

21 SEPTEMBER 2021

Thailand Banks

จุดเข้าซื้อที่ดีก่อนการฟื้นตัวในปีหน้า

พอร์ตสินเชื่อยรวมเพิ่ม 0.6% m-m ในเดือน ส.ค. 2021

พอร์ตสินเชื่อยรวมในเดือน ส.ค. 21 สำหรับธนาคารที่เรากำลังศึกษา (BUC) ปรับตัวเพิ่ม 0.6% m-m โดยได้แรงหนุนจากกลุ่มสินเชื่อรัฐบาลและบริษัท โดยสินเชื่อของบริษัทเพิ่มขึ้นเล็กน้อยจากทั้งสินเชื่อเพื่อเป็นเงินทุนหมุนเวียนและสินเชื่อระยะยาว อย่างไรก็ตามกลุ่มรายย่อยชะลอตัวเล็กน้อยจากกิจกรรมทางธุรกิจที่ชะลอตัวลงหลังมาตรการปิดเมืองเป็นบางส่วน กลุ่ม SME รายงานสินเชื่อลดลงเล็กน้อยถึงทรงตัว m-m เราเชื่อว่าธนาคารส่วนมากยังปล่อยสินเชื่อด้วยความระมัดระวัง KTB รายงานสินเชื่อเพิ่มสูงสุดที่ 2.2% m-m จากสินเชื่อภาครัฐที่เพิ่มขึ้น ตามด้วย SCB ที่ 0.9% m-m จากสินเชื่อของบริษัทที่สูงขึ้นและ TISCO รายงานสินเชื่อลดลงสูงสุดที่ 0.9% m-m จากการปล่อยสินเชื่อด้วยความระมัดระวัง

คาดสินเชื่อจะโตขึ้นใน 4Q21

เราคาดว่าสินเชื่อของ BUC จะโตขึ้นใน 4Q21 จาก 1) การกลับมาเปิดกิจกรรมทางธุรกิจ; 2) ปัจจัยด้านฤดูกาล; และ 3) สินเชื่อเพื่อการฟื้นฟู จากข้อมูลของ ธปท. สินเชื่อเพื่อการฟื้นฟูรายงานการเติบโตที่ดีด้วยปริมาณสินเชื่อคงค้างในปัจจุบันที่ 102.6 พัน ลบ. เราเชื่อว่ามาตรการดังกล่าวมีแนวโน้มที่จะประสบความสำเร็จมากกว่ามาตรการ soft loan เนื่องจากมีเงื่อนไขที่ผ่อนปรนมากกว่า ในด้านคุณภาพสินทรัพย์ ผู้บริหารของ BUC ทุกแห่งกล่าวว่าโครงการบรรเทาหนี้จะเพิ่มเล็กน้อย q-q ใน 3Q21 เราคิดว่าหนี้ต่อคุณภาพ (NPL) ที่เพิ่มขึ้นของ BUC น่าจะยังอยู่ในระดับที่จัดการได้ นอกจากนี้เรายังคิดว่าความช่วยเหลือทางการเงินเมื่อเร็ว ๆ นี้ที่ประกาศไปเมื่อวันที่ 20 ส.ค. 21 อาจจะช่วยป้องกันการเสื่อมคุณภาพของสินทรัพย์อย่างรวดเร็วในปีหน้า อย่างไรก็ตามเราคาดว่า BUC จะยังคงจัดสรรสำรองเชิงรุกอย่างต่อเนื่องเพื่อป้องกันความไม่แน่นอนต่าง ๆ ซึ่งมีแนวโน้มที่จะกดดันผลประกอบการใน 3Q21

