-469.6	-138.3	-6.2	695.7
19-May	946.9	60.3	1,101.5	-46.8	4.2	2,316.3	-311.5	33.4	4,104.3
26-May	769.9	146.0	1,066.5	-12.8	42.8	2,279.2	-351.8	-101.0	3,838.9
2-Jun	1,574.7	92.7	1,184.7	-110.0	-77.2	1,955.8	-248.5	-50.5	4,321.7

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

C. TRACKING MONEY FLOW - MALAYSIA

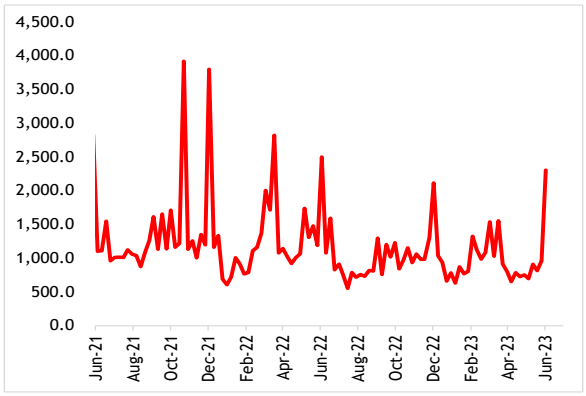
- The net selling by foreign investors on Bursa Malaysia stretches into its seventh consecutive week with net foreign outflows amounting to -RM506.5m, a level last seen in the middle of Mar-23. They have been sellers of 16 out of 22 weeks this year, with a total net foreign outflow of -RM2.96b.
- Every trading day last week was a net selling day by the foreigners. Wednesday saw the heaviest net selling for the week at -RM199.3m. The top three counters that foreigners have net sold on this day were RHB Bank (-RM45.8m), Hap Seng Consolidated (-RM31.9m) and Public Bank (-RM30.7m).
- The top three sectors that saw net foreign inflows were Technology (RM47.3m), Telecommunication & Media (RM27.4m) and Transportation & Logistics (RM24.7m), while the top three sectors that saw net foreign outflows were Financial Services (-RM181.6m), Consumer Products & Services (-RM161.5m) and Industrial Products & Services (-RM137.4m).
- Local institutional investors turned net buyers last week at RM372.9m. Year-to-date, they have been net buyers of domestic equities for 16 out of 22 weeks, with a total net inflow of RM2.79b.
- Local retailers remained net buyers for the second consecutive week after net buying RM133.6m last week. Every trading day was a net buying day except on Friday, with a net sell of -RM9.6m. Year-to-date, local retailers have been net buyers for 11 out of 22 weeks. The total net buying year-to-date amounted to RM173.5m.
- In terms of participation, there was an increase in average daily trading volume (ADTV) across the board – retailers (+13.6%), local institutions (+4.0%) and foreigners (+139.4%).

Chart 5 Net Foreign Fund Flows into Malaysian Equity Since Jun-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			
	Bought	Sold	Net	Bought	Sold	Net	Bought	Sold	Net	*Net (USD'm)
5-May	1,388.5	1,420.9	-32.4	2,101.5	2,048.3	53.2	1,033.2	1,054.0	-20.8	-4.6
12-May	2,462.6	2,466.2	-3.6	4,044.2	3,994.3	49.9	2,248.7	2,295.0	-46.4	-10.3
19-May	2,274.8	2,419.4	-144.6	3,972.4	3,616.8	355.6	1,928.5	2,139.5	-211.0	-46.8
26-May	2,425.1	2,334.0	91.1	4,257.7	4,290.0	-32.4	2,374.0	2,432.8	-58.7	-12.8
2-Jun	2,770.8	2,637.2	133.6	4,633.2	4,260.3	372.9	5,500.5	6,007.0	-506.5	-110.0

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 2 JUNE 2023)

