

10 NOVEMBER 2021

SPOTLIGHT ON THAILAND

Published Reports

- TPI POLENE POWER (TPIPP TB) - Softer on lower utilisation rates; Maintain BUY TP THB5.70
- SRI TRANG GLOVES (THAILAND) (STGT TB) - ASP on the downslope; Maintain REDUCE TP THB26.00

Results Comments

- AP (Thailand) (AP TB, BUY, TP THB11.1) - 3Q21 results in line with expectation
- ASIAN (ASIAN TB, BUY, TP THB24.1) - 3Q21 results in line with our estimate
- MAKRO (MAKRO TB, HOLD, TP THB52) – 3Q21 results in line with expectation
- SPALI (SPALI TB, BUY, TP THB28.0) - Solid 3Q21 results, beat our and market estimate
- MTC (BUY; TP THB71) - Miss 3Q21 results from OPEX and ECL
- NCAP (BUY; TP THB16.8) - Robust 3Q21 performance as expected
- MICRO (BUY; TP THB10.7) - Soft 3Q21 results as expected
- TPCH (Buy, TP THB14) – weak 3Q21 result dragged by net losses on new four power plants
- Thai Oil (TOP TB, BUY, TP THB67) – A weak 3Q21 result caused by weak GRM and lube margin
- IRPC: (BUY, TP THB5.4) – a strong 3Q21 result beat consensus by 26%
- PTT Oil and Retail Business (OR TB, TP THB36) – Chronic pandemic suffering should end soon after a weak 3Q21 result

Key takeaways from Analyst Meeting

- TOP (Buy, TP THB64) - Key messages from analyst conference
- STGT (Reduce, TP THB26) - Key messages from analyst conference

Indices	Index as of 9-Nov-21	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
Thailand SET	1,632	0.3	12.6	(1,903)
China SHCOMP	3,507	0.2	1.0	
Hong Kong HSI	24,813	0.2	(8.9)	
India SENSEX	60,433	(0.2)	26.6	6,168
Indonesia JCI	6,670	0.6	11.6	2,843
Korea KOSPI	2,962	0.1	3.1	(28,486)
MY FBMKLCI	1,524	(0.7)	(6.3)	(491)
PH PCOMP	7,442	0.6	4.2	(1,682)
SG FSSTI	3,243	(0.6)	14.1	
Taiwan TWSE	17,541	0.7	19.1	(17,116)
VN VNINDEX	1,462	(0.4)	32.4	(2,262)

Indices	Index as of 9-Nov-21	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
MSCI Emerging	Closed	0.4	(1.7)	
Nikkei 225	29,285	(0.8)	6.7	
FTSE 100	7,274	(0.4)	12.6	
CAC 40	7,043	(0.1)	26.9	
DAX	16,040	(0.0)	16.9	
Dow Jones	36,320	(0.3)	18.7	
Nasdaq	15,887	(0.6)	23.3	
S&P 500	4,685	(0.3)	24.7	
Brent	85.16	2.1	64.4	
Dubai	82.17	0.5	63.6	
WTI	84.15	2.7	73.4	
GOLD	1,831.92	(0.0)	(3.5)	

Trade data (THB m)	Buy (THB m)	Sell (THB m)	Net (THB m)	Share (%) (THB m)
Foreign	31,491	29,500	1,991	42
Retail	28,429	29,367	(938)	40
Prop Trade	7,779	6,966	813	10
Local Institution	4,297	6,163	(1,866)	7
Total Trade	71,995	71,995	0	100

Rates	Last close 11/9/2021	1M ago 10/11/2021	End last yr 12/31/2020	1yr ago 11/9/2020
THB/USD	32.80	33.89	29.95	30.59
Inflation *	2.38	1.68	(0.27)	(0.50)
MLR **	5.31	5.31	5.31	5.31
1Y Fixed *	0.43	0.43	0.49	0.49
Govt bond 10Y	1.88	1.94	1.32	1.30

Commodity (USD/bbl)	Last close 11/8/2021	1M ago 10/8/2021	End last yr 12/31/2020	1yr ago 11/9/2020
Brent	83.43	82.39	51.80	42.40
Dubai	81.74	81.33	50.23	39.25
WTI	84.15	79.35	48.52	40.29
Gold	1,832	1,754	1,898	1,877
Baltic Dry	2,718	5,526	1,366	1,207

Commodity (USD/ton)	Last close 05-Nov-21	1M ago 29-Oct-21	End last yr 25-Dec-20	1yr ago 06-Nov-20
Coal	158.19	214.70	84.45	58.01
% change	(26.3)	(22.8)	87.3	172.7

* chg y-y% last at end of most recent month end; ** Avg of 4 major banks;

Sources: Bloomberg, except coal from BANPU

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Economics

- COVID-19 cases as of 9 Nov globally reaches 251,494,536 with new 420,552 cases and 6,734 new deaths. There are 18,748,838 currently infected patients, with 76,434 (0.4%) cases in serious condition.
- TAT looks to quality, first timers, Industry has passed its lowest point
- IEAT looks to underground water stores

Corporate News

- PTTEP gas production licences renewed
- Agencies seek B76bn for farmers
- Sabuy makes push into ATM market
- High hopes for project amid Hua Hin recovery
- Bitcoin, Ether hit records amid broad rally in cryptocurrencies

