

23 AUGUST 2021

Thailand Banks

กลุ่มบริษัทธนาคารเติบโตของสินเชื่อในเดือน ก.ค.

พอร์ตสินเชื่อรวมโต 0.51% m-m ในเดือน ก.ค. 2021

พอร์ตสินเชื่อรวมในเดือน ก.ค. 21 ของธนาคารที่เราทำการศึกษาเพิ่ม 0.51% m-m โดย KBANK รายงานสินเชื่อโตสูงสุดที่ 2.16% จากสินเชื่อที่โตในทุกกลุ่มจากการต้องการใหม่และมาตรการช่วยเหลือทางการเงิน TISCO ยังคงรายงานสินเชื่อลดลงสูงสุดที่ 2.44% จากสินเชื่อที่ลดลงในทุกกลุ่ม โดยเฉพาะอย่างยิ่งกลุ่มบริษัทจากการจ่ายเงินปันของลูกค้าย่อยรายใหญ่รายหนึ่ง ในขณะที่สินเชื่อรายย่อยลดลงต่อเนื่องจากนโยบายการปล่อยสินเชื่อด้วยความระมัดระวังในภาพรวมปริมาณสินเชื่อของกลุ่มธนาคารโตขึ้น ส่วนมากมาจากสินเชื่อเพื่อเป็นเงินทุนหมุนเวียนและเงินกู้ระยะยาวในกลุ่มลูกค้าบริษัท อย่างไรก็ตามปริมาณสินเชื่อยานยนต์และบัตรเครดิตกลับลดลงอย่างต่อเนื่องจากมาตรการปิดเมืองบางส่วน

การปรับโครงสร้างหนี้ระยะยาวเป็นกฎเกณฑ์ในการทำให้ระบบเดินหน้าต่อไป

หลังสินเชื่อภายใต้มาตรการบรรเทาหนี้ลดลงอย่างต่อเนื่องเป็นระยะเวลา 10 เดือน สินเชื่อดังกล่าวก็เริ่มเพิ่มขึ้นเล็กน้อยตั้งแต่เดือน พ.ค. 21 จากปัญหาโรคระบาดที่ยืดเยื้อ ณ สิ้นเดือน มิ.ย. 21 สินเชื่อดังกล่าวอยู่ที่ 2.33 ล้านล้านบาท คิดเป็นประมาณ 13% ของสินเชื่อรวม หลังมีมาตรการปรับโครงสร้างหนี้ระยะยาวแบบเบ็ดเสร็จ (CDR) เมื่อไม่นานมานี้ เราเชื่อว่าตลาดจะหันไปให้ความสนใจกับความเสี่ยงของ CDR มากกว่าสินเชื่อภายใต้มาตรการบรรเทาหนี้เพียงอย่างเดียว เราเชื่อว่าภายในเดือน มี.ค. 22 CDR จะเพิ่มเป็นจำนวนมากจากแรงจูงใจในด้านการผ่อนคลายมาตรการจัดชั้นหนี้ เราไม่มีความกังวลเกี่ยวกับ CDR ที่เพิ่มขึ้นตรงที่ธนาคารยังสามารถจัดการส่วนต่างดอกเบี้ยและการตั้งสำรองของตนได้ ในทางตรงกันข้ามเราคิดว่า CDR อาจเป็นปัจจัยสำคัญในการผลักดันให้ลูกค้า ธนาคาร และเศรษฐกิจเคลื่อนที่ไปข้างหน้าได้