ธปท. น่าจะประกาศเกณฑ์การจ่ายเงินปันผลในเดือน พ.ย. 2021

เมื่อไม่นานมานี้ ธปท. ได้ย้าว่าธนาคารฯ ต้องการให้ธนาคารเสนอแผนการปรับโครงสร้างหนี้ในระยะยาวแบบเบ็ดเสร็จ (CDR) ที่เหมาะสมกับความสามารถในการชำระหนี้ของลูกค้าเมื่อเทียบกับมาตรการในระยะสั้น ดังนั้นเราจึงคิดว่า ธปท. อาจไม่ออกมาตราการช่วยเหลืออย่างกะทันหันในระยะสั้น นอกจากนี้ธนาคารฯ ยังกล่าวด้วยว่าจะประกาศเกณฑ์การจ่ายเงินปันผลของธนาคารในปี 2021 ในเดือน พ.ย. 21 เราคิดว่าในกรณีเลวร้ายที่สุดเกณฑ์จะออกมาเหมือนในปี 2020 เราคาดว่าอัตราการจ่ายเงินปันผลของ BUC ในปี 2021 จะเท่ากับในปี 2020 ซึ่งทำให้เราเชื่อว่าความเสี่ยงขาลงในด้านการจ่ายเงินปันผลจะมีจำกัดโดยคาดว่าอัตราผลตอบแทนจะอยู่ที่ 2.3-7.2% โดย TISCO น่าจะมีอัตราผลตอบแทนที่สูงที่สุด

ค่อย ๆ กลับมาสะสมหุ้นธนาคาร SCB และ TISCO เป็นหุ้นเด่น

แม้ว่าผลประกอบการของธนาคารใน 3Q21 อาจได้รับแรงกดดัน q-q จากสำรองที่อยู่ในระดับสูงและรายได้ค่าธรรมเนียมที่อ่อนแอ เราคิดว่าความเสี่ยงขาลงต่อราคาหุ้นธนาคารมีจำกัด โดยธนาคารน่าจะเป็นหนึ่งในผู้ได้รับประโยชน์รายใหญ่ที่สุดจากมาตรการกลับมาเปิดประเทศไทย เรามองว่าเป็นเวลาที่ดีสำหรับนักลงทุนระยะยาวที่จะค่อย ๆ กลับมาสะสมหุ้นธนาคาร ในระยะยาวระดับการประเมินมูลค่าของธนาคารอาจปรับขึ้นสู่ระดับสูงสุดเมื่อเร็ว ๆ นี้ที่ 0.7x ของค่า 2022E P/BV อย่างไรก็ตามจากเศรษฐกิจที่ฟื้นตัวช้าและความเสี่ยงในด้าน การนำ CDR มาใช้ ราคาหุ้นน่าจะค่อย ๆ ฟื้นมากกว่าปรับขึ้นอย่างรวดเร็ว



Yuvanart Suwanumchai

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 21 กันยายน 2021

Overall loan portfolio rose 0.6% m-m in August 2021

The overall loan portfolio in Aug-21 for the BUC rose 0.6% m-m, supported by the government and corporate segment. There was a slight increase in the corporate segment from both working capital and term loans. However, there was a slowdown in the retail segment on the slow business activities from the partial lockdown. The SME segment posted a slight decline to flat m-m; we believe most banks still lent cautiously. KTB delivered the largest increase at 2.2% m-m, due to the increase in the government segment, followed by SCB's 0.9% m-m thanks to the rise in the corporate segment. TISCO posted the steepest drop, at 0.9% m-m, due to its conservative lending. Overall, deposits increased minimally by 0.4% m-m, with a steady LDR at 87%. Most banks tried to manage their NIMs by not issuing high interest rate deposits.

Exhibit 1: Loan growth of Thai banks under coverage in August 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	1.38	7.97	5.92	9.37	2.11	(8.57)	(2.84)	3.92
Deposit	6.32	7.48	2.93	3.37	(1.18)	(15.18)	(3.19)	2.76
Deposit + Borrowing	6.39	8.23	8.14	5.08	(1.07)	(13.29)	(3.90)	3.37
Growth (m-m %)								
Loan	(0.16)	(0.15)	0.41	2.16	0.89	(0.94)	(0.30)	0.55
Deposit	(0.74)	0.52	0.30	(1.17)	2.51	(4.69)	0.12	0.13
Deposit + Borrowing	(0.79)	1.12	(1.65)	(1.16)	2.37	(4.66)	0.06	0.16
Growth (y-y %)								
Loan	2.26	12.64	9.65	10.99	5.69	(9.23)	(1.05)	6.44
Deposit	4.64	9.24	6.22	7.06	0.30	(15.11)	(6.00)	3.53
Deposit + Borrowing	4.55	9.83	9.23	8.76	0.28	(13.79)	(6.92)	3.90
LDR (%)	72.75	88.70	107.22	91.11	90.41	113.83	98.16	87.84