Published Reports

TPI POLENE POWER (TPIPP TB) - Softer on lower utilisation rates; Maintain BUY TP THB5.70

Weaker-than-expected 3Q21 results due to lower sales volumes

TPIPP's 3Q21 net profit plunged 21% q-q and 22% y-y to THB943m (9% below our forecast, 13% below Bloomberg consensus), dragged down by lower sales volumes and higher feedstock costs, including 1) an FX loss of THB4m; and 2) a tax expense of THB28m. Its EBITDA margin dipped to 41.2%, down from 49.8% in 2Q21 and 49.6% in 3Q20, due to a lower utilisation rate following the lower electricity sales volume. Excluding an FX loss of THB4m and other non-operating items, 3Q21 core net profit was THB947m, down 20% q-q and 22% y-y on lower sales volumes and higher costs. Its 3Q21 interest expense was THB47m, down 40% q-q, due to y-y lower debt to fund new growth projects.

Operational hiccup undermined 3Q21 results

TPIPP's 3Q21 revenue dropped 4% y-y to THB2.9b due to the lower utilisation rates for refuse-derivative (RDF) and waste heat power plants. We estimate that TPIPP's sales volume declined by 4% q-q in 3Q21, resulting in its EBITDA dropping by 19% q-q to THB1.2b from THB1.5b in 2Q21. The relatively flat q-q average selling price helped to partly offset the higher operating cost per unit as well as the weaker sales volumes for TPIPP's high-margin electricity sales generated from its RDF-based power plants, despite the installation of multiple supplement boilers. We estimate that the RDF plants had a utilisation rate of 95% in 3Q21, down from 98% in 2Q21.

Disappointing record with no new growth since January 2021

After winning one 8MW waste-to-energy (WTE) power plant in Jan-21, TPIPP was unable to secure any new bidding for WTE power plants under Thailand's new capacity auction of 400MW within 2021, against our expectation of it winning two additional projects, given its cost competitiveness and operational expertise. The delays in the bidding process due to political instability have continued to disrupt TPIPP's potential growth opportunities via WTE power plants, in our view.

Still an attractive dividend play

We maintain BUY and our SOTP-based TP of THB5.7. We think TPIPP still has the potential for capacity growth from its new WTE power plant bids in 2022, despite the delays in 2021. We see TPIPP as a high-yield, value-accretive power play and believe it is one of Thailand's largest WTE plays with a high potential for WTE capacity growth.

Exhibit 1: Summary of 3Q21/9M21 operations

	3Q20	2Q21	3Q21			9M20	9M21	Chg.	2021E
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Revenue	3,011	2,924	2,878	(1.6)	(4.4)	8,340	8,452	1.3	10,930
Operating costs	(1,517)	(1,469)	(1,693)	15.2	11.6	(4,275)	(4,478)	4.8	(4,034)
EBITDA	1,494	1,455	1,186	(18.5)	(20.7)	4,065	3,974	(2.2)	6,021
<i>EBITDA margin (%)</i>	49.6	49.8	41.2	<i>nm</i>	<i>nm</i>	48.7	47.0	<i>nm</i>	55.1
Depreciation & amort	(216)	(221)	(228)	3.2	5.5	(654)	(667)	2.0	(1,008)
EBIT	1,278	1,234	957	(22.4)	(25.1)	3,411	3,307	(3.0)	5,014
Interest expense	(87)	(78)	(47)	(40.0)	(45.9)	(195)	(206)	5.7	(243)
Interest & invt inc	61	46	53	14.4	(13.6)	231	168	(27.4)	287
Associates' contrib	0	11	12	<i>nm</i>	<i>nm</i>	0	23	<i>nm</i>	0
Exceptional	(10)	(2)	(4)	<i>nm</i>	<i>nm</i>	(2)	(14)	<i>nm</i>	0
Pretax profit	1,242	1,210	971	(19.8)	(21.8)	3,444	3,278	(4.8)	5,058
Tax	(35)	(22)	(28)	26.7	(20.7)	(99)	(86)	(13.4)	(402)
<i>Tax rate (%)</i>	2.9	1.8	2.9	57.9	1.4	(2.9)	(2.6)	(9.0)	7.9
Minority interests	0	0	0	<i>nm</i>	<i>nm</i>	(0)	0	<i>nm</i>	0
Net profit	1,206	1,188	943	(20.6)	(21.8)	3,345	3,192	(4.6)	4,657
Core profit	1,216	1,190	947	(20.4)	(22.1)	3,347	3,206	(4.2)	4,657
EPS (THB)	0.14	0.14	0.11	(20.6)	(21.8)	0.40	0.38	(4.6)	0.55
Core EPS (THB)	0.14	0.14	0.11	(20.4)	(22.1)	0.40	0.38	(4.2)	0.55

Sources: TPIPP; FSSIA estimates

SRI TRANG GLOVES (THAILAND) (STGT TB) - ASP on the downslope; Maintain REDUCE TP THB26.00

Weak 3Q21 net profit missed BBG's consensus by 11%

STGT's 3Q21 net profit (NP) was THB4.5b (-38% q-q, +3% y-y) – missing BBG's consensus estimate by 11% and our forecast by 10% – dragged down by a q-q lower average selling price (ASP) to USD46.7 per 1,000 pieces (ptp) (-36% q-q), due to the higher supply. This was partly offset by the q-q higher sales volume at 7.1b (+24% q-q) as production resumed at the Surat Thani and Trang plants after the shutdowns in 2Q21 due to Covid-19. While the raw material cost of natural rubber (NR) latex dropped 30% q-q, the cost of nitrile butadiene rubber (NBR) dipped marginally by 0.3% q-q. Excluding non-operating income of THB150m from reimbursements under the interest subsidy program, THB51m from insurance claims, and THB267m FX and hedging losses, 3Q21 core NP was THB4.6b (-38% q-q, +7% y-y). The utilisation rate rose to 90% in 3Q21, up from 82% in 2Q21, despite the container shortage.