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

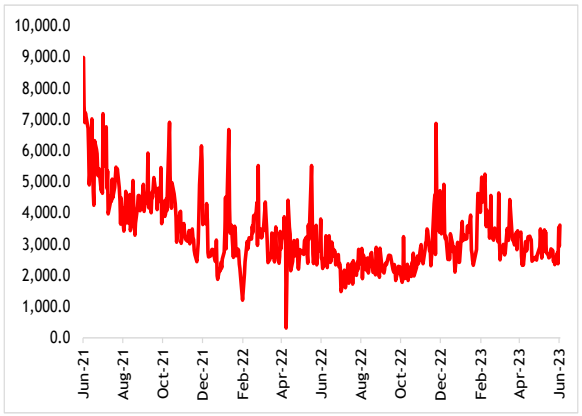
LOCAL RETAIL		LOCAL INSTITUTION		FOREIGN	
Top 10 Stocks with Weekly Net Inflows					
Company	**Value**	**Company**	**Value**	**Company**	**Value**
Public Bank	104.3	Tenaga Nasional	86.8	Malayan Banking	91.3
Genting	44.9	Sime Darby Plantation	46.4	YTL Corp.	68.2
Hap Seng Cons.	44.7	Petronas Chemicals	41.5	My E.G. Services	43.2
RHB Bank	28.0	Press Metal	38.0	CelcomDigi	34.0
Genting Malaysia	21.5	Hong Leong Bank	23.0	YTL Power Int.	28.1
CIMB Group Holdings	17.1	Kuala Lumpur Kepong	22.8	CIMB Group Holdings	27.0
Farm Fresh	15.6	Inari Amertron	22.8	Telekom Malaysia	22.4
AirAsia X	12.5	RHB Bank	20.9	KPJ Healthcare	18.4
Malayan Banking	11.6	Nestle (Malaysia)	18.7	Westports Holdings	16.1
Affin Bank	11.5	Axiata Group	18.5	Dagang Nexchange	16.0
Top 10 Stocks with Weekly Net Outflows					
Company	**Value**	**Company**	**Value**	**Company**	**Value**
YTL Corp.	-42.0	Malayan Banking	-112.7	Public Bank	-163.8
My E.G. Services	-33.4	CIMB Group Holdings	-65.6	RHB Bank	-98.2
Dagang Nexchange	-23.8	Genting	-39.3	Tenaga Nasional	-86.7
YTL Power Int.	-21.3	CelcomDigi	-31.6	Hap Seng Cons.	-53.0
Radium Development	-20.6	My E.G. Services	-19.4	Petronas Chemicals	-49.2
Genetec Technology	-19.1	Affin Bank	-16.6	Sime Darby Plantation	-46.1
Chin Hin Group	-16.6	KPJ Healthcare	-16.0	Press Metal	-42.0
Nationgate Holdings	-10.8	Telekom Malaysia	-15.8	Genting Malaysia	-36.7
Gamuda	-9.9	Westports Holdings	-14.5	Genting	-35.4
APB Resources	-6.9	AMMB Holdings	-13.5	Axiata Group	-27.3

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

E. THE MONTH THAT WAS

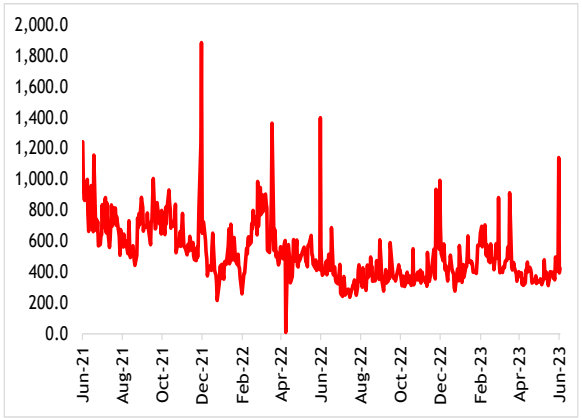
- Asian equity markets recorded its best performance in 2023 with a net foreign fund inflow of USD12.42b. This was the strongest net inflow since Nov-22 at USD15.50b.
- Only four out of the eight countries that we track however, posted net inflows, with the bulk of the amount entering India at USD5.34b, Taiwan at USD5.20b and South Korea at USD3.11b. The country with the highest net outflow was Thailand at -USD967.1m.
- Bursa Malaysia ended May-23 with another net foreign outflow of -RM728.3m, almost triple the amount last month at -RM250.6m. This is the ninth consecutive month of net foreign funds outflow from Malaysia.
- During the month, the Financial Services sector recorded the highest net foreign outflows of -RM419.9m. This was mainly due to net selling of bank stocks, such as CIMB Group (-RM222.8m), Public Bank (-RM185.4m) and RHB Bank (-RM99.5m).
- Meanwhile, the Consumer Products and Services sector posted a net outflow of-RM252.3m for the month while Industrial Products and Services recorded -RM174.2m. Only three sectors saw net foreign fund inflows, which are Transportation and Logistics (RM166.7m), Telecommunications and Media (RM158.5m) and Technology (RM105.4m).
- Local institutions remained net buyers of equities on Bursa Malaysia for the third consecutive month at RM709.1m. Similarly, local retailers remained net buyers for the fourth consecutive month at RM19.1m.
- In terms of participation, there was an increase in average daily trading volume (ADTV) across the board – retailers (+11.4%), local institutions (+15.6%) and foreigners (+82.4%).