ปัจจัยบวกที่ประกาศมาเร็วกว่าคาดและเงินปันผลจะช่วยผลักดันราคาหุ้น

จากการศึกษาของเราเกี่ยวกับปัจจัยบวกที่อาจส่งผลกระทบต่อราคาหุ้นของธนาคารที่เราทำการศึกษาเมื่อวันที่ 23 ก.ค. 21 ปัจจัยบวก 2 ประการ กล่าวคือการขยายมาตรการลดเงินนำส่งให้แก่ FIDF และการขยายการผ่อนคลายมาตรการจัดชั้นหนี้ได้เกิดขึ้นแล้ว และมาเร็วกว่าที่เราคาด นอกจากนี้การประกาศปัจจัยบวกทั้ง 2 ประการอาจตีความได้ว่า ธปท. ต้องการให้ธนาคารใช้ CDR มากกว่ามาตรการพักชำระหนี้ระยะสั้น ทำให้เราคิดว่าปัจจัยลบ กล่าวคือการกลับมาของมาตรการพักชำระหนี้หรือการขยายมาตรการพักชำระหนี้บางส่วน น่าจะไม่เกิดขึ้น นอกจากนี้ธนาคารน่าจะประกาศเงินปันผลระหว่างกาลในอาทิตย์หน้า ซึ่งคาดว่าจะคิดเป็นผลตอบแทนในรูปแบบเงินปันผลที่ 1-2% ปัจจัยดังกล่าวน่าจะเป็นปัจจัยสำคัญที่หนุนราคาหุ้นของธนาคารในระยะสั้น ในระยะยาวเราคิดว่าประสิทธิภาพของ CDR และความสามารถในการจัดการส่วนต่างดอกเบี้ยและการตั้งสำรองจะเป็นประเด็นสำคัญที่ต้องจับตามองต่อไป

ค่อย ๆ กลับมาสะสมหุ้นธนาคารโดยมี SCB และ TISCO เป็นหุ้นเด่น

เราคิดว่าราคาหุ้นธนาคารมีความเสี่ยงขาลงจำกัด ธนาคารน่าจะเป็นหนึ่งในผู้ได้รับประโยชน์สูงสุดจากประเด็นการเปิดประเทศ เราเห็นว่านี่เป็นเวลาที่ดีของนักลงทุนระยะยาวในการค่อย ๆ สะสมหุ้นธนาคาร ในระยะยาวระดับการประเมินมูลค่าของหุ้นธนาคารอาจปรับขึ้นสู่ระดับสูงสุดก่อนหน้าที 0.7x ของค่า 2022E P/BV อย่างไรก็ตามการฟื้นตัวทางเศรษฐกิจที่ชะลอตัวและความเสี่ยงในการดำเนิน CDR ราคาหุ้นอาจค่อย ๆ ปรับขึ้นมากกว่าที่จะปรับขึ้นอย่างรวดเร็ว



Yuvanart Suwanumphai

yuvanart.suw@fssia.com

+66 2611 3554

PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 23 สิงหาคม 2021

Exhibit 1: Loan growth of Thai banks under coverage in July 2021

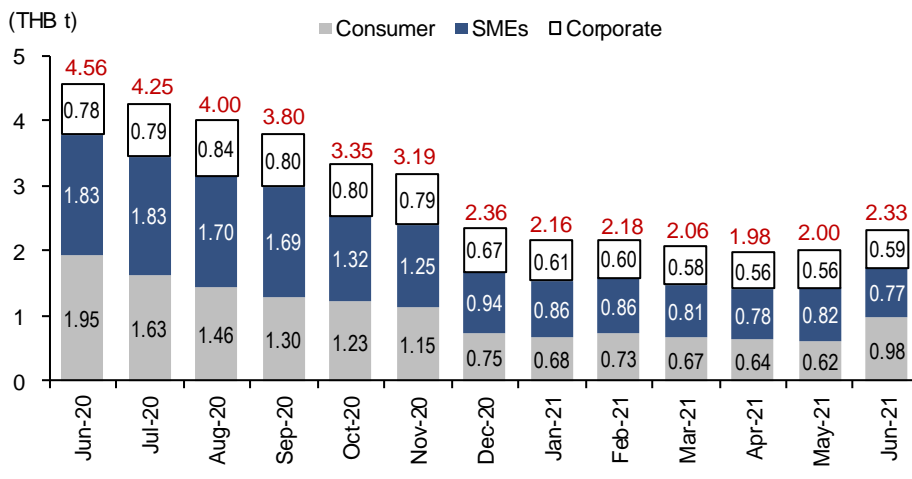
	Bangkok Bank	Kasikornbank	Kiatnakin Bank	Krung Thai Bank	Siam Commercial Bank	TISCO Financial Group	TMBThanachart Bank	Coverage
BBG code	BBL TB	KBANK TB	KKP TB	KTB TB	SCB TB	TISCO TB	TTB TB	
Growth (YTD %)								
Loan	1.55	8.13	5.49	7.05	1.21	(7.71)	(2.55)	3.35
Deposit	7.11	6.92	2.62	4.60	(3.60)	(11.00)	(3.30)	2.63
Deposit + Borrowing	7.23	7.03	9.95	6.31	(3.36)	(9.05)	(3.95)	3.20
Growth (m-m %)								
Loan	0.60	2.16	(0.41)	0.33	(0.43)	(2.44)	0.11	0.51
Deposit	0.84	1.17	3.52	3.38	(1.28)	0.02	0.26	1.00
Deposit + Borrowing	0.93	1.22	5.68	3.31	(1.16)	0.45	0.32	1.11
Growth (y-y %)								
Loan	1.04	13.98	10.83	9.48	4.88	(8.57)	(1.64)	5.90
Deposit	5.65	9.19	5.08	6.49	0.49	(11.52)	(7.33)	3.54
Deposit + Borrowing	5.56	9.08	9.04	8.20	0.50	(12.02)	(8.13)	3.78
LDR (%)	72.32	89.30	107.11	88.13	91.86	109.52	98.57	87.48