Lower all-around for both revenue and margins

3Q21 revenue dipped 16% y-y and EBITDA dropped 37% q-q, with the EBITDA margin plunging to 49%, down from 65% in 2Q21 and 61% in 3Q20. The gross margin weakened to 52% in 3Q21, down from 67% in 2Q21 and 60% in 3Q20, driven by the lower ASP to USD46.7ptp (-36% q-q). The net margin decreased to 42% in 3Q21, down from 56% in 2Q21, despite the 47% q-q lower tax expense due to the lower ASP.

ASP downtrend to accelerate further

We project that STGT's NP will continue to decline in 4Q21-2023, dragged down by lower ASPs toward USD29.9ptp in 2023, despite our projected y-y lower nitrile and NR costs and rising capacity in 2022-23. While we think the strong backlog for NR and NBR gloves will remain into 2022-23, we think the projected sharp drop in ASPs will continue in 4Q21 into 2022-23. STGT remains committed to its capacity expansion, planning to reach 40.3b pieces in 2021, 50.4b pieces in 2022, and 82b pieces in 2024, up from 32.5b pieces in 2020, with a target to achieve a proportion of 50% for NR gloves and 50% for NBR gloves in 2024, up from 38% for NBR gloves in 3Q21.

Maintain REDUCE

We maintain REDUCE and our target price of THB26, we think STGT's net profit growth momentum will drop in 2022-23, given the weaker net profit outlook for the industry on our weaker projected ASPs.

Exhibit 2: Summary of 3Q21/9M21 operations

	3Q20	2Q21	3Q21			9M20	9M21	Chg.	2021E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Revenue	8,142	12,968	10,864	(16.2)	33.4	16,759	39,265	134.3	59,739
Operating costs	(3,182)	(4,486)	(5,556)	23.9	74.6	(9,628)	(14,209)	47.6	(26,673)
EBITDA	4,960	8,482	5,308	(37.4)	7.0	7,132	25,057	251.3	33,066
<i>EBITDA margin (%)</i>	60.9	65.4	48.9	<i>nm</i>	<i>nm</i>	42.6	63.8	<i>nm</i>	55.4
Depn & amort.	(289)	(303)	(308)	1.7	6.8	(780)	(906)	16.1	(1,685)
EBIT	4,672	8,179	4,999	(38.9)	7.0	6,351	24,151	280.2	31,382
Interest expense	(32)	(31)	(31)	(1.5)	(3.2)	(110)	(95)	(13.6)	(208)
Interest & invt inc	9	28	26	(7.4)	<i>na</i>	10	78	<i>na</i>	-
Other income	121	40	254	537.9	110.8	168	337	100.8	80.0
Associates' contrib	-	-	-	<i>na</i>	<i>na</i>	-	-	<i>na</i>	-
Exceptionals	30	(82)	(267)	225.4	<i>na</i>	17	(567)	<i>na</i>	-
Pretax profit	4,800	8,133	4,982	(38.7)	3.8	6,437	23,905	271.4	31,253
Tax	(398)	(853)	(450)	(47.3)	13.1	(556)	(2,040)	266.6	(2,030)
<i>Tax rate (%)</i>	8.3	10.5	9.0	<i>nm</i>	<i>nm</i>	8.6	8.5	<i>nm</i>	6.5
Minority interests	-	-	-	<i>na</i>	<i>na</i>	-	-	<i>na</i>	-
Net profit	4,402	7,280	4,533	(37.7)	3.0	5,881	21,864	271.8	29,223
Non-recurring	109	(82)	(66)	<i>na</i>	<i>na</i>	89	(402)	<i>na</i>	-
Core net profit	4,293	7,362	4,599	(37.5)	7.1	5,791	22,267	284.5	29,223
EPS (THB)	1.54	2.55	1.59	(37.7)	3.0	2.06	7.65	271.8	10.21
Core EPS (THB)	1.50	2.58	1.61	(37.5)	7.1	2.03	7.79	284.5	10.21

Sources: STGT; FSSIA estimates

Results Comments

AP (Thailand) (AP TB, BUY, TP THB11.1) - 3Q21 results in line with expectation

- AP booked net profit of THB1.0b in 3Q21 (-8% q-q, -29% y-y), in line with consensus estimate. The drop in q-q and y-y was mainly due to transfer delay following 1-month closure of construction camp. 9M21 earnings accounts for 84% of our 2021E full year forecast at THB4.2b.
- Low rise revenue dropped to THB6.7b (vs THB7.5b in 2Q21) due to the transfer delay. GPM was healthy at 32% (vs 31.6% in 2Q21 and 31.4% in 3Q20). Equity income grew by 102% q-q to THB366m following the transfer of Life Ladprao Valley (THB6.5b, 68% sold).
- Presales in 3Q21 was solid at THB9.4b (the second highest quarter since LTV restriction in 2Q19) despite the new launch value is only THB7.0b (vs THB16.4b from initial plan).
- We expect 4Q21 outlook remains solid supported by strong 3Q21 presales, a solid presales of THB4.0b in Oct-21, and high new project launch worth THB26b (vs THB11b in 9M21). We still like AP on its solid outlook and its cheap valuation. AP is trading at 6.3x 2022E P/E vs its 5-year average of 6.8x.

