

BANGKOK BANK

BBL TB

THAILAND / BANKS

HOLD

UNCHANGED

ได้ระยะสั้น เสี่ยงระยะยาว

- กำไรสุทธิ 4Q21 ออกมาที่ 6.3 พัน ลบ. (+164% y-y, -9% q-q) รายได้ดีแต่ยังตั้งผลขาดทุนทางเครดิตที่คาดว่าจะเกิดขึ้น (ECL) อย่างระมัดระวัง
- คาดกำไรสุทธิปี 2022 โต 10% y-y แต่ยังคงต้องระวังในระยะกลาง
- คงแนะนำถือที่ราคาเป้าหมายปี 2022 ที่ 134 บาท (GGM)

TARGET PRICE	THB134.00
CLOSE	THB132.00
UP/DOWNSIDE	+1.5%
PRIOR TP	THB134.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-11.4%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Operating profit	32,932	36,955	38,718	42,229
Net profit	26,506	29,229	30,623	33,400
EPS (THB)	13.89	15.31	16.04	17.50
vs Consensus (%)	-	8.6	(0.6)	(3.0)
Core net profit	26,506	29,229	30,623	33,400
Core EPS (THB)	13.89	15.31	16.04	17.50
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	25.1	10.3	4.8	9.1
Core P/E (x)	9.5	8.6	8.2	7.5
Dividend yield (%)	3.0	3.8	5.3	5.3
Price/book (x)	0.5	0.5	0.5	0.5
ROE (%)	5.6	6.0	6.2	6.9
ROA (%)	0.7	0.7	0.7	0.8

ยุทธศาสตร์เชิงรับทำให้ผลประกอบการ 4Q21 พลัดเป้าหมาย

BBL รายงานกำไรสุทธิ 4Q21 ที่ 6.3 พัน ลบ. (+164% y-y, -9% q-q) ซึ่งต่ำกว่าที่ตลาดคาด 9% และต่ำกว่าที่เราคาด 6% จาก ECL ที่ยังอยู่ในระดับสูง BBL มีผลการดำเนินงานหลักที่ดี โดยได้แรงหนุนจากปัจจัย 2 ประการ: 1) ปริมาณสินเชื่อโต 2.6% q-q และ 9.3% YTD จากสินเชื่อบริษัทและสินเชื่อต่างประเทศที่เพิ่มขึ้น จากข้อมูลของผู้บริหารความต้องการสินเชื่อบริษัทประเภทมีระยะเวลาอยู่ในระดับดี; และ 2) รายได้ค่าธรรมเนียมเพิ่ม 3% q-q จากธุรกิจพาณิชย์ธุรกิจและค่าธรรมเนียมสินเชื่อที่สูงขึ้นตามปริมาณสินเชื่อที่เพิ่มขึ้น ในด้านคุณภาพสินทรัพย์ หนี้ต่อคุณภาพ (NPL) ลดลง 10% q-q เนื่องจากลูกค้าสามารถจ่ายคืนหนี้ได้ดีขึ้น หลังการกลับมาเปิดเศรษฐกิจ เหมือนเช่นเคย BBL ยังคงมาตรการบริหารความเสี่ยงอย่างรอบคอบโดยใช้รายได้ที่อยู่ในระดับสูงเพื่อจัดสรรเป็น ECL เป็นจำนวนมาก ซึ่งทำให้สัดส่วนสำรองต่อหนี้ต่อคุณภาพ (Coverage ratio) เพิ่มขึ้นเป็น 226% จาก 199% ใน 3Q21

คาดการณ์รายได้ในระดับปานกลางในปี 2022

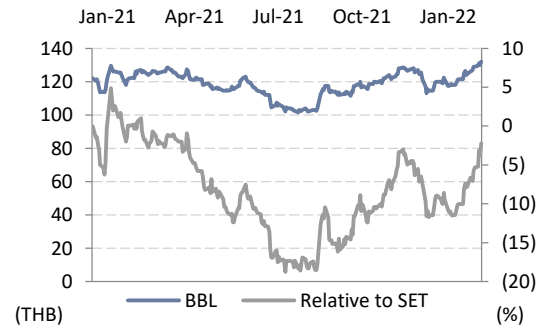
เราคาดว่ากำไรสุทธิของ BBL จะเพิ่มต่อเนื่องอีก 10% y-y ด้วยคุณภาพสินทรัพย์ที่ดีขึ้นและ Coverage ratio ที่อยู่ในระดับสูง เราคาดว่าสำรองจะลดลงจากปีที่แล้ว นอกจากนี้เรายังคาดว่าด้วยว่ารายได้ดอกเบี้ยสุทธิ (NII) จะเพิ่มตามการเพิ่มของพอร์ตสินเชื่อ