Sources: Company data; FSSIA estimates

L-T debt restructuring; the key to keep the system moving forward

After the continued decline of loans under forbearance programs for 10 months, they have increased slightly since May-21 due to the prolonged pandemic. As of Jun-21, they were at THB2.33t; c13% of total loans. After the recent CDR measures, there have been no clues from the Bank of Thailand (BoT) regarding how it will report the forbearance program. However, we believe the market will turn more attention toward the movement of CDR rather than only forbearance loans. We believe that within Mar-22, CDR will rise substantially due to the relaxed loan classification incentive. We are not concerned over the CDR increase as long as banks can manage their NIM and credit cost. In contrast, we think CDR could be the key factor to drive customers, banks and the economy forward.

Exhibit 2: Forbearance loans as at end of June 2021



Source: Bank of Thailand

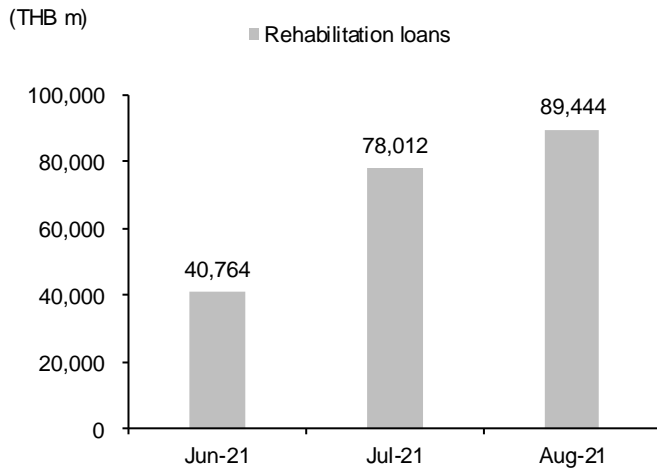
For rehabilitation loans, the current outstanding amount as of Aug-21 was at THB89.4b (36% of total budget). The increase in the credit line limit in the recent measures will allow clients to receive more loans from banks. We think the loans under this measure could moderately increase in the future.

Regarding the asset warehousing program, which the BoT initiated in Mar-21, it rose from THB1b in Jul-21 to THB8.9b in Aug-21 (9% of total budget). Most banks we followed up with said that there are quite a few customers who would like to participate in this program. Moreover, most banks said this is the last resort they would provide

for their customers. Banks typically prefer to offer debt restructuring programs. We, therefore, expect this program to only slightly increase.

