

Headline	Foreign fund sale shifts into high gear last week		
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# Foreign fund sale shifts into high gear last week

**KUALA LUMPUR:**International funds shifted their selling mode into a higher gear on Bursa Malaysia last week, selling RM416.7 million net of local equities.

This is the fourth time that the weekly foreign net selling reached above RM400 million so far in 2019, observed the team at MIDF Amanah Investment Bank Bhd (MIDF Research).

“Bursa began the quarter with an exodus of foreign funds on Monday worth RM265.1 million – the highest in 15 trading days,” it said in its weekly fundsflow report yesterday.

The slump in banking stocks outweighed the signs of stabilisation shown by manufacturing activity in China in March 2019, to which the research firm said was hampering sentiment.

“The local bourse followed suit to decline by 0.9 per cent to settle at 1,628.7 points, a level not seen since late December 2016.

“The level of foreign net selling dropped substantially to RM37 million on the next day as optimism was underpinned by the higher-than-expected jump in US’ manufacturing PMI data of 1.1 percentage points to 55.3 per cent from the month before.

“However, Malaysia was the only market with a foreign net outflow amongst the seven Asian markets we monitor.”

Offshore investors made a modest return on Wednesday and Thursday by snapping up RM1.4 million and RM8.8 million respectively, following a report



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that the US and China have resolved most of the issues in the trade talks.

On the local front, gains in Genting Bhd was spurred by its plan to acquire the Equanimity superyacht also partially supported the FBM KLCI which rose 12 points over these two days.

“The mood turned sombre on Friday as foreign investors took out RM124.8 million, bucking the regional trend due to the absence of catalysts from the local front,” MIDF Research continued.

“On a year-to-date basis, foreign funds have sold RM1.76 billion net of local equities.

“Amongst the four Asean markets we monitor, Malaysia has now taken over Thailand’s place as the nation with the

largest foreign net outflow.

“Nevertheless, the cumulative foreign net outflows from January 2018 in Malaysia is substantially lower by more than US\$5 billion compared to Thailand.”

Looking at top inflows last week, MY EG Services Bhd led the pack with an inflow of RM12.86 million, followed by Tenaga Nasional Bhd with RM7.31 million and TimeDotcom Bhd with RM5.96 million.

On top money outflows, Public Bank Bhd saw the largest net money outflow of RM18.39 million last week. This was followed by Petronas Chemicals Group Bhd in second place with RM14.21 million outflow and Malayan Banking Bhd with RM14.1 million.