ข้อได้เปรียบในด้านการแข่งขันอาจลดลงในระยะกลาง

BBL ยังเป็นหุ้นที่เราชอบน้อยที่สุดในกลุ่มธนาคารขนาดใหญ่จากเหตุผล 3 ประการ: 1) BBL ยังยึดติดกับกรอบการทำธุรกิจธนาคารแบบดั้งเดิม ธนาคารฯ ใช้กลยุทธ์การใช้สินทรัพย์เป็นจำนวนมากและลงทุนในระบบดิจิทัลน้อยกว่าในการขยายธุรกิจ กลยุทธ์ดังกล่าวจำเป็นต้องใช้เงินทุนเป็นจำนวนมากแต่ให้ผลตอบแทนน้อยกว่าและใช้เวลานานกว่าสำหรับนักลงทุนในการเก็บเกี่ยวกำไร; 2) เราเห็นมูลค่าที่ซ่อนอยู่ใน BBL น้อยกว่าเมื่อเทียบกับธนาคารใหญ่อีก 4 แห่ง เนื่องจากธุรกิจส่วนมากอยู่ในกลุ่มที่มีอัตราส่วนความเสี่ยงต่อผลตอบแทนต่ำ เช่น ลูกค้าบริษัท; และ 3) บริษัทฯ มักจะจัดสรรสำรองด้วยความระมัดระวัง เมื่อเศรษฐกิจฟื้นตัว เราคิดว่ากลยุทธ์ที่รอบคอบมากเกินไปอาจขัดขวางความสามารถในการทำกำไรของบริษัทฯ

คงแนะนำถือที่ราคาเป้าหมายปี 2022 ที่ 134 บาท (GGM)

เราคงแนะนำถือเนื่องจากเราคิดว่าผลตอบแทนต่อส่วนผู้ถือหุ้น (ROE) และการเติบโตของกำไรในระยะกลางจะต่ำกว่าธนาคารใหญ่อื่นต่อเนื่องจากการบริหารความเสี่ยงเชิงรับมากเกินไปและกลยุทธ์การขยายธุรกิจดิจิทัลที่ล่าช้า ระดับการประเมินมูลค่าที่ต่ำและงบดุลที่แข็งแกร่งที่สุดในกลุ่มของธนาคารฯ ไม่มากพอที่จะทำให้เราให้ความสนใจ



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	12.3	9.5	8.6
Relative to country (%)	9.5	8.3	(0.6)
Mkt cap (USD m)	7,650		
3m avg. daily turnover (USD m)	43.6		
Free float (%)	76		
Major shareholder	Thai NVDR (24%)		
12m high/low (THB)	133.00/100.00		
Issued shares (m)	1,909		

Sources: Bloomberg consensus; FSSIA estimates



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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 มกราคม 2022

Investment thesis

We maintain our HOLD call. After the pandemic ends, we think BBL will lack the foundation to generate solid interest income and non-interest income growth. Moreover, we believe its overly conservative strategy will lead to a lower profitability margin in the long run. Therefore, among the big banks, BBL is our least preferred.

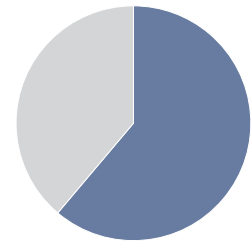
Company profile

Bangkok Bank is a leading bank in Thailand and a major regional bank in Southeast Asia. It is a market leader in corporate and business banking, with a large retail customer base.

www.bangkokbank.com

Principal activities (revenue, 2021)

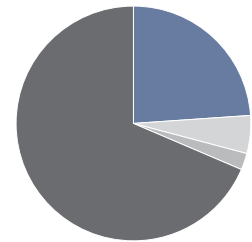
- Net interest income - 61.2 %
- Non-interest income - 38.8 %



Source: Bangkok Bank

Major shareholders

- Thai NVDR - 23.9 %
- Social Security Office - 5.2 %
- UOB Kay Hian (Hong Kong) Limited - 2.3 %
- Others - 68.6 %



Source: Bangkok Bank

Catalysts

Potential share price catalysts for BBL include:

- Lower credit cost from better-than-expected new NPLs;
- The return of foreign fund flows into the Thai stock market.