Exhibit 3: AP – 3Q21 results summary

Year to Dec 31	3Q20	4Q20	1Q21	2Q21	3Q21	----- Change -----	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Sales	9,150	7,547	9,106	8,035	7,152	(11)	(22)
Gross profit	2,870	2,393	2,967	2,542	2,292	(10)	(20)
Operating costs	(1,918)	(1,579)	(1,425)	(1,392)	(1,430)	3	(25)
Operating profit	952	814	1,542	1,149	862	(25)	(9)
Operating EBITDA	1,019	884	1,611	1,221	931	(24)	(9)
Other income	25	16	120	28	18	(37)	(28)
Other expense	(1)	1	(2)	(1)	(0)	n/a	n/a
Interest expense	(96)	(95)	(102)	(79)	(48)	(39)	(50)
Profit before tax	880	735	1,558	1,097	831	(24)	(6)
Tax	(205)	(191)	(329)	(163)	(167)	2	(19)
Associates	776	398	175	181	366	102	(53)
Reported net profit	1,450	942	1,403	1,115	1,031	(8)	(29)
Recurring net profit	1,450	942	1,403	1,115	1,031	(8)	(29)
EPS (THB)	0.46	0.30	0.45	0.35	0.33	(8)	(29)
Recurring EPS (THB)	0.46	0.30	0.45	0.35	0.33	(8)	(29)
Key Ratios (%)							
Gross margin	31.4	31.7	32.6	31.6	32.0	0.4	0.7
Operating margin	10.4	10.8	16.9	14.3	12.1	(2.3)	1.6
Recurring net margin	15.9	12.5	15.4	13.9	14.4	0.5	(1.4)
SG&A / Sales	21.0	20.9	15.6	17.3	20.0	2.7	(1.0)
Effective tax rate	23.3	26.0	21.1	14.9	20.0	5.1	(3.3)
Key operating stat							
Sales by products	8,900	7,304	8,879	7,836	6,916	(12)	(22)
Low rise	7,013	5,887	8,040	7,515	6,670	(11)	(5)
High rise	1,887	1,417	839	321	246	(23)	(87)
Presales	8,985	7,585	7,967	9,850	9,423	(4)	5
Low rise	8,094	6,925	7,293	9,137	8,818	(3)	9
High rise	891	660	674	713	605	(15)	(32)

Sources: AP; FSSIA estimates

ASIAN (ASIAN TB, BUY, TP THB24.1) - 3Q21 results in line with our estimate

- ASIAN post 3Q21 net profit at THB271m (+34% y-y, -8 q-q), in line with our estimate. 9M21 net profit accounts for 78% of our full year estimate at THB1.0b. The key earnings driver was mainly from pet food and frozen unit and the new record high GPM.
- Pet food sales remain solid at THB1.1b despite volume slightly dropped 2% q-q due to high base in 2Q21 from the delay order. Frozen sales rose 8% q-q to THB952m following the new pre-fried line which started COD by early July. Tuna sales plunged 17% q-q to THB143m after some customers decided to delay order due to high freight rate cost. Aqua feed dropped 25% q-q to THB302m following lower domestic consumption due to the lockdown measures.
- GPM was a new record high at 22.7% (vs 20.8% in 2Q21 and 17.3% in 3Q20) driven by high proportion of high margin pet food and VAP frozen as well as the weakening Baht. SG&A rose 32% q-q to THB255m, excluding FX loss of THB80m, SG&A to sales remain under controlled at 7.2% in 3Q21 (vs 7.7% in 2Q21 and 8.2% in 3Q20). Note that, we will treat FX gain/loss as ASIAN's operating part as ASIAN normally implement hedging policy to reduce the bottom line's volatility.
- 4Q21 earnings could slightly drop or flat q-q. Pet food sales should flat q-q following secured orders from the customers. Frozen sales should drop q-q due to low season from commodity squid but VAP frozen sales would be flat q-q supported by high demand from US customers. Aqua feed could flat q-q and Tuna sales should grow q-q following the pending orders which delay from 3Q21.

