

3 NOVEMBER 2021

THAILAND / BANKS

SIAM COMMERCIAL BANK SCB TB

BUY

UNCHANGED

TARGET PRICE	THB160.00
CLOSE	THB130.00
UP/DOWNSIDE	+23.1%
PRIOR TP	THB160.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+15.8%

1st moonshot mission has launched

ลงทุนใน Bitkub ซึ่งเป็นตลาด Cryptocurrency ขึ้นหน้า

SCB ประกาศว่า SCB Securities (บริษัทย่อยของธนาคารฯ) จะถือหุ้น 51% ใน Bitkub จาก Bitkub Holding Capital เป็นเงิน 17.85 พัน ลบ. แหล่งเงินทุนจะมาจากเงินปันผลพิเศษจำนวน 70 พันลบ. ที่ SCB จะจ่ายให้ SCBX การเดินหมากดังกล่าวสอดคล้องแผนของ SCB และจะไม่กระทบเป้าหมายส่วนเงินปันผลของ SCB Bank ที่ 16-16.5% รายการดังกล่าวจะสำเร็จเสร็จสิ้นภายใน 1Q22 เรามองว่าการซื้อดังกล่าวเป็นบวกเนื่องจาก Bitkub เป็นพันธมิตรที่ดี ราคาซื้อเหมาะสม และถูกเวลา

พันธมิตรที่ดี ราคาซื้อเหมาะสม และถูกเวลา

เราคิดว่า Bitkub เป็นการจับคู่ที่สมบูรณ์แบบสำหรับการเป็น Fintech ของ SCB Bitkub มีส่วนแบ่ง 92% ในตลาด Cryptocurrency ในประเทศในแง่การทำรายการ ใน 9M21 Bitkub รายงานรายได้ 3.3 พัน ลบ. และกำไรสุทธิ 1.5 พัน ลบ. จากที่เคยมีกำไรสุทธิ 0.35 ลบ. ใน 2020 จากการประมาณการของเราด้วยกำไรสุทธิของ Bitkub ที่คาดว่าจะในปี 2021 ที่ 2 พัน ลบ. ราคาของการซื้อดังกล่าวน่าจะอยู่ที่ 17-18x ของค่า P/E เทียบกับ 14x ของค่า P/E สำหรับบริษัทระดับโลกอย่าง Coinbase (COIN US) เราคิดว่าเป็นเวลาที่เหมาะสมสำหรับการลงทุน แม้ว่าตลาด Cryptocurrency จะมีความผันผวนสูง เราเชื่อว่าตลาดดังกล่าวยังอยู่ในแนวโน้มขาขึ้น จากข้อมูลของ SEC รายการ Crypto ในประเทศมีจำนวน 1.2 ล้านล้านบาท YTD การลงทุนใน Bitkub ในช่วงเดือนนี้จะทำให้ SCB สามารถจับโอกาสในการเติบโตในธุรกิจสินทรัพย์ดิจิทัล นอกจากนี้เรายังคิดว่านี่เป็นเวลาที่เหมาะสมในการประกาศการซื้อดังกล่าว หลังการประกาศปฏิรูป SCB นักลงทุนเริ่มสงสัยว่าธนาคารฯ จะเดินไปทางไหน ประกาศดังกล่าวจึงช่วยย้ำสถานะของธนาคารฯ ในฐานะที่เป็นกลุ่มบริษัท Fintech ในภูมิภาคอาเซียน.