Risks to our call

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 and potential new regulations from the Bank of Thailand on debt-servicing programs. The upside risk would be better-than-expected synergies with Permata.

Event calendar

Date	Event
3 Feb-2022	Analyst meeting
Apr 2022	1Q22 results announcement

Key assumptions

	2022E	2023E	2024E
	(%)	(%)	(%)
Net profit (THB m)	29,229	30,623	33,400
Net profit growth	10.3	4.8	9.1
NIM	1.97	1.89	1.98
Loan growth	0.4	3.0	3.0
Fee growth	(1.6)	2.0	2.0
Non-NII growth*	(11.0)	3.0	2.8
Credit cost (bp)	98	86	85
Cost to income*	52.0	52.7	52.2

Source: FSSIA estimates

Earnings sensitivity

	----- 2022E -----			
Loan growth	±2ppt	(1.6)	0.4	2.4
% change in net profit		(1.3)	0.0	1.3
NIM (%)	±5bp	1.92	1.97	2.02
% change in net profit		(5.0)	0.0	5.0
Credit cost (bp)	±10bp	88	98	108
% change in net profit		3.3	0.0	(3.3)

Source: FSSIA estimates

Conservative strategy led to a miss in 4Q21 results

BBL reported a 4Q21 net profit of THB6,318m (+164% y-y, -9% q-q), which was lower than the Bloomberg consensus estimate by 9% and our forecast by 6% due to maintaining a high level of expected credit loss (ECL). BBL had strong core operations, supported by two factors. First, its loan volume jumped 2.6% q-q and 9.3% YTD due to a rise in the corporate and international segments. There was strong demand for corporate term loans, according to management. Second, its fee income rose 3% q-q thanks to a rise in investment banking (IB) fees and loan-related fees following an increase in its loan volume. Regarding asset quality, its non-performing loans (NPLs) plummeted by 10% q-q in 4Q21 as its clients were better able to repay loans after the economic reopening. BBL, as always, retained its conservative risk management measures by utilising its solid top line to set aside a huge ECL. Thus, its reported coverage ratio increased to 226% in 4Q21 from 199% in 3Q21.

BBL's 2021 net profit skyrocketed by 54% from an abnormally low base last year to THB26.5b, driven by: 1) a rise in its loan volume thanks to strong demand from the corporate and international segments; 2) an increase in its fee income thanks to brokerage fees, loan-related fees, bancassurance fees and mutual fund fees; and 3) a higher gain on investments.