Exhibit 4: ASIAN – 3Q21 results summary

	3Q20	4Q20	1Q21	2Q21	3Q21	----- Change -----	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)
Sales	2,371	2,283	2,095	2,501	2,429	(3)	2
Cost of sales	1,960	1,965	1,740	1,980	1,878	(5)	(4)
Gross profit	411	318	355	521	551	6	34
SG&A	195	172	153	193	255	32	31
Operating profit	216	146	201	327	295	(10)	37
Other income	4	86	38	25	17	(33)	282
Equity income	(0)	(0)	(1)	(1)	(1)	(21)	134
EBIT	220	231	238	352	312	(11)	41
Interest expense	18	16	15	17	18	6	2
EBT	202	215	223	335	294	(12)	45
Income tax	0	5	8	41	22	(46)	n/a
Net profit	202	211	215	293	271	(8)	34
EPS (THB)	0.37	0.39	0.40	0.36	0.33	(8)	(11)
Extra item	(15)	65	19	(9)	(80)	n/a	n/a
Recurring profit	217	146	196	302	351	16	62
Normalized EPS (THB)	0.40	0.27	0.36	0.37	0.43	16	8
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Gross margin	17.3	13.9	16.9	20.8	22.7	1.8	5.3
SGA/Total revenue	8.2	7.5	7.3	7.7	10.5	2.8	2.3
Operating profit margin	9.1	6.4	9.6	13.1	12.2	(0.9)	3.0
Net profit margin	8.5	9.2	10.3	11.7	11.2	(0.6)	2.6
Core profit margin	9.2	6.4	9.3	12.1	14.5	2.4	5.3
Key Assumptions	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)
Pet food and fish meal business	928	903	854	1,119	1,098	(2)	18
Tuna business	290	288	265	173	143	(17)	(51)
Aquaculture feed business	423	347	321	401	302	(25)	(29)
Frozen business	806	824	731	880	952	8	18

Sources: ASIAN; FSSIA estimates

MAKRO (MAKRO TB, HOLD, TP THB52) – 3Q21 results in line with expectation

- MAKRO booked 3Q21 net profit of THB1.6b (flat y-y, -22% q-q), in line with our and consensus estimate.
- SSSG was positive at 1.3% in 3Q21 (vs 6.1% in 2Q21 and 3.9% in 3Q20). GPM dropped 20bps y-y to 10.5% following declined GPM of premium imported products from Horeca customers during depressed tourism.
- SG&A to sales dropped 10bps y-y to 8.6% despite increasing extra expenses relate to field hospital and bubble and seal measure but offset with efficient cost control.

Exhibit 5: MAKRO – 3Q21 results summary

Profit & Loss Statement Year to Dec 31	3Q20	4Q20	1Q21	2Q21	3Q21	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Total revenue	54,075	57,147	56,097	54,955	54,971	0	2
Retail sales	52,925	55,765	54,868	53,813	53,824	0	2
Service income	946	1,034	1,010	910	915	1	(3)
Other income	204	348	219	233	232	(0)	14
Gross profit	6,793	7,476	6,764	6,311	6,789	8	(0)
Operating costs	(4,617)	(4,607)	(4,442)	(4,560)	(4,616)	1	(0)
Operating profit	2,177	2,869	2,321	1,751	2,173	24	(0)
Operating EBITDA	2,858	4,481	2,972	2,406	2,831	18	(1)
Interest expense	(154)	(146)	(129)	(142)	(137)	(4)	(11)
Profit before tax	2,023	2,722	2,192	1,608	2,036	27	1
Tax	(462)	(591)	(461)	(331)	(473)	43	3
Minority interests	11	(2)	3	10	10	(3)	(12)
Reported net profit	1,572	2,130	1,734	1,287	1,572	22	(0)
Recurring net profit	1,572	2,130	1,734	1,287	1,572	22	(0)
EPS (THB)	0.33	0.44	0.36	0.27	0.33	22	(0)
Recurring EPS (THB)	0.33	0.44	0.36	0.27	0.33	22	(0)
Key Ratios (%)							
Retail sales margin	10.7	10.9	10.1	9.6	10.5		
Operating margin	4.0	5.0	4.1	3.2	4.0		
Recurring net margin	2.9	3.7	3.1	2.3	2.9		
SG&A / Sales	8.7	8.3	8.1	8.5	8.6		
Effective tax rate	22.8	21.7	21.0	20.6	23.3		
Operating statistics							
SSSG (%)	3.9	0.6	(1.2)	6.1	1.3		
Number of stores	145	145	146	146	146	-	

Sources: MAKRO; FSSIA estimates

SPALI (SPALI TB, BUY, TP THB28.0) - Solid 3Q21 results, beat our and market estimate

- SPALI booked net profit of THB1.7b in 3Q21 (flat q-q, +41% y-y), beat our and consensus estimate by 14.5% and 9.8% respectively due to higher-than-expected GPM and residential transfer. 9M21 earnings accounts for 75% of our full year forecast at THB5.6b.
- Residential sales was at THB7.4b (+4% q-q, +27% y-y) which could be breakdown to low rise transfer at THB3.5b and high rise transfer at THB3.9b. GPM was solid at 40.4% in 3Q21 (vs 39.9% in 2Q21 and 36.6% in 3Q20) driven by the transfer of two new condominium projects which has high margin at above 40%.
- Equity income plunged to THB9m (vs THB199m in 2Q21) as most of the residential project value in Australia was already transferred in 2Q21.
- 4Q21 outlook remain solid and earnings could grow q-q. Presales in 4Q21 should remain strong supported by new project launch worth THB16.1b. The first condominium launch in late-Oct (Supalai Premier Samsen Ratchawat) has solid presales at 73% (THB1.5b).