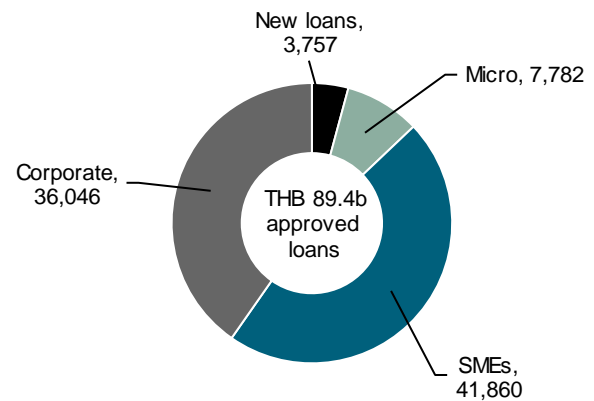
In summary, we believe that CDR will be the main key to drive customers, banks and the economy forward. Rehabilitation loans and the asset warehousing program will likely only be support measures.

Exhibit 3: Rehabilitation loans from Jun-Aug 2021



Source: [Bank of Thailand](#)

Exhibit 4: THB89.4b rehabilitation loans as of Aug 2021 by customer segment



Source: [Bank of Thailand](#)

Earlier positive catalysts and dividends should drive share prices

As per our study on potential catalysts to impact banks' share prices in our research on 23 Jul-21, two positive catalysts – the extension of the Financial Institutions Development Fund (FIDF) and the extension of relaxed loan classifications – have already been announced. These came earlier than we expected. Moreover, the announcement of these positives could imply that the BoT needs banks to provide CDR rather than short-term debt holiday programs. Thus, we think the negative catalysts – the resumption of general debt holidays or the extension of partial debt holidays – are unlikely to occur. Also, interim dividends should be announced next week, with an expected interim dividend yield of 1-2% for BBL, KBANK, SCB and KKP (see Exhibit 6). These should be the key factors to support banks' share price momentum in the short term. In the long term, we think the effectiveness of CDR and the ability to manage NIM and credit cost will be the key points to monitor.

Exhibit 5: Updated potential catalysts to impact banks' share prices as of 23 Aug 2021

Catalysts	As of 23/07/21			As of 23/08/21
	Expected degree to impact share price (out of 5)	Expected timing	Expected chance to occur (out of 100%)	Latest status
			(%)	
Positive				
Interim dividend	2	end Aug-21	80	end Aug-21
Extension of FIDF reduction	4	4Q21	80	Announced 20/08/21
Extension of relaxed loan classification	4	4Q21	50	Announced 20/08/22
Negative				
Extension of debt holiday for Covid-impacted clients	2	end Aug-21	50	Unlikely to occur.
Control banking fees charged	2	3Q21	30	New restrictions on debt collection fees on 13/08/21. There are still some regulatory risks on this issue, in our view.
Reduction of ceiling rate for retail segment	2	3Q21	30	There is no clear statement from the BoT. However, they normally share their view that the lower interest rate might not be a good solution for this situation.
Resume general debt holiday	4	4Q21	20	Unlikely to occur.

Source: FSSIA estimates

Exhibit 6: Dividend payments

	----- Payout ratio -----			----- DPS -----				----- Dividend yield -----	
	2019	2020	2021E	2019	2020	----- 2021E -----		----- 2021E -----	
	(%)	(%)	(%)	(THB/share)	(THB/share)	Interim	Full year	Interim	Full year
	(%)	(%)	(%)	(THB/share)	(THB/share)	(THB/share)	(THB/share)	(%)	(%)
BBL	37.3	27.8	31.5	7.00	2.50	1.25	4.00	1.11	3.56
KBANK	30.9	20.1	20.4	5.00	2.50	1.25	2.70	1.06	2.29
KKP	60.1	37.2	37.2	4.25	2.25	1.20	2.50	2.14	4.46
KTB	35.9	23.0	35.0	0.75	0.28		0.48	-	4.42
SCB	52.5	28.7	28.5	6.25	2.30	1.25	2.70	1.19	2.57
TISCO*	85.3	83.2	79.9	7.75	6.30		6.60	-	7.14
TTB	26.9	42.9	40.0	0.040	0.045		0.042	-	3.99