Exhibit 1: BBL – 4Q21/2021 results summary

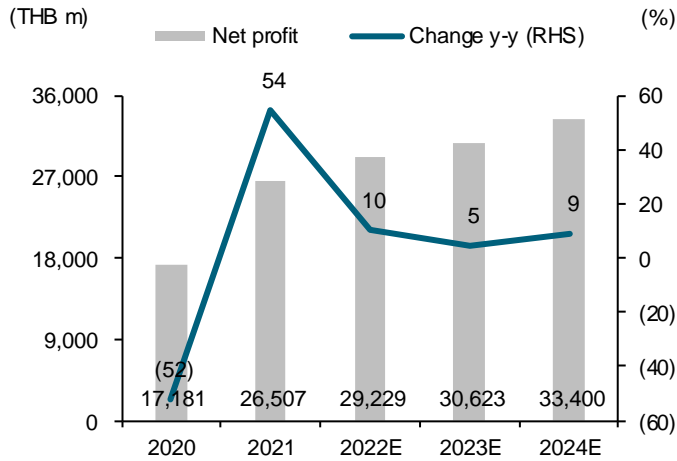
Year end Dec 31	4Q20	3Q21	4Q21	--- Change ---		2021	Change	4Q21 comments
	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y %)	
Net interest income	19,264	20,705	21,716	13	5	82,156	7	
Non-interest income	11,364	13,725	13,698	21	(0)	50,162	20	Solid fee income
Operating income	30,628	34,430	35,414	16	3	134,541	13	
Operating expenses	20,144	15,879	19,336	(4)	22	67,266	9	
PPOP before tax	10,484	18,551	16,078	53	(13)	67,275	19	
Provision	7,203	9,870	8,127	13	(18)	34,134	9	Conservative strategy to set aside special provision
Income tax	799	1,663	1,517	90	(9)	6,189	54	
Minority interest	85	110	116			445	22	
Normalised profit	2,398	6,909	6,318	164	(9)	26,507	25	
Extraordinary items	0	0	0	-	-	0	-	
Net profit	2,398	6,909	6,318	164	(9)	26,507	54	
EPS (THB)	1.26	3.62	3.31	164	(9)	13.89	54	
Asset quality ratio								
Gross NPLs	104,401	112,433	101,103	(3)	(10)	101,103	(3)	
NPL ratios (%)	3.90	3.70	3.20			3.20		
LLR/NPLs (%)	187	199	226			0		
Credit cost (bp)	122	160	127			138		
Profitability ratio	(%)	(%)	(%)			(%)		
Cost to income ratio	65.8	46.1	54.6			50.0		
Average yield (%)	3.0	2.8	2.8			2.9		
Cost of fund (%)	1.0	0.9	0.9			0.9		
Net interest margin (NIM)	2.1	2.0	2.0			2.1		
Non-int inc/total income	37.1	39.9	38.7			37.3		
Liquidity ratio	(%)	(%)	(%)			(%)		
Loan to deposit ratio	84.3	80.8	82.0			82.0		
Loan growth	(%)	(%)	(%)			(%)		
Year-to-date	14.9	6.6	9.3					
y-y	14.9	6.6	9.3			9.3		Strong demand from corporate and international clients
q-q	0.0	4.3	2.6					

Sources: BBL; FSSIA's estimates

Moderate earnings growth expected in 2022

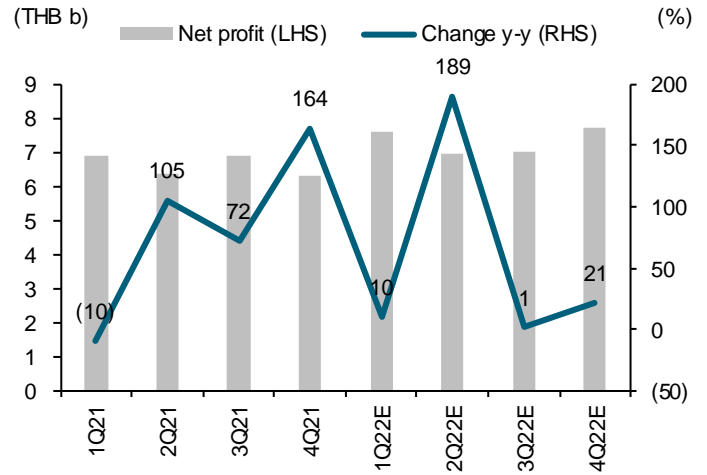
We expect that BBL's net profit should continue to increase at a moderate rate of 10% y-y in 2022. With its healthier asset quality and high coverage ratio, we believe its provisions will decline from last year. We also think that its NII should continue to increase following a rise in its loan portfolio.