Exhibit 6: SPALI – 3Q21 results summary

Year to Dec 31	3Q20	4Q20	1Q21	2Q21	3Q21	----- Change -----	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Sales	5,894	8,041	3,662	7,131	7,430	4	26
Gross profit	2,156	3,275	1,389	2,844	3,001	6	39
Operating costs	(660)	(909)	(592)	(784)	(844)	8	28
Operating profit	1,496	2,367	797	2,060	2,157	5	44
Operating EBITDA	1,526	2,396	825	2,093	2,187	4	43
Other income	110	53	103	105	92	(12)	(16)
Interest expense	(61)	(57)	(65)	(68)	(64)	(5)	5
Profit before tax	1,545	2,363	834	2,097	2,185	4	41
Tax	(396)	(479)	(235)	(555)	(456)	(18)	15
Associates	90	19	157	199	9	(96)	(90)
Reported net profit	1,217	1,865	741	1,730	1,720	(1)	41
Recurring net profit	1,217	1,865	741	1,730	1,720	(1)	41
EPS (THB)	0.57	0.87	0.35	0.81	0.80	(1)	41
Recurring EPS (THB)	0.57	0.87	0.35	0.81	0.80	(1)	41
Key Ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Gross margin	36.6	40.7	37.9	39.9	40.4	0.5	3.8
Operating margin	25.4	29.4	21.8	28.9	29.0	0.1	3.6
EBITDA margin	25.9	29.8	22.5	29.4	29.4	0.1	3.6
Recurring net margin	20.6	23.2	20.2	24.3	23.1	(1.1)	2.5
SG&A / Sales	11.2	11.3	16.2	11.0	11.4	0.4	0.2
Effective tax rate	25.6	20.3	28.1	26.5	20.9	(1.7)	(1.8)
Operating statistics	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Property transfer	5,824	7,974	3,602	7,075	7,378	4	27
-- Low-rise	3,844	4,674	2,557	3,537	3,468	(2)	(10)
-- High-rise	1,980	3,300	1,045	3,537	3,910	11	97
Presales	8,347	3,954	7,229	5,776	4,548	(21)	(46)
-- Low-rise	3,887	896	5,639	1,271	1,001	(21)	(74)
-- High-rise	4,460	3,058	1,590	4,505	3,547	(21)	(20)
New launches	9,220	6,580	3,850	5,330	7,280	37	(21)
Backlog	38,717	40,022	38,838	36,002	32,843	(9)	(15)

Sources: SPALI; FSSIA estimates

MTC (BUY; TP THB71) - Miss 3Q21 results from OPEX and ECL

- MTC reported a weak 3Q21 net profit of THB1,201m (-10% y-y, -5% q-q), which was lower than Bloomberg's expectations and our forecasts by c10% due to the higher OPEX and credit cost. Its 3Q21 net profit was pressured by four items. First, its loan yield continued to decline to 18.7% from 19.2% in 2Q21. Second, a drop in its fee income from the new restrictions on debt collection fee. Third, its OPEX increased materially from the debt collection incentive paid to its staff and the aggressive branch expansion. Lastly, its credit cost increase to 93 bps due to the prolonged pandemic resulting in the lower bad debt recovery rate and a moderate rise in its non-performing loans (NPLs). The positive in this quarter was a remarkable loan growth over its peers at 6.4% q-q and 18.6% YTD.

3Q21 key highlights

- Its yield on loans decreased by 56 bps to 18.6% due to 1) c20 bps from the changing of interest income recognition to horizontal basis from vertical basis mandated by the Bank of Thailand; and c36 bps from the impact of its motorbike title loans and car title loan rate cuts to compete with its peers.
- OPEX rose significantly by 17% y-y and 7% q-q, resulting in a high cost to income ratio of 51.2% – MTC continued to pay a special debt collection incentive to its staff. Also, MTC opened new branches aggressively, with the new record high new quarterly opened branches of 381.
- Total loan volume increased significantly by 6.4% q-q, driven by a rise in all segments, especially motorbike title loan and motorbike hire purchase. However, motorcycle hire purchase loans posted lower growth compared with 2Q21 due to the chip supply shortage.
- Its 9M21 was 72% of our 2021 net profit forecasts. We see 3-5% downside to 2021's bottom line.
- We expect a slow recovery in its 4Q21's net profit. The stronger growth could be seen in 2022.