Chart 7 Volume of Shares Trade on Bursa Malaysia Since Jun-21 (m)



Sources: Bloomberg & MIDFR

Chart 8 Value of Shares Trade on Bursa Malaysia Since Jun-21 (USD'm)



Sources: Bloomberg & MIDFR

Table 5 Bursa Malaysia: Monthly Market Participation (RM'm)

Month	Local Retail			Local Institution			Foreign			
	Bought	Sold	Net	Bought	Sold	Net	Bought	Sold	Net	*Net (USD'm)
Jan-23	11,141.6	11,547.8	-406.1	19,527.0	18,772.7	754.4	7,799.5	8,147.8	-348.2	-81.5
Feb-23	12,133.6	11,705.4	428.2	20,440.2	20,700.0	-259.8	10,915.6	11,084.0	-168.4	-40.0
Mar-23	13,005.7	12,935.9	69.8	22,130.7	20,851.8	1,278.8	11,569.7	12,918.3	-1,348.6	-300.3
Apr-23	8,914.8	8,877.3	37.5	14,394.4	14,181.3	213.1	6,420.0	6,670.6	-250.6	-56.0
May-23	10,254.2	10,235.1	19.1	17,424.7	16,715.6	709.1	11,971.3	12,699.5	-728.3	-159.4

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

F. NET INFLOWS AND OUTFLOWS BY STOCK FOR MAY 2023

Table 6 Top 10 Stocks with Inflows and Outflows for the Month by Investor Class (RM'm)

LOCAL RETAIL		LOCAL INSTITUTION		FOREIGN	
Top 10 Stocks with Monthly Net Inflows					
Company	**Value**	**Company**	**Value**	**Company**	**Value**
Public Bank	96.2	Tenaga Nasional	355.6	Malayan Banking	196.2
Genting	68.6	Hartalega Holdings	139.8	CelcomDigi	136.2
Hap Seng Cons.	51.3	Top Glove Corp.	112.8	Malaysia Airports	130.9
CIMB Group Holdings	48.8	CIMB Group Holdings	104.7	My E.G. Services	93.9
Malayan Banking	42.6	Sime Darby Plantation	62.4	YTL Corp.	70.4
RHB Bank	41.5	Hong Leong Bank	60.4	IHH Healthcare	61.1
BIMB Holdings	28.9	YTL Corp.	53.3	Telekom Malaysia	55.6
Berjaya Food	27.1	DXN Holdings	53.1	Frontken Corp.	50.7
IGB REIT	21.3	Press Metal	45.8	Mr. D.I.Y Group (M)	47.7
Dagang Nexchange	20.6	Boustead Holdings	42.3	YTL Power Int.	36.2
Top 10 Stocks with Monthly Net Outflows					
Company	**Value**	**Company**	**Value**	**Company**	**Value**
Tenaga Nasional	-174.7	Malayan Banking	-256.2	CIMB Group Holdings	-222.8
YTL Corp.	-91.9	CelcomDigi	-128.6	Public Bank	-185.4
APB Resources	-66.7	Malaysia Airports	-125.1	RHB Bank	-99.5
Top Glove Corp.	-53.1	IHH Healthcare	-60.6	Tenaga Nasional	-99.2
YTL Power Int.	-47.8	Genting	-52.7	Hartalega Holdings	-95.9
Dagang Nexchange	-36.5	Telekom Malaysia	-35.0	Genting	-70.9
My E.G. Services	-34.5	Berjaya Food	-34.0	Hong Leong Bank	-66.7
Hartalega Holdings	-30.6	BIMB Holdings	-33.3	Press Metal	-63.3
Boustead Holdings	-28.2	My E.G. Services	-23.9	Hap Seng Cons.	-63.3
D & O Green Tech.	-19.7	Fiamma Holdings	-20.5	Sime Darby Plantation	-57.0