Exhibit 2: BBL's yearly net profit growth



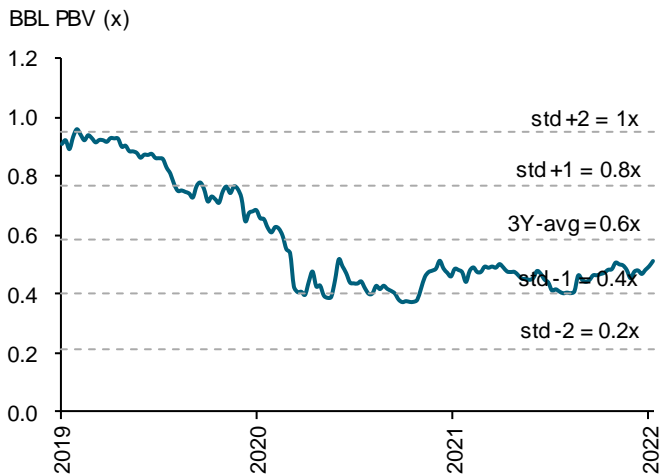
Sources: TISCO; FSSIA estimates

Exhibit 3: BBL's quarterly net profit growth



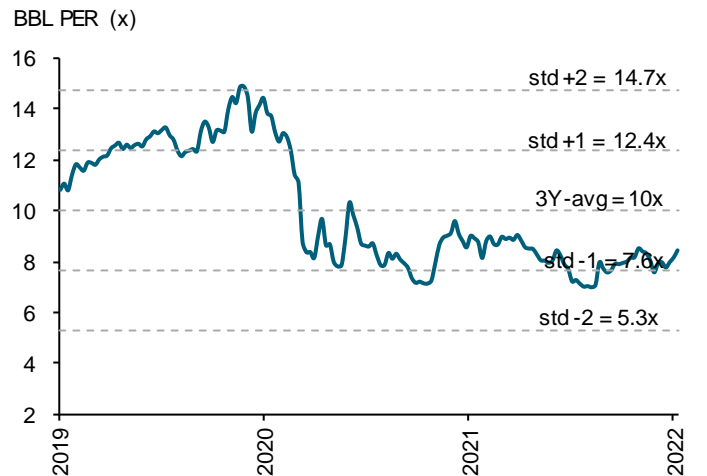
Sources: TISCO; FSSIA estimates

Exhibit 4: BBL – one-year forward rolling P/BV



Sources: Bloomberg; FSSIA estimates

Exhibit 5: BBL – one-year forward rolling P/E



Sources: Bloomberg; FSSIA estimates

Financial Statements

Bangkok Bank

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Interest Income	112,524	114,312	118,818	124,350	132,160
Interest expense	(35,477)	(32,156)	(33,428)	(40,533)	(42,702)
Net interest income	77,047	82,156	85,390	83,817	89,458
Net fees & commission	24,711	29,209	28,752	29,327	29,914
Foreign exchange trading income	0	0	0	0	0
Securities trading income	13,570	19,093	12,006	12,480	12,979
Dividend income	2,039	2,252	2,248	2,361	2,361
Other income	1,376	1,622	1,665	1,831	2,014
Non interest income	41,696	52,176	44,671	46,000	47,268
Total income	118,743	134,331	130,061	129,816	136,726
Staff costs	(30,959)	(35,003)	(36,034)	(36,754)	(38,592)
Other operating costs	(31,015)	(32,263)	(31,587)	(31,662)	(32,815)
Operating costs	(61,974)	(67,266)	(67,621)	(68,416)	(71,407)
Pre provision operating profit	56,769	67,066	62,440	61,400	65,319
Provision for bad and doubtful debt	(31,196)	(34,134)	(25,485)	(22,682)	(23,090)
Other provisions	-	-	-	-	-
Operating profit	25,573	32,932	36,955	38,718	42,229
Recurring non operating income	(14)	209	(18)	(19)	(21)
Associates	(14)	209	(18)	(19)	(21)
Goodwill amortization	-	-	-	-	-
Non recurring items	(4,000)	0	0	0	0
Profit before tax	21,559	33,141	36,938	38,699	42,208
Tax	(4,014)	(6,189)	(7,203)	(7,546)	(8,230)
Profit after tax	17,545	26,952	29,735	31,153	33,977
Minority interests	(364)	(445)	(505)	(530)	(578)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	17,181	26,506	29,229	30,623	33,400
Non recurring items & goodwill (net)	-	-	0	0	0
Recurring net profit	21,181	26,506	29,229	30,623	33,400
Per share (THB)					
Recurring EPS *	11.10	13.89	15.31	16.04	17.50
Reported EPS	9.00	13.89	15.31	16.04	17.50
DPS	2.50	4.00	5.00	7.00	7.00
Growth					
Net interest income (%)	8.4	6.6	3.9	(1.8)	6.7
Non interest income (%)	(33.4)	25.1	(14.4)	3.0	2.8
Pre provision operating profit (%)	(27.9)	18.1	(6.9)	(1.7)	6.4
Operating profit (%)	(44.8)	28.8	12.2	4.8	9.1
Reported net profit (%)	(52.0)	54.3	10.3	4.8	9.1
Recurring EPS (%)	(40.9)	25.1	10.3	4.8	9.1
Reported EPS (%)	(52.0)	54.3	10.3	4.8	9.1
Income Breakdown					
Net interest income (%)	64.9	61.2	65.7	64.6	65.4
Net fees & commission (%)	20.8	21.7	22.1	22.6	21.9
Foreign exchange trading income (%)	-	-	-	-	-
Securities trading income (%)	11.4	14.2	9.2	9.6	9.5
Dividend income (%)	1.7	1.7	1.7	1.8	1.7
Other income (%)	1.2	1.2	1.3	1.4	1.5
Operating performance					
Gross interest yield (%)	3.30	2.88	2.74	2.81	2.92
Cost of funds (%)	1.22	0.94	0.92	1.12	1.15
Net interest spread (%)	2.08	1.94	1.82	1.69	1.77
Net interest margin (%)	2.3	2.1	2.0	1.9	2.0
Cost/income(%)	52.2	50.1	52.0	52.7	52.2
Cost/assets(%)	1.8	1.6	1.5	1.6	1.6
Effective tax rate (%)	18.6	18.7	19.5	19.5	19.5
Dividend payout on recurring profit (%)	22.5	28.8	32.7	43.6	40.0
ROE (%)	4.8	5.6	6.0	6.2	6.9
ROE - COE (%)	(4.5)	(3.7)	(3.3)	(3.1)	(2.5)
ROA (%)	0.6	0.7	0.7	0.7	0.8
RORWA (%)	0.8	1.0	1.1	1.0	1.1