Exhibit 7: MTC – summary of 3Q21 results

Year-end Dec 31	3Q20	2Q21	3Q21		9M21			2021E	Change	3Q21 comments	
	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	%21E	(THB m)	(y-y %)	
Net interest income	3,088	3,177	3,287	6	3	9,572	7	73	13,076	8	
Non-interest income*	182	212	188	3	(11)	672	19	82	824	7	Slow fee income
Operating income*	3,270	3,389	3,475	6	3	10,245	8	74	13,900	8	
Operating expenses	1,526	1,656	1,778	17	7	4,926	9	76	6,512	6	
PPOP before tax	1,744	1,733	1,696	(3)	(2)	5,319	7	72	7,388	9	
Expected credit loss	59	138	191	222	39	485	231	71	685	169	
Income tax	344	325	304	(12)	(6)	989	2	74	1,329	2	
Minority interest	0	0	0			0			0		
Normalised profit	1,340	1,270	1,201	(10)	(5)	3,844	0	72	5,374	3	
Extraordinary items	0	0	0			0			0		
Net profit	1,340	1,270	1,201	(10)	(5)	3,844	0	72	5,374	3	Lower-than-BBG's expected
EPS (THB)	0.63	0.60	0.57	(10)	(5)	1.81	0	72	2.53	3	
Asset quality ratio (%)											
NPLs (THB m)	674	882	997	48	13				1,011	35	
NPLs / loans	1.00	1.11	1.17						1.12		
Loan loss reserve/NPLs	199	163	160						159		
Credit cost (bps)	36	72	93						85		
Profitability ratio											
	(%)	(%)	(%)						(%)		
Cost to income ratio	46.7	48.9	51.2						46.9		
Average yield	21.8	19.2	18.7						18.9		Impact from price competition and horizontal revenue recognition basis
Cost of funds	3.6	3.4	3.5						3.5		
Net interest margin (NIM)	18.9	16.6	16.0						16.2		
Non-int inc / total income	5.6	6.3	5.4						38.4		
Loan growth											
	(%)	(%)	(%)						(%)		
y-y	16.5	26.0	26.4						27.0		
q-q	6.1	8.5	6.4								Solid growth from all segments

*Including share of profits from associates

Sources: MTC; FSSIA estimates

NCAP (BUY; TP THB16.8) - Robust 3Q21 performance as expected

- NCAP reported a solid 3Q21 net profit of THB74m (+8% y-y, -1% q-q), which was in line with our expectation. The outstanding 3Q21 net profit growth came mainly from 1) significant loan growth of 26% y-y and 9% q-q; and 2) an increase in its fee income following the higher loan volume. Although motorcycle sales declined y-y in 9M21 due to the chip supply shortage, NCAP was able to gain more market share from both local and big players thanks to its strategic expansion of service areas and a deeper integration of technology in its operations and credit underwriting process. Thus, its new lending volume hit a monthly record high in Sep 2021. Its non-performing loans (NPLs) increased to THB78m from THB60m in 2Q21. We think it is the nature of a rapid business expansion phase. On top of that, its coverage ratio remained at a high level of 366%. Accordingly, we are comfortable with its asset quality.
- The process of public hearing of new restrictions on hire purchase contract Office of the Consumer Protection Board (OCPB) ended on 7 Nov 21. We reiterate our view that a reduced rate charge capped at 15% is unreasonable. On top of that, during the hearing meeting on 20 Oct 21, the BoT, Thai HP association, and other HP operators agreed that cap rate at 15% might destroy the lending system and car production in Thailand. As such, we believe the cap rate at 15% is unlikely to happen. We think a reasonable cap rate would be 25-30%, based on the reference rate caps for other loan types ie. auto title loan 24%, nano finance 33%. However, as we followed up with management, there is still no official announcement of the new restrictions.
- Although NCAP's valuation is attractive, with 2022 P/E of 19.6x and 2022 P/BV of 3.1x, we think its share price will continue to be pressured until a clear policy is announced. We recommend a wait-and-see approach.

Exhibit 8: NCAP – summary of 3Q21 earnings review

Year-end Dec 31	3Q20	2Q21	3Q21		9M21			2021E		3Q21 comments	
	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	%21E	(THB m)		(y-y %)
Net interest income	188	223	238	27	7	666	17	72	922	20	
Non-interest income*	74	79	88	18	11	249	33	70	357	36	
Operating income*	262	302	326	24	8	915	21	72	1,279	24	
Operating expenses	100	123	136	35	10	378	31	74	512	29	
PPOP before tax*	162	179	190	18	6	537	14	70	767	21	
Expected credit loss	77	87	98	27	13	258	(12)	69	374	(1)	
Income tax	16	18	19	16	6	56	50	72	78	53	
Minority interest	0	0	(0)			(0)	n/a		0		
Normalised profit	68	75	74	8	(1)	223	61	71	315	56	
Extraordinary items	0	0	0			0			0		
Net profit	68	75	74	8	(1)	223	61	71	315	56	In line with our forecast
EPS (THB)	0.11	0.08	0.08	(28)	(1)	0.25	7	71	0.35	13	
Asset quality ratio (%)											
NPLs (THB m)	76	60	78	3	31				84	30	
NPLs/Loans	1.96	1.33	1.59						1.63		
LLR/NPLs	300	433	366						321		
Credit cost (bps)	805	801	835						820		
Profitability ratio (%)											
Cost to income ratio*	38.3	40.7	41.6						40.1		
Average yield	22.4	22.8	22.3						22.5		
Cost of fund	4.2	3.9	3.7						3.6		
NIM	19.6	20.6	20.3						20.2		
Non-int inc/total income	28.4	26.2	27.0						27.9		
Loan growth (%)											
y-y	Na.	18.6	26.0						30.0		
q-q	2.7	8.2	9.0							Gained more market share	

