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ASEAN Bulletin

26 April 2024

March in ASEAN

- The MSCI Singapore and the Straits Times Index (STI) rose by 4.2% and 2.9% respectively, outperforming most ASEAN peers this month.
- In terms of sectors, Communications, Utilities, and Financials led, while Consumer Discretionary and Industrials were laggards. Within the large caps, Sea Ltd continued its rally, DBS Group Holdings gained on pushback against a Fed rate cut, and Singapore Telecommunications increased on news of the potential sale of Optus.
- Non-oil Domestic Exports (NODX) contracted by 0.1% YoY in February, due to weaker-than-expected non-electronic exports. Core inflation for February remained elevated, attributed to the Lunar New Year effect.

- Among regional markets, the FBM KLCI experienced the most significant decline in March, dropping by 1% in MYR terms, due to a foreign outflow of RM2.9 billion for the month.
- Bank Negara Malaysia (BNM) maintained the Overnight Policy Rate (OPR) at 3%, as was widely anticipated.

- The Stock Exchange of Thailand (SET) index gained 0.5% MoM in March.
- The market strengthened early in the month as the upstream energy sector contributed positively following an increase in oil prices.
- Towards the end of the month, the market relinquished some of its gains due to delays in the digital wallet policy.

- The market retracted slightly owing to IDR weakness and expectations of a potential delay in the Fed rate cut.
- Basic Materials and Consumer Non-Cyclicals outperformed, while Transportation & Logistics, Property & Real Estate, and Consumer Cyclicals were laggards.
- Bank Indonesia kept its policy rate at 6%, reaffirming its commitment to Rupiah stability and characterizing the move as preemptive and forward-looking to ensure inflation remains within the 1.5-3.5% target for 2024.

Right By You

- The Philippine Stock Exchange Index (PSEi) declined by 0.6%, weighed down by the Industrial and Mining & Oil sectors.
- Job data was weak, with the unemployment rate rising to 4.5% in January 2024, while the Overseas Filipino Worker Remittances (OFWR) decelerated MoM.
- Foreign Direct Investment (FDI) net inflows were lower MoM at USD826 million in December 2023.

- The Vietnam Stock Index (VNINDEX) continued its upward trajectory for the fifth consecutive month. YTD, the index has gained 14.2%.
- The index's gains could have been greater if not for some profit-taking activities by foreign investors.
- The outlook for the Vietnam market remains positive, supported by robust economic and earnings growth amid a low interest rate environment.

ASEAN Currencies

Riding the waves against USD and MYR