ศักยภาพความเสี่ยงขาขึ้นมีสูงขึ้นในระยะยาว

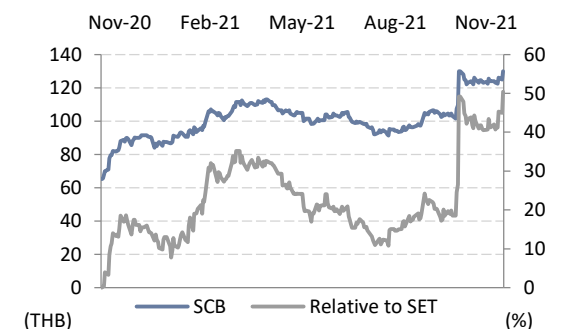
จากผลประกอบการในปัจจุบันของ Bitkub เราคิดว่า Bitkub จะให้ความเสี่ยงขึ้น 3-5% ต่อประมาณการกำไรสุทธิปี 2022 ของเรา ในแง่ของมูลค่าเพิ่มที่มีให้แก่ SCB ตัวเลขดังกล่าวอาจอยู่ที่ประมาณ 5-6 บาท/หุ้น จากประมาณการกำไรปี 2021 ของ Bitkub ที่ 2 พัน ลบ. อย่างไรก็ตาม เราคิดว่า Bitkub อาจขยายฐานลูกค้าเพิ่มได้จาก 2.3 ล้านโดยใช้ประโยชน์จากฐานผู้ใช้งานในระบบดิจิทัลของ SCB จำนวน 18 ล้านบัญชี กำไรสุทธิต่อบัญชีผู้ใช้ของ Bitkub อยู่ที่ประมาณ 900 บาท (กำไรสุทธิ 2 พัน ลบ. จากฐานลูกค้า 2.3 ล้าน) ถ้าสมมติให้ 20% ของผู้ใช้ของ SCB ใช้บริการ Bitkub กำไรสุทธิของ Bitkub อาจเพิ่มได้มากกว่า 150% นอกจากนี้ด้วยเงินทุนของ SCB และความสามารถของ Bitkub บริษัทฯ อาจขยายขอบเขตการให้บริการ (ถ้าผู้ดูแลกำกับกิจการอนุญาตให้ทำได้) เพื่อให้อยู่รอดได้ในระยะยาวเมื่อรายได้ค่าธรรมเนียมมีแนวโน้มลดลงจากเหตุผลดังกล่าวเราเห็นศักยภาพความเสี่ยงขาขึ้นที่สูงขึ้นต่อระดับการประเมินมูลค่าของ SCB ในระยะยาว

คงเลือกเป็นหุ้นเด่นที่ราคาเป้าหมาย 160 บาท

เราเชื่อว่า SCB ยังมีดีอีกที่จะประกาศอีกในอนาคต ซึ่งอาจเป็นปัจจัยบวกที่จะผลักดันราคาหุ้นของ SCB เราคิดว่า SCB อยู่ในสถานะที่ดีที่สุดในกลุ่มธนาคารที่จะได้ประโยชน์จากยุคดิจิทัลของภูมิภาคนี้

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Operating profit	33,866	43,160	47,310	52,512
Net profit	27,218	35,068	38,181	42,621
EPS (THB)	8.02	10.32	11.23	12.54
vs Consensus (%)	-	1.5	(0.9)	(3.8)
Core net profit	27,218	35,068	38,181	42,621
Core EPS (THB)	8.02	10.32	11.23	12.54
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	(7.0)	28.7	8.9	11.6
Core P/E (x)	16.2	12.6	11.6	10.4
Dividend yield (%)	1.8	5.2	2.7	3.7
Price/book (x)	1.1	1.0	1.0	0.9
ROE (%)	6.7	8.3	8.6	9.1
ROA (%)	0.9	1.1	1.2	1.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	5.7	38.7	100.8
Relative to country (%)	4.9	32.0	51.6
Mkt cap (USD m)	13,279		
3m avg. daily turnover (USD m)	56.3		
Free float (%)	53		
Major shareholder	King Rama X (24%)		
12m high/low (THB)	137.00/63.75		
Issued shares (m)	3,399		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 3 พฤศจิกายน 2021

Investment thesis

We believe SCB's big move by transforming itself into a holding company will allow SCBX to enhance its capital effectively, generate a higher growth outlook, and potentially pay a higher dividend.

We think that SCB is in the best position in the banking sector to benefit from the region's digital age with its integrated digital platform. Moreover, we are convinced that the proactive long-term debt restructuring program it offers to its clients should solve the prolonged asset quality problem. Thus, we reiterate our BUY call and maintain SCB as a top pick.