*Based on holding company basis

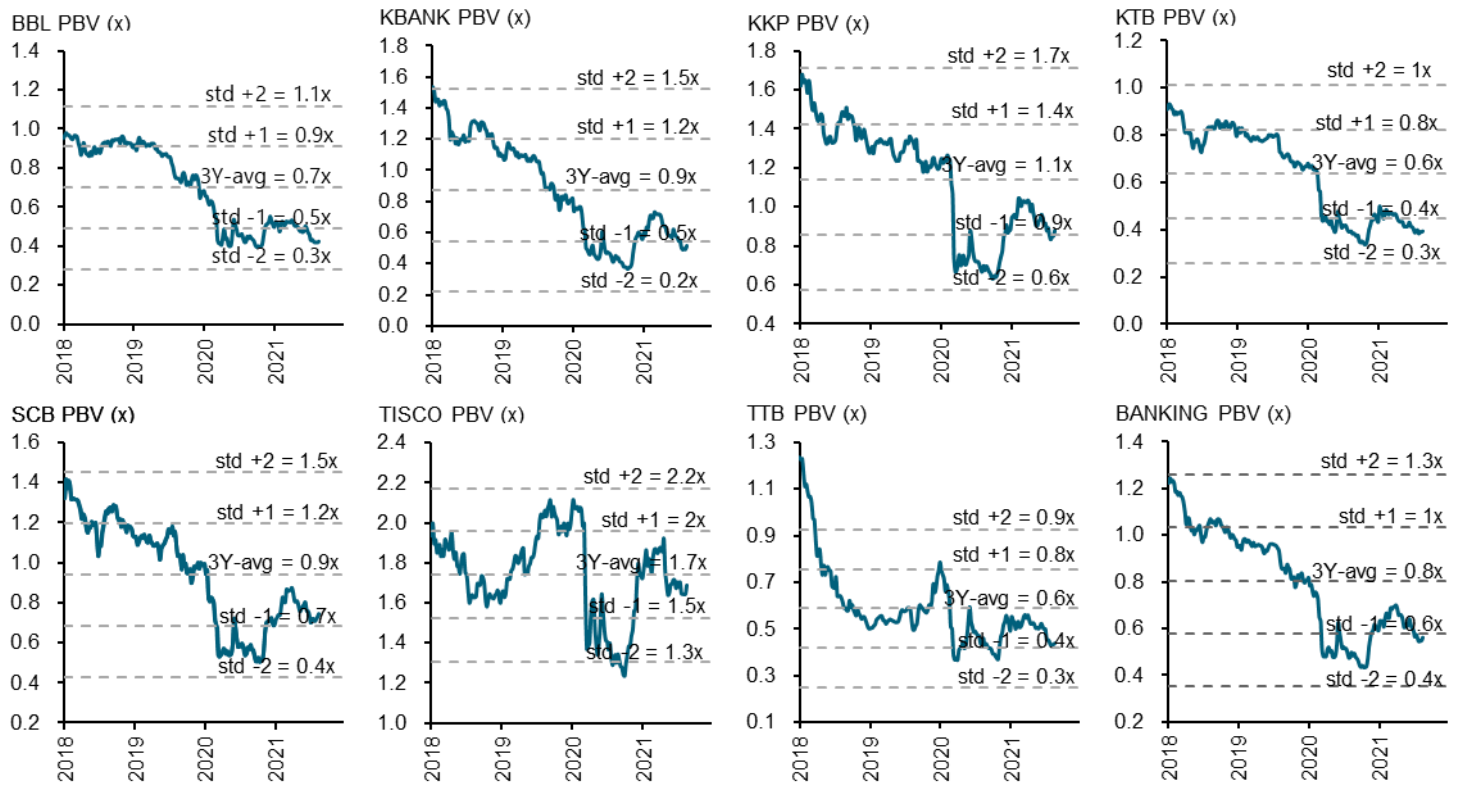
Sources: Company data; FSSIA estimates

Exhibit 7: Implied banks' share prices by using P/BV multiples of max, mean, and min P/BV during the last rally phase in Oct 2020 to Apr 2021, pre-Covid level in Dec 2019

