

Beginning of a major bull market highly likely



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Capital Dynamics Asset Management Sdn Bhd managing director Tan Teng Boo.

PETALING JAYA: Malaysia is in a sweet spot to enter a prolonged bull market, says prominent fund manager Tan Teng Boo.

According to the founder and owner of icapital.biz Bhd, the benchmark FBM KLCI could potentially rise to 2,500 – 3,000 points in the next three to five years, citing it is a “realistic target”.

Speaking at a media briefing on the market outlook yesterday, Tan said his optimism over Malaysian equities was premised on the country’s strengthening economic fundamentals and political stability.

“Now is the time to buy Malaysian stocks. We are looking at the beginning of a major bull market,” Tan said.

“Our market is cheap and our currency is cheap,” he added, noting that he expects a greater inflow of foreign funds to the Malaysian equity market in the coming days to further lift the FBM KLCI.

Among the sectors he was bullish on were the semiconductor, tourism-related and selected export-oriented ones.

Tan, who had been bearish over the Malaysian equity market for many years, said he was positive about the country’s future, noting the current unity government is in a strong position to implement good reform policies to benefit the economy over the long term.

On the ringgit, he reiterated the current weakness was only temporary, as he expects it to rebound to a reasonable level of around RM4 to RM4.20 against the US dollar in the medium term.

Noting the high possibility of the United States sliding into a recession this year, Tan said it would be likely the US Federal Reserve would cut interest rates.