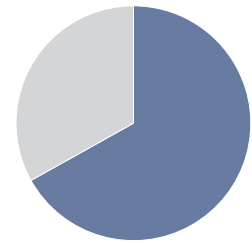
Company profile

SCB is Thailand's first commercial bank, established in 1906. It is ranked the largest in terms of total loans, the second largest for deposits and the fourth largest for total assets as of end-2020. It had a total of 811 branches and 24k personnel, with 14.85m digital users at end-2020.

www.scb.co.th

Principal activities (revenue, 2020)

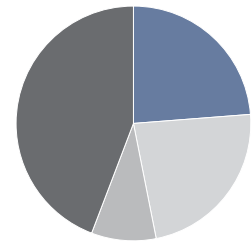
- Net interest income - 66.9 %
- Non-interest income - 33.1 %



Source: Siam Commercial Bank

Major shareholders

- King Rama X - 23.8 %
- Vayupak Fund - 23.1 %
- Thai NVDR - 8.9 %
- Others - 44.2 %



Source: Siam Commercial Bank

Catalysts

Potential share price catalysts for SCB include:

- 1 The success of long-term comprehensive debt restructuring;
- 2 The success of its transformation plan;
- 3 The announcement of a special dividend.

Risks to our call

Downside risks to our SOTP-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.

Event calendar

Date	Event
Jan 2022	4Q21 results announcement

Key assumptions

	2021E	2022E	2023E
Year-to-Dec	(%)	(%)	(%)
Net profit (THB m)	35,068	38,181	42,621
Net profit growth	28.8	8.9	11.6
NIM	2.99	2.91	2.85
Loan growth	2.0	4.0	4.0
Fee growth	9.7	8.5	9.2
Non-NII growth*	9.1	1.4	8.4
Credit cost (bp)	176	148	135
Cost to income*	42.8	43.1	42.5

*Including share of profits from associates

Source: FSSIA estimates

Earnings sensitivity

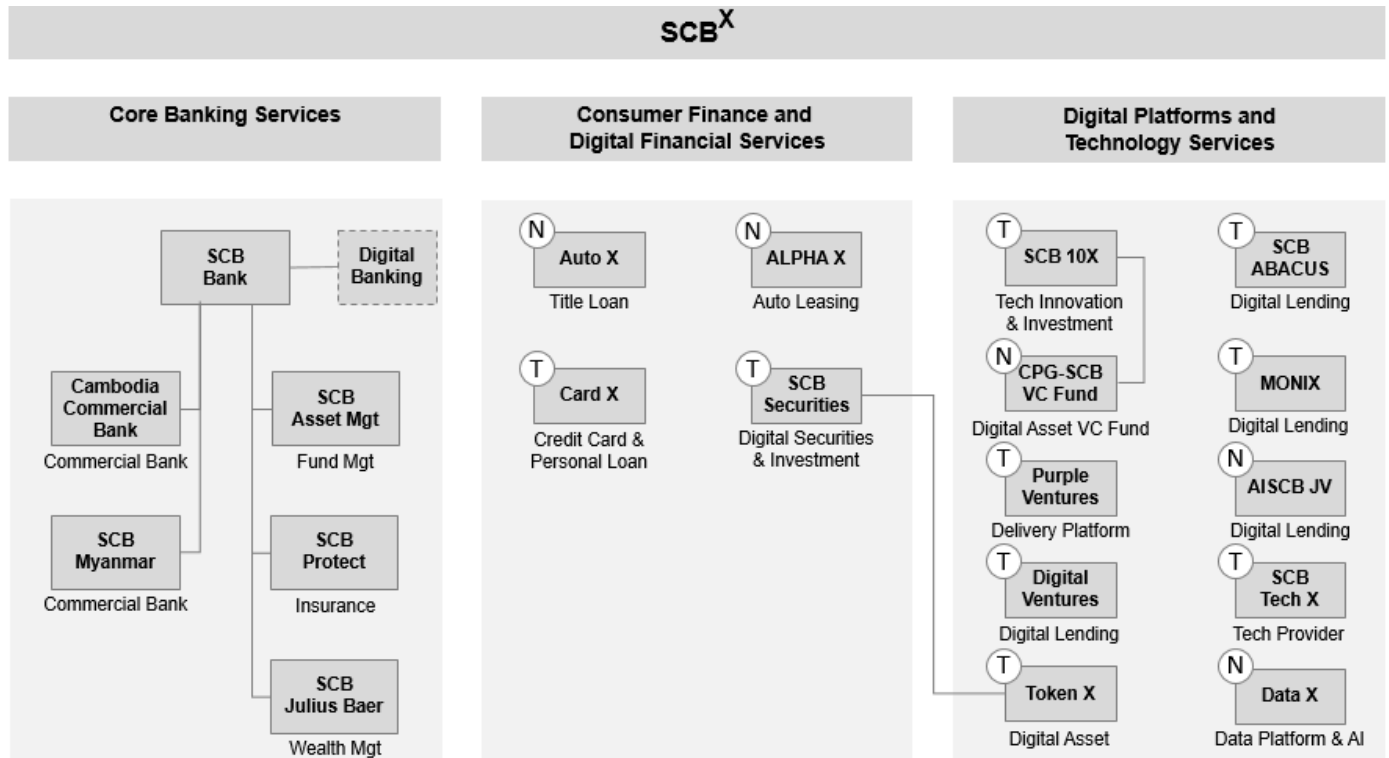
		2021E		
Loan growth	±2ppt	0.00	2.00	4.00
% change in net profit		(1.2)	0.0	1.2
NIM (%)	±5bp	2.94	2.99	3.04
% change in net profit		(3.9)	0.0	3.9
Credit cost (bp)	±10bp	166	176	186
% change in net profit		2.7	0.0	(2.7)