	----- Current -----		----- Rally phase in Oct-20 to Apr-21 -----					----- Pre-Covid in Dec-19 -----		
	Share price	P/BV	Min P/BV	Implied price	Mean P/BV	Implied price	Max P/BV	Implied price	Mean P/BV	Implied price
	(THB)	(x)	(x)	(THB)	(x)	(THB)	(x)	(THB)	(x)	(THB)
BBL TB	112.50	0.46	0.40	99	0.45	113	0.55	138	0.68	170
KBANK TB	118.00	0.56	0.37	79	0.47	101	0.73	157	0.80	171
KKP TB	56.00	0.91	0.63	43	0.76	51	1.05	71	1.21	82
KTB TB	10.90	0.41	0.33	9	0.39	10	0.50	13	0.66	18
SCB TB	105.00	0.79	0.51	68	0.60	81	0.88	118	0.99	134
TISCO TB	92.50	1.72	1.23	71	1.49	86	1.92	111	1.98	114
TTB TB	1.04	0.46	0.37	0.85	0.45	1.02	0.56	1.28	0.70	1.60
SETBANK	350.52	0.60	0.44	260	0.52	312	0.70	419	0.81	481

Sources: Company data; FSSIA estimates

Exhibit 8: ROE vs P/BV of the banks under coverage



Source: FSSIA estimates

Exhibit 9: Key valuations of Thai banks under coverage

	BBG	Rec	--Share price --		Up side (%)	Market Cap (USD m)	EPS growth		----- PE -----		-- DivYld -		----- ROE ----		--- PBV --	
			Current (THB)	Target (THB)			21E (%)	22E (%)	21E (x)	22E (x)	21E (%)	22E (%)	21E (%)	22E (%)	21E (x)	22E (x)
Bangkok Bank	BBL TB	BUY	112.50	146.00	30	6,437	14.5	13.2	8.9	7.8	3.6	4.4	5.4	5.9	0.5	0.5
Kasikornbank	KBANK TB	BUY	118.00	150.00	27	8,381	6.2	9.2	8.9	8.2	2.3	3.0	6.9	7.2	0.6	0.6
Kiatnakin Bank	KKP TB	BUY	56.00	65.00	16	1,421	11.2	12.6	8.3	7.4	4.5	6.3	11.9	12.5	1.0	0.9
Krung Thai Bank	KTB TB	HOLD	10.90	12.70	17	4,567	15.0	14.1	7.9	7.0	4.4	5.0	5.5	5.9	0.4	0.4
Siam Commercial Bank	SCB TB	BUY	105.00	136.00	30	10,688	18.1	13.5	11.1	9.8	2.6	3.3	7.6	8.2	0.8	0.8
Tisco Financial	TISCO TB	BUY	92.50	122.00	32	2,220	9.1	13.7	11.2	9.9	7.1	8.4	16.4	17.8	1.8	1.7
TMBThanachart Bank	TTB TB	BUY	1.04	1.40	35	3,006	(1.1)	33.6	10.0	7.5	4.0	5.3	4.8	6.2	0.5	0.5
Coverage						36,720	11.5	14.0	9.5	8.3	3.4	4.2	6.6	7.1	0.6	0.6

Share prices as of 23 Aug 2021

Source: FSSIA estimates

Corporate Governance report of Thai listed companies 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENTEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PCSGH	PDJ	PG	PHOL	PLANB	PLANET
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEAOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SE-ED	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TMB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TSC	TSR	TSTE	TSTH	TTA
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANAHA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSIB	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIJK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							

GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	IHL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TPIPP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		

