

Headline	Foreigners appear to be making a comeback to Msia, says MEDF		
MediaTitle	The Edge Financial Daily		
Date	17 Jan 2017	Language	English
Circulation	15,000	Readership	50,000
Section	Home Business	Page No	1,6
ArticleSize	122 cm ²	Journalist	Surin Murugiah
PR Value	RM 5,874		



Foreigners appear to be making a comeback to M'sia, says MIDF Research

'Foreigners appear to be making a comeback'

BY SURIN MURUGIAH

KUALA LUMPUR: It is early days still, but foreign investors appear to be making a comeback to the Malaysian equities market, says MIDF Research.

In a weekly fund flow report by its strategy team yesterday, the research house said foreigners mopped up RM382.8 million net last week, the highest since the third week of September, based on preliminary data from Bursa Malaysia.

It also noted that stronger economic data coming out since the new year — including stronger exports and growth in retail sales (9% year-on-year [y-o-y]) and industrial production (6.2% y-o-y), all for November — showed that the Malaysian economy remained stable.

"Foreigners were marginal net sellers as the market opened [last] Monday and Tuesday. The selling ended abruptly [last] Wednesday as foreigners turned net purchasers at

RM130 million. The inflow peaked [last] Thursday as foreigners bought RM226 million, the highest since Oct 18, 2016," said MIDF Research, adding that the buying receded last Friday, in line with the regional trend.

Of significance, it noted, was the strong increase in foreign participation.

"Foreign average daily trade value rose to RM848 million, 40% higher compared with that [of] the week before. It was also nearing last year's average participation of RM957 million," said the research house.

It said local players also took the opportunity presented from the foreign buying to clear some position.

"We note that the retail market is currently active, with [the] par-

ticipation rate [at] the highest since August," it said.

Tenaga Nasional Bhd, it said, registered the highest net money inflow of RM54.49 million last week, while YTL Corp Bhd came in second with RM8.37 million. CIMB Group Hold-

ings Bhd, which is planning to expand to the Philippines in the third quarter of this year, recorded the third highest net money inflow of RM8.26 million.

The top three counters with the largest net money outflows were: Petronas Chemicals Group Bhd with RM10.15 million, AMMB Holdings Bhd with RM9.48 million, and Sime Darby Bhd with RM9.47 million.

After a strong opening to 2017, equities markets around the world were relatively subdued last week, said MIDF Research. Though US President-elect Donald Trump gave his first post-win speech, the research house said the speech was disappointing because it did not give any clarity on his promises to boost the economy.

Meanwhile, Asian equities were favoured last week, it said, based on preliminary stock exchange data from the seven markets it tracks here. Investors defined as "foreign" purchased a net aggregate amount of US\$1.08 billion (RM4.82 billion) of listed equities — the highest since September last year — most of it in North Asia.

While South Korea remains a darling of international investors, attracting US\$561 million, there was also a surge of money flow to Taiwan equities, at US\$613 million, after Taiwan reported stronger trade numbers, beating consensus expectations.