Source: FSSIA estimates

Investment in Bitkub, a leading cryptocurrency exchange

On 2 November 2021, SCB announced that SCB Securities will buy a 51% stake in Bitkub, a leading cryptocurrency exchange, from Bitkub Holding Capital for THB17.85b. The source of funds will come from a THB70b one-off dividend that SCB will pay to SCBX. Thus, this move is in line with SCB's plan and will not directly impact SCB Banks's target capital ratio of 16-16.5%. The deal will be done within 1Q22. We read this as positive due to the right partner, right price, and right time.

Exhibit 1: SCBX's structure



N = newly established company, T = transferred from SCB Bank

Sources: SCB; FSSIA's compilation

Right partner, right price, and right time

We think Bitkub is a good puzzle piece for SCB's fintech journey. Bitkub was founded in 2018 and is currently a leading cryptocurrency exchange in Thailand. Bitkub has a 92% market share of domestic cryptocurrency transactions. In 9M21 Bitkub reported THB3.3b in revenue and THB1.5b in net profit from a net profit of THB0.35m in 2020. Based on our estimate, with Bitkub's 2021 net profit expected at THB2b, the price for this deal should be 17-18x P/E vs 14x P/E for its global peer, Coinbase (COIN US). We think it is a good time for the investment. Although the cryptocurrency market is highly volatile, we believe it is still in an upward trend. According to the SEC, domestic crypto transactions amounted to THB1.2t YTD. The investment in Bitkub in its growth stage should allow SCB to enjoy growth opportunities in the digital asset business and enable SCB Securities as a major shareholder to further develop the digital asset ecosystem in Thailand. We also think it is a good time to announce the deal. After the announcement of SCB's reforms, investors were beginning to wonder where the bank was going. This announcement reinforces its status as a regional fintech group in ASEAN.

Greater potential upside in long term

Based on Bitkub's current performance, we think it would provide a 3-5% upside to our current 2022 net profit forecast. In terms of incremental valuation to SCB, it could be cTHB5-6/share, based on our expectation of Bitkub's earnings at THB2b in 2021 multiplied by 18x P/E. However, we think that Bitkub could expand its customer base from 2.3m users by leveraging SCB's 18m digital users. The net profit per user of Bitkub is cTHB900 (net profit of THB2b from a client base of 2.3m). If 20% of SCB's clients use Bitkub's service, Bitkub's net profit could increase by more than 150%. Also, with SCB's capital and Bitkub's talent, Bitkub might expand the scope of its services (if regulators allow it) to survive in the longer term when commission fees will likely be reduced. Thus, we see a greater potential upside to SCB's valuation in the long term.