Description

Score Range

Excellent

90-100

Very Good

80-89

Good

70-79

Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation

Anti-corruption Progress Indicator 2020

CERTIFIED										
2S	ADVANC	AI	AIE	AIRA	AKP	AMA	AMANAH	AP	AQUA	ARROW
ASK	ASP	AYUD	B	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BGC	BGRIM	BJCHI	BKI	BLA	BPP	BROOK	BRR	BSBM	BTS	BWG
CEN	CENTEL	CFRESH	CGH	CHEWA	CHOTI	CHOW	CIG	CIMBT	CM	CMC
COL	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DELTA	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FPI	FPT	FSS
FTE	GBX	GC	GCAP	GEL	GFPT	GGC	GJS	GPSC	GSTEEL	GUNKUL
HANA	HARN	HMPRO	HTC	ICC	ICHI	IFS	INET	INSURE	INTUCH	IRPC
ITEL	IVL	K	KASET	KBANK	KBS	KCAR	KCE	KGI	KKP	KSL
KTB	KTC	KWC	L&E	LANNA	LHFG	LHK	LPN	LRH	M	MAKRO
MALEE	MBAX	MBK	MBKET	MC	MCOT	MFC	MFEC	MINT	MONO	MOONG
MPG	MSC	MTC	MTI	NBC	NEP	NINE	NKI	NMG	NNCL	NSI
NWR	OCC	OCEAN	OGC	ORI	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPPM
PPS	PREB	PRG	PRINC	PRM	PSH	PSL	PSTC	PT	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QLT	QTC	RATCH	RML	RWI	S & J
SABINA	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SEAOIL	SE-ED	SELIC
SENA	SGP	SIRI	SITHAI	SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK
SPC	SPI	SPRC	SRICHA	SSF	SSSC	SST	STA	SUSCO	SVI	SYNTEC
TAE	TAKUNI	TASCO	TBSP	TCAP	TCMC	TFG	TFI	TFMAMA	THANI	THCOM
THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT	TMB	TMD	TMILL	TMT
TNITY	TNL	TNP	TNR	TOG	TOP	TPA	TPCORP	TPP	TRU	TSC
TSTH	TTCL	TU	TVD	TVI	TVO	TWPC	U	UBIS	UEC	UKEM
UOBKH	UWC	VGI	VIH	VNT	WACOAL	WHA	WHAUP	WICE	WIJK	XO
ZEN	TRUE									

DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Source: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Yuvanart Suwanumphai FSS International Investment Advisory Securities Co., Ltd

The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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Company	Ticker	Price	Rating	Valuation & Risks
Bangkok Bank	BBL TB	THB 112.50	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness and further waves of the COVID-19 pandemic affecting loan growth and asset quality; and 2) the impact of further interest rate cuts on NIM and potential new regulations from the Bank of Thailand on debt-servicing programs.
Kasikornbank	KBANK TB	THB 118.00	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness and further waves of the Covid-19 pandemic affecting loan growth and asset quality; and 2) the impact of further interest rate cuts on NIM and potential new regulations from the Bank of Thailand on debt-servicing programs.
Kiatnakin Bank	KKP TB	THB 56.00	BUY	Downside risks to our GGM-based target price include weakening asset quality and lower fee income.
Krung Thai Bank	KTB TB	THB 10.90	HOLD	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness and further waves of the Covid-19 pandemic affecting loan growth and asset quality; and 2) the impact of further interest rate cuts on NIM and potential new regulations from the Bank of Thailand on debt-servicing programs. The upside risk is the better-than-expected ability to control cost of funds.
Siam Commercial Bank	SCB TB	THB 105.00	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness and further waves of the Covid-19 pandemic affecting loan growth and asset quality; and 2) the impact of further interest rate cuts on its NIM.
Tisco Financial	TISCO TB	THB 92.50	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness and a second wave of the COVID-19 pandemic affecting loan growth and asset quality; 2) the impact of new regulations from the Bank of Thailand on debt-servicing programs; and 3) the slow expansion of its high-yield auto cash portfolio.
TMBThanachart Bank	TTB TB	THB 1.04	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness and further waves of the Covid-19 pandemic affecting loan growth and asset quality; and 2) the impact of further interest rate cuts on NIM and potential new regulations from the Bank of Thailand on debt-servicing programs.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 23-Aug-2021 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.