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Bangkok Bank; FSSIA estimates

Financial Statements

Bangkok Bank

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Gross customer loans	2,368,238	2,588,339	2,598,431	2,676,384	2,756,675
Total provisions	(185,567)	0	(222,198)	(234,174)	(246,238)
interest in suspense	6,431	0	7,276	7,494	7,719
Net customer loans	2,189,102	2,588,339	2,383,509	2,449,704	2,518,156
Bank loans	519,036	801,212	747,670	729,563	731,793
Government securities	-	-	-	-	-
Trading securities	-	-	-	-	-
Investment securities	759,394	889,306	915,031	940,407	966,544
Cash & equivalents	73,886	62,552	34,002	41,305	23,465
Other interesting assets	-	-	-	-	-
Tangible fixed assets	74,804	74,476	75,282	75,746	76,341
Associates	-	-	-	-	-
Goodwill	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Other assets	148,802	129,707	128,520	131,033	133,494
Total assets	3,765,023	4,545,593	4,284,014	4,367,758	4,449,792
Customer deposits	2,810,863	3,156,940	3,259,997	3,308,897	3,353,748
Bank deposits	-	-	-	-	-
Other interest bearing liabilities	362,583	480,061	356,603	362,779	428,574
Non interest bearing liabilities	199,267	201,688	184,720	190,262	195,970
Hybrid Capital	-	-	-	-	-
Total liabilities	3,372,713	3,838,688	3,801,321	3,861,938	3,978,292
Share capital	19,088	19,088	19,088	19,088	19,088
Reserves	429,925	473,639	462,282	485,345	451,120
Total equity	449,014	492,727	481,371	504,434	470,208
Minority interests	1,233	1,865	1,322	1,386	1,292
Total liabilities & equity	3,822,960	4,333,281	4,284,014	4,367,758	4,449,792
Supplementary items					
Risk weighted assets (RWA)	2,743,525	2,561,556	3,010,195	3,100,501	3,193,516
Average interest earning assets	3,414,880	3,962,763	4,332,344	4,429,688	4,529,465
Average interest bearing liabilities	2,914,394	3,405,223	3,614,988	3,619,923	3,701,573
Tier 1 capital	431,380	457,469	465,274	485,655	504,304
Total capital	502,065	560,426	535,959	556,340	574,989
Gross non performing loans (NPL)	104,401	101,103	118,291	125,388	131,658
Per share (THB)					
Book value per share	235.21	258.11	252.16	264.24	246.31
Tangible book value per share	235.21	258.11	252.16	264.24	246.31
Growth					
Gross customer loans	14.9	9.3	0.4	3.0	3.0
Average interest earning assets	8.8	16.0	9.3	2.2	2.3
Total asset (%)	17.0	20.7	(5.8)	2.0	1.9
Risk weighted assets (%)	14.6	(6.6)	17.5	3.0	3.0
Customer deposits (%)	18.6	12.3	3.3	1.5	1.4
Leverage & capital measures					
Customer loan/deposits (%)	77.9	82.0	73.1	74.0	75.1
Equity/assets (%)	11.9	10.8	11.2	11.5	10.6
Tangible equity/assets (%)	11.9	10.8	11.2	11.5	10.6
RWA/assets (%)	72.9	56.4	70.3	71.0	71.8
Tier 1 CAR (%)	15.7	17.9	15.5	15.7	15.8
Total CAR (%)	18.3	21.9	17.8	17.9	18.0
Asset Quality					
Change in NPL (%)	31.9	(3.2)	17.0	6.0	5.0
NPL/gross loans (%)	4.4	3.9	4.6	4.7	4.8
Total provisions/gross loans (%)	7.8	-	8.6	8.5	8.9
Total provisions/NPL (%)	177.7	-	187.8	186.8	187.0
Valuation					
Recurring P/E (x) *	11.9	9.5	8.6	8.2	7.5
Recurring P/E @ target price (x) *	12.1	9.7	8.8	8.4	7.7
Reported P/E (x)	14.7	9.5	8.6	8.2	7.5
Dividend yield (%)	1.9	3.0	3.8	5.3	5.3
Price/book (x)	0.6	0.5	0.5	0.5	0.5
Price/tangible book (x)	0.6	0.5	0.5	0.5	0.5
Price/tangible book @ target price (x)	0.6	0.5	0.5	0.5	0.5

