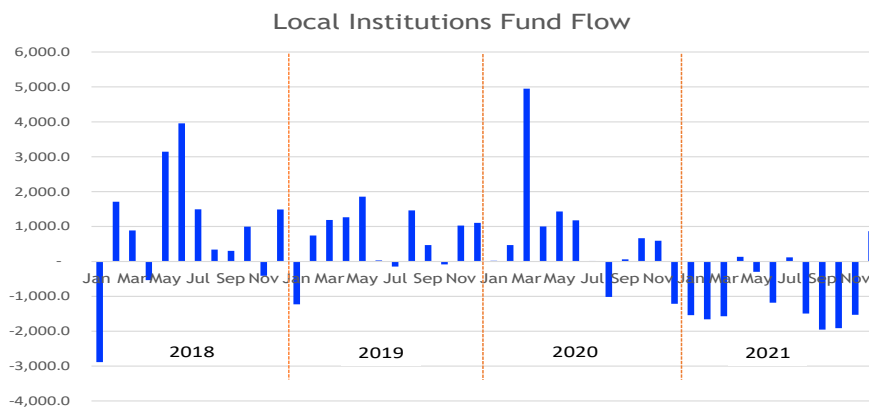


Overview

The local institutions net inflow has been trending down since 2018, with the exception of March 2020. Net buy position has tapered since late 2020s and this continued throughout 2021. The local institutional funds have recorded a net fund outflow of RM12.0 billion in 2021. However, we do see an uptick in the local institutional fund flow as local institutions turned net buyer in December 2021 after net selling in nine out of 12 months in 2021.

Figure 1: Local Institutions Fund Flow (RM Mil), 2018-2021

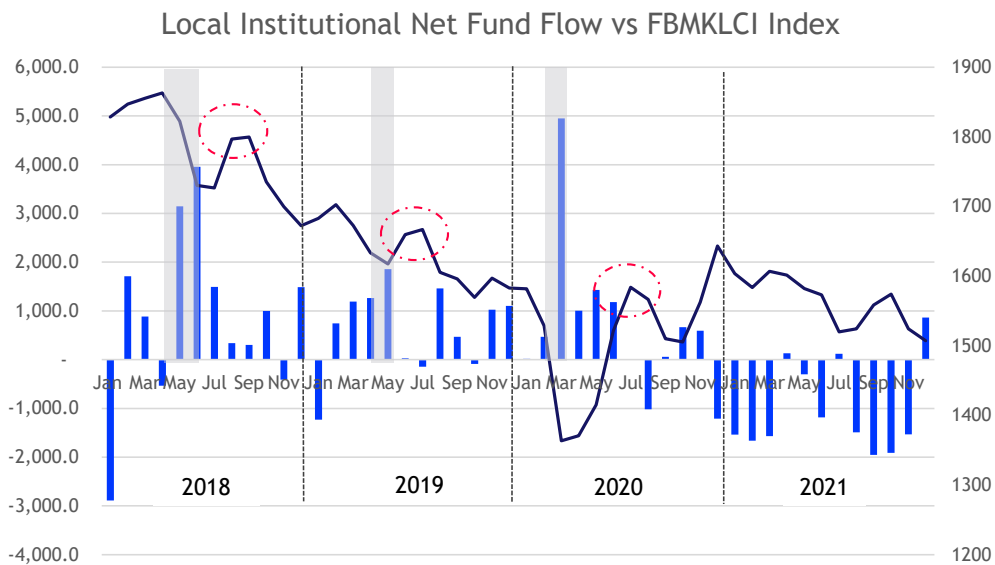


Note: Fund flow data based on market transactions only

Source: Bursa Malaysia

Figure 2 illustrates the correlation of local institutional net buying and the FBMKLCI Index. The chart suggests local institutional net buying is often a leading indicator to the FBMKLCI Index where an increase in the local institutional net inflow would be followed by a rebound in the FBMKLCI Index in the two to three months following the inflow.

Figure 2: Local Institutional Net Fund Flow (LHS - RM Mil) vs FBMKLCI Index (RHS - Point), 2018-2021

