KUALA LUMPUR: Foreign funds were net sellers in October at RM300.60ml, making it the third month of foreign selling so far this year, according to MIDF Research.

It said that foreign selling for the week ended Oct 27 was at RM92.1ml, the highest in October.

“Malaysian equity has been subjected to foreign selling for the past six uninterrupted weeks. The pace is still within a measurable level as foreign attrition has remained below RM100ml net for the past four weeks,” it said.

“The amount sold was also higher than the RM71.4ml net recorded in the week before, marking the third week of increased foreign selling,” it said.

To recap, foreign investors reduced their holdings in Malaysian equities throughout the week except last Friday.

MIDF Research pointed out that foreign selling peaked last Tuesday at RM179ml net, the highest in 17 days, coinciding with FBM KLCI’s 0.31% drop to 1,736, the lowest since April 2017 after taking cue from technology and industrial stocks which dragged Wall Street the day before.

On a positive note, the 11-day selling spree on Bursa Malaysia came to a halt last Friday as the tabling of Budget 2018 along with Tenaga Nasional Bhd’s huge dividend payout provided impetus for foreign buying worth RM90.8ml net.

However, the triggered foreign buying was not enough to offset the persistent outflow from last Monday to last Thursday which totalled RM182.9ml net.

“It is also notable that the tide out of Malaysia was equally prevalent in other South-East Asian markets, namely Thailand and Indonesia,” it said.

Malaysia Airports Bhd registered the highest net money inflow of RM32.87ml last week. Its share price gained 0.46% for the week, outperforming the KLCI which jumped 0.31% on a weekly basis.

MIDF Research said TNB saw the largest net money outflow of RM42.22ml last week. Its share price also substantially outperformed the market benchmark with a staggering 4.47% weekly gain.

Driving the stock was its proposed final dividend of 44 sen per share amounting to RM2.49bl, raising the annual dividend payout to a record high of RM3.50bl.

“It is notable that the net money outflow amid advancing share price indicates sell on strength stance among investors,” it said.