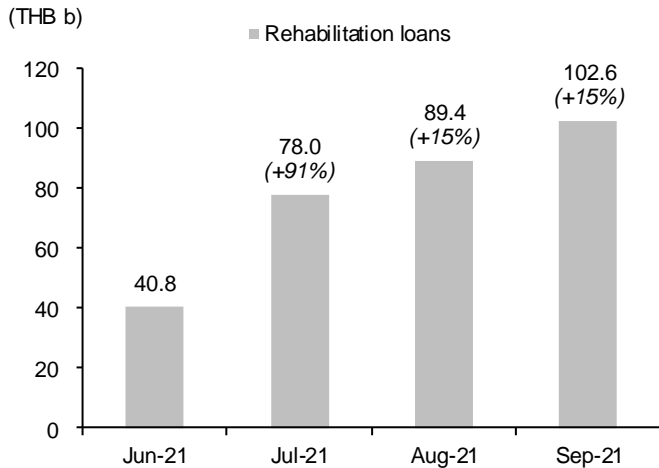
Sources: Company data; FSSIA estimates

Expect stronger loan growth in 4Q21

We project the BUC's 2021 loan growth to be stronger in 4Q21, supported by 1) the reopening of business activities; 2) seasonality; and 3) rehabilitation loans. According to the data from the Bank of Thailand (BoT), rehabilitation loans posted solid growth, with a current outstanding loan volume of THB102.6b vs the total budget of THB250b. We believe that this measure is likely to be more successful than the soft loan measure because of the more relaxed lending conditions.

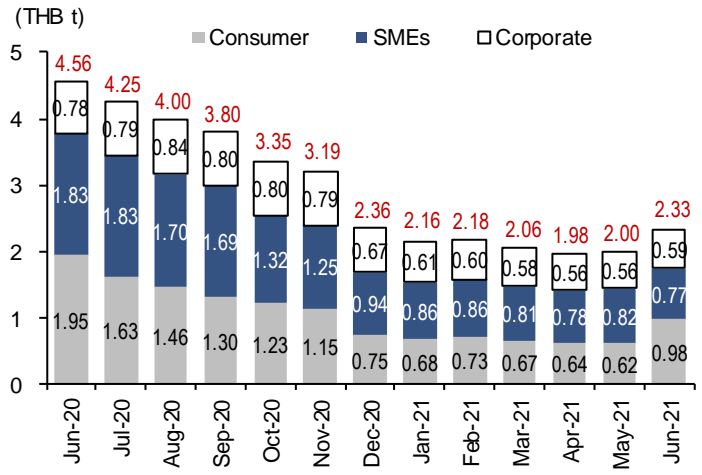
Regarding asset quality, the BoT has not yet published updated forbearance program data. The most recent data was as of Jun-21, with forbearance loans amounting to THB2.33t or c13% of total loans. This was an increase from THB1.98t, the lowest point in Apr-21. Following up with the BUC's management, they all said that their forbearance programs would increase q-q in 3Q21 due to the prolonged pandemic. However, forbearance loans should still be significantly lower than at the peak level in 2Q20. We think that the BUC's non-performing loan (NPL) increase should still be at a manageable level. Moreover, we think that the recent financial supports, announced on 20 Aug-21, could prevent a cliff effect next year. Nevertheless, we expect the BUC to continue to proactively set aside provisions to provide a cushion against uncertainties, likely pressuring their 3Q21 performance.

Exhibit 2: Rehabilitation loans from Jun-Aug 2021



Note: % below amount are change m-m
Source: Bank of Thailand

Exhibit 3: Forbearance loans as at end of June 2021



Source: Bank of Thailand

Dividend payment criteria should be announced in November 2021

In the recent investor meeting held by the BoT last week, the BoT reiterated that it wants banks to provide long-term debt restructuring to match clients' repayment ability rather than providing short-term measures, such as debt holidays. This aligns with our view that the BoT may not issue unpredictable short-term assistance measures. Moreover, the BoT said that it is reviewing the 2021 dividend payment criteria for the banking sector and that it should be officially announced in Nov-21. We think the worst-case criteria would be the same as in 2020, which are 1) dividends cannot exceed last year's payout ratio; and 2) they cannot exceed 50% of the banks' 2020 net profit. We conservatively forecast the BUC's 2021 payouts to be relatively the same as in 2020, except for slightly higher payouts for BBL and KTB. Thus, we believe the downside risk for dividend payments will be limited, with estimated yields ranging between 2.3-7.2%. We think TISCO will have the highest yield.