Exhibit 2: Incremental valuation to SCB

Items	Number
2021E Bitkub net profit (THB m)	2,000
% SCB holding in Bitkub (%)	51
PE mutiple (x)	18
No. of share SCB (m shares)	3,399
Incremental valuation to SCB (THB/share)	5.40

Source: FSSIA estimates

Exhibit 3: Peers comparison

Company name	BBG	Rec	--- Share price ---		Up	Market	EPS growth		----- PE -----		---- ROE ----		--- PBV ---	
	code		Current	Target	side	Cap	21E	22E	21E	22E	21E	22E	21E	22E
			(THB)	(THB)	(%)	(USD m)	(%)	(%)	(x)	(x)	(%)	(%)	(x)	(x)
Bangkok Bank	BBL TB	HOLD	124.50	134.00	8	7,149	27.1	8.6	8.8	8.1	5.9	6.2	0.5	0.5
Kasikornbank	KBANK TB	BUY	142.00	172.00	21	10,120	18.8	10.1	9.6	8.7	7.6	7.7	0.7	0.7
Kiatnakin Bank	KKP TB	BUY	60.00	68.00	13	1,528	8.2	20.9	9.2	7.6	11.6	13.0	1.0	0.9
Krung Thai Bank	KTB TB	HOLD	11.60	12.20	5	4,877	21.5	5.5	8.0	7.6	5.8	5.8	0.4	0.4
Siam Commercial Bank	SCB TB	BUY	130.00	160.00	23	13,279	28.7	8.9	12.6	11.6	8.3	8.6	1.0	1.0
Tisco Financial	TISCO TB	BUY	91.25	110.00	21	2,198	6.7	9.0	11.3	10.4	16.1	16.7	1.8	1.7
TMBThanachart	TTB TB	BUY	1.16	1.40	21	3,372	(1.1)	32.1	11.2	8.5	4.8	6.1	0.5	0.5
Coverage						42,522	6.2	10.8	10.4	9.4	7.7	8.1	0.8	0.8

Share prices as of 2 Nov 2021

Sources: Company data; FSSIA estimates

Financial Statements

Siam Commercial Bank

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Interest Income	135,025	118,371	111,172	108,696	114,989
Interest expense	(35,624)	(21,472)	(16,891)	(16,447)	(22,867)
Net interest income	99,401	96,899	94,281	92,248	92,122
Net fees & commission	29,670	36,586	40,147	43,559	47,557
Foreign exchange trading income	0	0	0	0	0
Securities trading income	5,383	9,365	10,300	7,525	7,901
Dividend income	627	155	171	180	189
Other income	145	1,840	1,104	1,159	1,217
Non interest income	35,825	47,947	51,722	52,423	56,864
Total income	135,226	144,846	146,003	144,671	148,986
Staff costs	(33,281)	(31,344)	(30,404)	(30,404)	(31,316)
Other operating costs	(37,257)	(32,986)	(32,350)	(32,231)	(32,215)
Operating costs	(70,538)	(64,330)	(62,754)	(62,635)	(63,531)
Pre provision operating profit	64,688	80,516	83,249	82,036	85,455
Provision for bad and doubtful debt	(27,111)	(46,649)	(40,089)	(34,726)	(32,943)
Other provisions	-	-	-	-	-
Operating profit	37,577	33,866	43,160	47,310	52,512
Recurring non operating income	31	(78)	500	525	551
Associates	31	(78)	500	525	551
Goodwill amortization	-	-	-	-	-
Non recurring items	4,364	0	0	0	0
Profit before tax	41,972	33,788	43,660	47,835	53,063
Tax	(8,538)	(6,794)	(8,732)	(9,806)	(10,613)
Profit after tax	33,434	26,994	34,928	38,029	42,451
Minority interests	185	224	140	152	170
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	33,619	27,218	35,068	38,181	42,621
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	29,255	27,218	35,068	38,181	42,621
Per share (THB)					
Recurring EPS *	8.62	8.02	10.32	11.23	12.54
Reported EPS	9.90	8.02	10.32	11.23	12.54
DPS	6.26	2.30	6.70	3.50	4.75
Growth					
Net interest income (%)	3.1	(2.5)	(2.7)	(2.2)	(0.1)
Non interest income (%)	(14.3)	33.8	7.9	1.4	8.5
Pre provision operating profit (%)	(12.0)	24.5	3.4	(1.5)	4.2
Operating profit (%)	(24.1)	(9.9)	27.4	9.6	11.0
Reported net profit (%)	(16.1)	(19.0)	28.8	8.9	11.6
Recurring EPS (%)	(26.9)	(7.0)	28.7	8.9	11.6
Reported EPS (%)	(16.0)	(19.0)	28.7	8.9	11.6
Income Breakdown					
Net interest income (%)	73.5	66.9	64.6	63.8	61.8
Net fees & commission (%)	21.9	25.3	27.5	30.1	31.9
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	4.0	6.5	7.1	5.2	5.3
Dividend income (%)	0.5	0.1	0.1	0.1	0.1
Other income (%)	0.1	1.3	0.8	0.8	0.8
Operating performance					
Gross interest yield (%)	4.54	3.94	3.53	3.42	3.55
Cost of funds (%)	1.49	0.85	0.63	0.61	0.83
Net interest spread (%)	3.05	3.09	2.90	2.81	2.72
Net interest margin (%)	3.3	3.2	3.0	2.9	2.8
Cost/income(%)	52.2	44.4	43.0	43.3	42.6
Cost/assets(%)	2.3	2.1	1.9	1.9	1.9
Effective tax rate (%)	20.3	20.1	20.0	20.5	20.0
Dividend payout on recurring profit (%)	72.6	28.7	64.9	31.2	37.9
ROE (%)	7.5	6.7	8.3	8.6	9.1
ROE - COE (%)	(3.3)	(4.1)	(2.5)	(2.2)	(1.7)
ROA (%)	0.9	0.9	1.1	1.2	1.3
RORWA (%)	1.4	1.3	1.6	1.7	1.8
* Pre-exceptional, pre-goodwill and fully diluted					