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

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

COMPANY	%	COMPANY (CONT'D)	%	COMPANY (CONT'D)	%
Automotive		Nestlé	82.6	TSH Resources	19.5
Bermaz Auto	17.2	Padini	10.3	**Port & Shipping**	
MBM Resources	2.3	QL Resources	10.2	MISC	9.1
Tan Chong	10.6	Rhong Khen International	62.3	Suria Capital	6.1
UMW Holdings	5.3	Spritzer	18.0	Westports	27.7
Aviation		**Gloves**		**Property**	
Capital A	19.3	Hartalega	16.4	Eco World	2.6
Malaysia Airports	22.0	Kossan	10.5	Glomac	4.1
Banking		Top Glove	32.6	IOI Property	3.7
Affin Bank	26.5	**Healthcare**		Mah Sing	14.7
Alliance Bank	20.2	IHH Healthcare	49.8	S P Setia	6.3
AMMB Holdings	39.7	KPJ Healthcare	7.9	Sunway	5.6
Bank Islam	1.5	Pharmaniaga	0.3	UEM Sunrise	5.4
CIMB Group	29.4	**Logistics**		UOA Development	3.8
Hong Leong Bank	10.9	CJ Century	57.6	**REITs**	
Hong Leong Financial	32.3	Swift Haulage	13.3	Al-'Aqar Healthcare	0.7
Malayan Banking	17.7	Tasco	65.7	Axis REIT	15.2
Public Bank	26.8	**Media**		IGB REIT	4.1
RHB Bank	16.2	Astro	26.8	KLCCP Stapled	0.8
Building Materials		Media Prima	20.8	Pavilion REIT	33.8
Malayan Cement	2.8	**Non-bank Financials**		Sunway REIT	7.4
Conglomerate		Bursa Malaysia	15.5	**Technology**	
YTL Corp	19.0	AEON Credit	70.7	D & O Green Tech	35.4
Construction		**Oil & Gas**		Datasonic	5.7
Cahya Mata Sarawak	8.0	Bumi Armada	18.8	Globetronics	1.7
Gabungan AQRS	2.3	Deleum	3.9	Inari Amertron	18.1
Gamuda	19.3	Dialog	20.1	MY E.G. Services	12.8
IJM Corp	12.3	Gas Malaysia	19.5	Unisem	1.9
KKB Engineering	0.3	MMHE	10.3	**Telecommunication**	
MRCB	8.2	Petronas Chemicals	9.7	Axiata	10.8
Muhibbah Engineering	15.9	Petronas Dagangan	7.5	CelcomDigi	60.0
Pintaras Jaya	0.4	Petronas Gas	9.2	Maxis	7.2
Sunway Construction	1.3	**Plantation**		Telekom Malaysia	12.2
WCT Holdings	5.9	FGV	4.2	**Utilities**	
Consumer (F&B & Retail)		Genting Plantations	5.1	Ranhill Utilities	32.1
AEON Co.	54.6	IOI Corp	11.1	Tenaga Nasional	12.1
Asia File	5.5	KL Kepong	13.0	YTL Power	5.2
Fraser & Neave	61.1	PPB Group	21.1		
Hup Seng	1.9	Sarawak Plantation	2.8		
Leong Hup	12.3	Sime Darby Plantation	9.7		
MSM Malaysia	1.3	Ta Ann	13.6		

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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