Exhibit 4: Expected dividend payments of banks under coverage

	----- Payout ratio (%) -----			----- DPS (THB/share) -----				Dividend yield (%)	
	2019	2020	2021E	2019	2020	----- 2021E -----		----- 2021E -----	
						Interim	Full-year	Interim	Full-year
BBL	37.3	27.8	31.5	7.00	2.50	1.00	4.00	0.89	3.57
KBANK	30.9	20.1	20.4	5.00	2.50	0.50	2.70	0.43	2.30
KKP	60.1	37.2	37.2	4.25	2.25	0.75	2.50	1.40	4.65
KTB	35.9	23.0	35.0	0.75	0.28		0.48	-	4.38
SCB	52.5	28.7	28.5	6.25	2.30	1.43	2.70	1.41	2.66
TISCO	85.3	83.2	79.9	7.75	6.30		6.60	-	7.19
TTB	26.9	42.9	40.0	0.040	0.045		0.042	-	3.95

Source: FSSIA estimates

Exhibit 5: Key valuations of Thai banks under coverage

	BBG	Rec	--Share price--		Up side	Market Cap	EPS growth		----- PE -----		-- DivYld -		----- ROE -----		-- PBV --	
			Current	Target			21E	22E	21E	22E	21E	22E	21E	22E	21E	22E
			(THB)	(THB)	(%)	(USD m)	(%)	(%)	(x)	(x)	(%)	(%)	(%)	(%)	(x)	(x)
Bangkok Bank	BBL TB	BUY	111.50	146.00	31	6,382	14.5	13.2	8.8	7.8	3.6	4.5	5.4	5.9	0.5	0.4
Kasikornbank	KBANK TB	BUY	118.50	150.00	27	8,418	6.2	9.2	9.0	8.2	2.3	3.0	6.9	7.2	0.6	0.6
Kiatnakin Bank	KKP TB	BUY	53.75	65.00	21	1,365	11.2	12.6	8.0	7.1	4.7	6.5	11.9	12.5	0.9	0.9
Krung Thai Bank	KTB TB	HOLD	11.00	12.70	15	4,610	15.0	14.1	8.0	7.0	4.4	5.0	5.5	5.9	0.4	0.4
Siam Commercial Bank	SCB TB	BUY	101.50	136.00	34	10,334	18.1	13.5	10.7	9.4	2.7	3.4	7.6	8.2	0.8	0.8
Tisco Financial	TISCO TB	BUY	91.75	122.00	33	2,203	9.1	13.7	11.1	9.8	7.2	8.4	16.4	17.8	1.8	1.7
TMBThanachart Bank	TTB TB	BUY	1.05	1.40	33	3,035	(1.1)	33.6	10.1	7.6	4.0	5.3	4.8	6.2	0.5	0.5
Coverage						36,347	11.5	14.0	9.4	8.2	3.4	4.3	6.6	7.1	0.6	0.6

Share prices as of 20 Sep 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	ICHI	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	SEOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	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	TTB	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	MITSI	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	WIIK	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	TIPIP	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	AMANA	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	SEAOL	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	TTB	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

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.

This report has been prepared by FSS International Investment Advisory Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSS makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSS has no intention to solicit investors to buy or sell any security in this report. In addition, FSS does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

Company	Ticker	Price	Rating	Valuation & Risks
Bangkok Bank	BBL TB	THB 111.50	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 118.50	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.
Kiatnakin Bank	KKP TB	THB 53.75	BUY	Downside risks to our GGM-based target price include weakening asset quality and lower fee income.
Krung Thai Bank	KTB TB	THB 11.00	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 101.50	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 its NIM.
Tisco Financial	TISCO TB	THB 91.75	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 1.05	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 20-Sep-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.