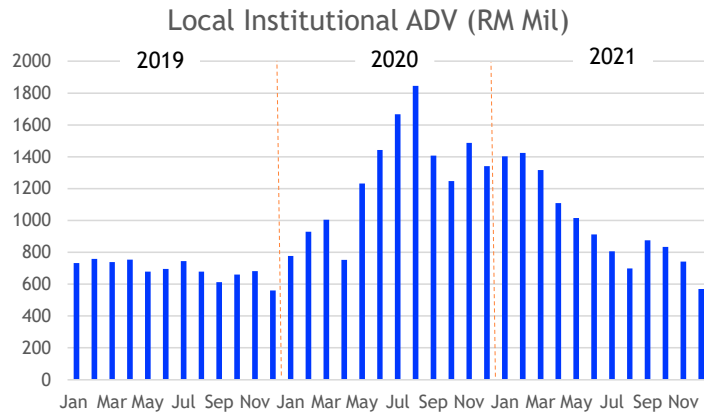


Note: Fund flow data based on market transactions only

Source: Bursa Malaysia, Bloomberg

Similar to the net fund flow chart, we have seen a declining trend on local institutional Average Daily Traded Value (ADV). In 2021, it decreased by 22.6% year-on-year (YoY) as trading continued to taper down. This was mainly due to the lack of catalyst in the market over 2021 and headwinds such as political uncertainty, rising Covid-19 cases and environmental, social and governance (ESG) concerns as highlighted in our [“Goodbye 2021, Hello 2022!”](#) report dated 19 January 2022.

Figure 3: Local Institutional ADV (RM Mil), 2019-2021



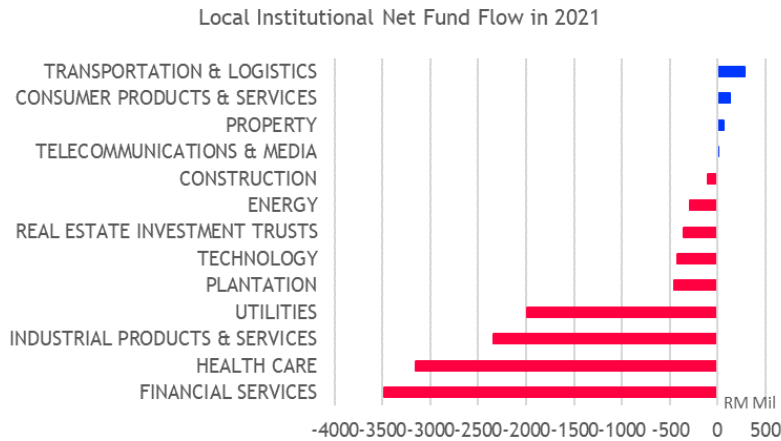
Note: Based on market transactions only

Source: Bursa Malaysia

Local Institutional Trends and Top Counters Bought by Local Institutions

The local Institutions recorded the highest net outflows in Financial Services, Healthcare, Industrial Products and Services and Utilities in 2021 and net inflows in Transportation & Logistics, Property, Consumer and Telecommunications & Media.

Figure 4: Local Institutional Net Fund Flow by Sector (RM Mil), 2021



Note: Based on market transactions only

Source: Bursa Malaysia

The top 10 stocks which registered net inflow and net outflow by local institutions are as below. Higher number of Consumer-related stocks have gained net inflow by the local institutions while Healthcare-related stocks were less favoured in 2021.

Figure 5: Top 10 Net Inflow and Outflow Stocks by Local Institutions, 2021

Stock	Net Inflow (RM Mil)	Stock	Net Outflow (RM Mil)
MISC Bhd	+501	Tenaga Nasional Bhd	(1,872)
Dialog Group Bhd	+467	Malayan Banking Bhd	(1,748)
Gamuda Bhd	+418	Petronas Chemicals Group Bhd	(1,253)
Genting Malaysia Bhd	+361	Top Glove Corporation Bhd	(1,161)
Mr D.I.Y. Group (M) Bhd	+336	Public Bank Bhd	(1,048)
Telekom Malaysia Bhd	+300	Serba Dinamik Holdings Bhd	(862)
D&O Green Technologies Bhd	+224	Inari Amertron Bhd	(810)
Genting Bhd	+189	IHH Healthcare Bhd	(695)
RHB Bank Bhd	+177	Supermax Corporation Bhd	(585)
Genting Plantations Bhd	+172	Kossan Rubber Industries Bhd	(466)

Note: Based on market transactions only

Source: Bursa Malaysia

DISCLAIMER: This report is provided for general information purposes only. Although care has been taken to ensure the accuracy of the information within this report, Bursa Malaysia Berhad and its subsidiaries (“Bursa Malaysia Group”) do not warrant or represent, expressly or impliedly as to the completeness, accuracy or currency of the information in this report. Bursa Malaysia Group does not endorse and shall not be liable for any information in this report that have been obtained via third party sources (if any).

The information contained in this report is neither an offer or solicitation to enter into any transaction nor is it a recommendation or endorsement of any product(s) mentioned in this report. The information also does not constitute legal, financial, trading or investment advice. You are advised to seek independent advice and/or consult relevant laws, regulations and rules prior to trading/investing. Bursa Malaysia Group does not accept any liability howsoever arising, including any liability arising from any trading/investment decisions made on the basis of this information.

This report or any part of this report shall not be used or reproduced in any form without Bursa Malaysia Berhad’s prior written permission.