* Pre-exceptional, pre-goodwill and fully diluted

Sources: Bangkok 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	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	PAP	PCSGH	PDJ	PG	PHOL	PLANB
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	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	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	AMANAHA	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	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

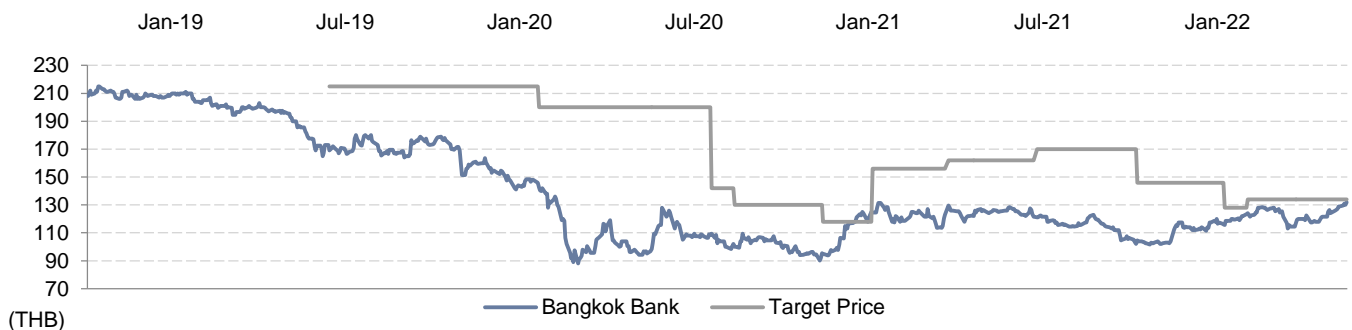
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

Bangkok Bank (BBL TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
20-Aug-2019	BUY	215.00	21-Oct-2020	BUY	118.00	21-Jul-2021	BUY	146.00
18-Feb-2020	BUY	200.00	03-Dec-2020	BUY	156.00	05-Oct-2021	HOLD	128.00
16-Jul-2020	BUY	142.00	05-Feb-2021	BUY	162.00	25-Oct-2021	HOLD	134.00
05-Aug-2020	BUY	130.00	23-Apr-2021	BUY	170.00			

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
Bangkok Bank	BBL TB	THB 132.00	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 its NIM and potential new regulations from the Bank of Thailand on debt-servicing programs. The upside risk would be better-than-expected synergies with Permata.

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 Finasia 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 Finasia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 20-Jan-2022 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.