Sources: Siam Commercial Bank; FSSIA estimates

Financial Statements

Siam Commercial Bank

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Gross customer loans	2,113,787	2,255,242	2,300,347	2,392,361	2,488,055
Total provisions	(117,395)	(139,442)	(145,026)	(143,867)	(139,489)
interest in suspense	2,946	14,508	14,722	15,550	15,675
Net customer loans	1,999,339	2,130,308	2,170,043	2,264,044	2,364,241
Bank loans	433,510	547,504	524,406	457,276	445,304
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	312,143	339,828	333,534	340,233	352,206
Cash & equivalents	47,615	51,632	26,952	41,910	31,359
Other interesting assets	-	-	-	-	-
Tangible fixed assets	57,418	56,445	55,492	54,560	53,647
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	110,599	152,667	156,828	159,228	163,702
Total assets	2,960,624	3,278,383	3,267,256	3,317,252	3,410,461
Customer deposits	2,159,425	2,420,455	2,420,455	2,444,660	2,493,553
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	235,592	275,993	275,993	278,752	284,328
Non interest bearing liabilities	167,882	170,106	136,085	142,889	150,034
Hybrid Capital	-	-	-	-	-
Total liabilities	2,562,900	2,866,554	2,832,533	2,866,302	2,927,915
Share capital	33,992	33,992	33,956	33,956	33,956
Reserves	366,366	377,438	400,345	416,557	448,123
Total equity	400,358	411,430	434,301	450,513	482,079
Minority interests	489	399	421	437	468
Total liabilities & equity	2,963,746	3,278,384	3,267,256	3,317,252	3,410,461
Supplementary items					
Risk weighted assets (RWA)	2,075,492	2,197,568	2,241,519	2,331,180	2,424,427
Average interest earning assets	2,973,403	3,001,007	3,150,431	3,174,079	3,237,718
Average interest bearing liabilities	2,396,471	2,534,701	2,686,181	2,699,612	2,740,173
Tier 1 capital	352,691	377,036	395,262	409,111	437,614
Total capital	375,206	400,892	419,118	432,967	461,470
Gross non performing loans (NPL)	85,212	101,462	109,579	104,100	106,182
Per share (THB)					
Book value per share	117.89	121.16	127.76	132.53	141.82
Tangible book value per share	117.89	121.16	127.76	132.53	141.82
Growth					
Gross customer loans	(1.3)	6.7	2.0	4.0	4.0
Average interest earning assets	(1.0)	0.9	5.0	0.8	2.0
Total asset (%)	(7.1)	10.7	(0.3)	1.5	2.8
Risk weighted assets (%)	(4.2)	5.9	2.0	4.0	4.0
Customer deposits (%)	0.0	12.1	-	1.0	2.0
Leverage & capital measures					
Customer loan/deposits (%)	92.6	88.0	89.7	92.6	94.8
Equity/assets (%)	13.5	12.5	13.3	13.6	14.1
Tangible equity/assets (%)	13.5	12.5	13.3	13.6	14.1
RWA/assets (%)	70.1	67.0	68.6	70.3	71.1
Tier 1 CAR (%)	17.0	17.2	17.6	17.5	18.1
Total CAR (%)	18.1	18.2	18.7	18.6	19.0
Asset Quality					
Change in NPL (%)	21.1	19.1	8.0	(5.0)	2.0
NPL/gross loans (%)	4.0	4.5	4.8	4.4	4.3
Total provisions/gross loans (%)	5.6	6.2	6.3	5.8	5.6
Total provisions/NPL (%)	137.8	137.4	132.3	138.2	131.4
Valuation					
Recurring P/E (x) *	15.1	16.2	12.6	11.6	10.4
Recurring P/E @ target price (x) *	18.6	20.0	15.5	14.2	12.8
Reported P/E (x)	13.1	16.2	12.6	11.6	10.4
Dividend yield (%)	4.8	1.8	5.2	2.7	3.7
Price/book (x)	1.1	1.1	1.0	1.0	0.9
Price/tangible book (x)	1.1	1.1	1.0	1.0	0.9
Price/tangible book @ target price (x)	1.4	1.3	1.3	1.2	1.1

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Siam Commercial Bank; 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	AMANA	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	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

Yuvanart Suwanumphai FSS International Investment Advisory Securities Co., Ltd

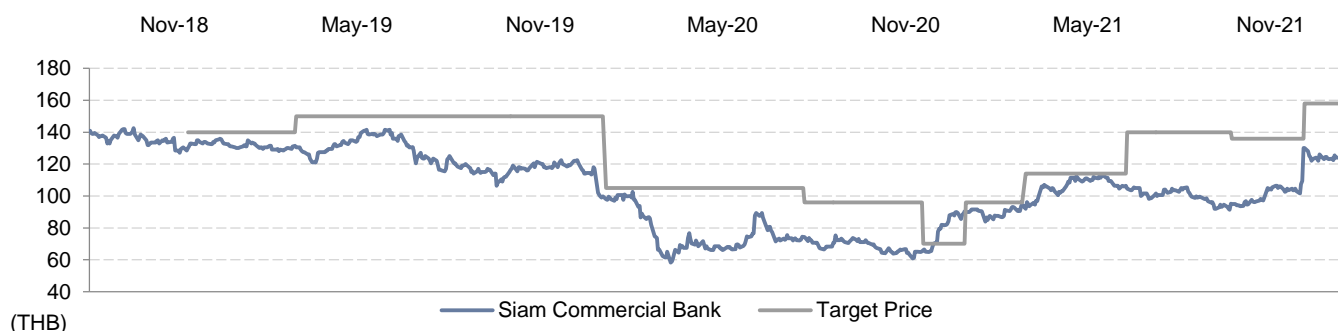
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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History of change in investment rating and/or target price

Siam Commercial Bank (SCB TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
29-Jan-2019	HOLD	140.00	27-Oct-2020	HOLD	70.00	04-Aug-2021	BUY	136.00
03-May-2019	BUY	150.00	03-Dec-2020	HOLD	96.00	23-Sep-2021	BUY	158.00
27-Jan-2020	HOLD	105.00	22-Jan-2021	BUY	114.00	05-Oct-2021	BUY	158.00
02-Apr-2020	HOLD	105.00	22-Apr-2021	BUY	140.00	25-Oct-2021	BUY	160.00
16-Jul-2020	BUY	96.00	22-Jul-2021	BUY	136.00			

Yuvanart Suwanumphai started covering this stock from 16-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Siam Commercial Bank	SCB TB	THB 130.00	BUY	Downside risks to our SOTP-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.

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 02-Nov-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.