*Including share of profits from associates

Sources: NCAP; FSSIA estimates

MICRO (BUY; TP THB10.7) - Soft 3Q21 results as expected

- MICRO reported a 3Q21 net profit of THB40m (+26% y-y, -19% q-q), which was in line with our expectation. We are not concerned about its earnings dropping q-q as we expect this came from the change in the laws regarding non-performing loan (NPL) write-off criteria. This has led MICRO to accelerate its write-off process to receive tax benefits since 2Q21. There is usually a lag time of 6-9 months before the company can collect money from writing off its bad debts. Thus, MICRO should face higher expected credit losses (ECL) until 4Q21. In terms of its core operations, amid the lockdown measures, MICRO still posted a significant increase in its pre-provision operating profit (PPOP) by 61% y-y and 1% q-q. This was driven by a surge in its loan growth of +8% q-q as MICRO gained more market share from local operators due to its branch expansion, with a new lending used truck market share of 8.4% in 3Q21 from 8.3% in 2Q21. Regarding its asset quality, the ability to repay debts of its clients slightly dropped due to the pandemic. However, we expect this trend to improve after the economic reopening. Thus, we are few concerned.
- We believe that MICRO can continue to compete for market share with local operators, leading us to believe that its 4Q21 net profit could hit a record high. Moreover, we expect the company to deliver solid net profit growth of 33% in 2022.
- We maintain our positive view on MICRO with our GGM-based TP of THB10.7. We think it is in a good position to benefit from the higher demand for trucks.

Exhibit 9: MICRO – summary of 3Q21 results

Year-end Dec 31	3Q20 (THB m)	2Q21 (THB m)	3Q21		9M21			2021E	Change	3Q21 comments	
			(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	%21E	(THB m)	(y-y %)	
Net interest income	77	106	114	48	7	317	44	73	433	41	
Non-interest income*	24	37	32	32	(14)	99	76	78	127	29	
Operating income*	101	143	145	44	2	416	50	74	560	38	
Operating expenses	40	45	47	19	4	136	21	73	186	22	
PPOP before tax	61	97	98	61	1	280	70	75	374	48	
Expected credit loss	21	43	47	124	10	111	170	81	137	77	Faster write-off process
Income tax	8	4	11	33	139	28	(6)	84	33	(19)	
Minority interest	0	0	0			0			0		
Normalised profit	32	50	40	26	(19)	142	50	70	204	51	
Extraordinary items	0	0	0			0			0		
Net profit	32	50	40	26	(19)	142	50	70	204	51	
EPS (THB)	0.04	0.05	0.04	(3)	(19)	0.15	13	70	0.22	23	
Asset quality ratio (%)	(%)	(%)	(%)						(%)		
NPLs (THB m)	113	117	118	4	1				141	45	
NPLs / loans	4.99	3.74	3.48						3.82		
Loan loss reserve/NPLs	87	98	117						107		
Credit cost (bps)	382	573	577						440		
Profitability ratio	(%)	(%)	(%)						(%)		
Cost to income ratio	39.5	31.8	32.6						33.3		
Average yield	16.2	16.0	16.0						15.8		
Cost of funds	4.6	4.6	4.8						4.6		
Net interest margin (NIM)	14.0	14.2	13.9						13.9		
Non-int inc / total income	23.7	25.7	21.7						22.7		
Loan growth	(%)	(%)	(%)						(%)		
y-y	22.0	46.4	49.7						45.0	20.2	
q-q	5.6	10.4	8.0								Gained market share from local operators

*Including share of profits from associates

Sources: MICRO; FSSIA estimates

TPCH (Buy, TP THB14) – weak 3Q21 result dragged by net losses on new four power plants

- (-) TPCH's 3Q21 net profit (NP) was THB51.8m, down 15.3% y-y but up 6.9% q-q. The key culprit was the lower-than-expected profit contributed due to the planned shutdowns of the 8MW Maewong Energy (MWE) Pattani Green Power (PTG), and the expiration of THB0.3/KWh feed-in-tariff (FIT) premium of Chang Rak (CRB) plant in Mar-21.
- (+) Higher production from Pattalung Green Power (PGP) and Satun Green Power (SGP)
- (-) TPCH incurred net losses from TPCH1, TPCH2, and TPCH5 – all being ramped up after their start-ups in Jan-21 but faced malfunctioned machines shutdowns.
- (+) Revenue was strong at THB660.5m (+39.7% y-y, +2.8% q-q) on the start-ups of four power plants (PTG, TPCH1, TPCH2, TPCH5) but was offset by higher costs from the shutdown-related expenses for MWE and PTG and the higher fuel costs and net losses from four new plants.
- (+) EBITDA margin rose to 35.1% in 3Q21 from 32.3% in 2Q21 and 40.1% in 3Q20 and 3Q21 EBITDA rose to THB231.9m (+22.2% y-y, +11.7% q-q), driven by the revenue from its new power plants. 3Q21 interest expenses rose to THB37.7m (+48 y-y, +1.5% q-q) due to the higher debt to fund TPCH1, TPCH2, and TPCH5.

Exhibit 10: Summary of 3Q21/9M21 operations

	3Q20	2Q21	----- 3Q21 -----			9M20	9M21	Chg.	2021E
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Revenue	473.0	642.8	660.5	2.8	39.7	1,305.4	1,869.5	43.2	2,739.9
Operating costs	(283.2)	(435.2)	(428.6)	(1.5)	51.3	(728.3)	(1,233.0)	69.3	(1,973.2)
EBITDA	189.7	207.6	231.9	11.7	22.2	577.1	636.5	10.3	766.7
<i>EBITDA margin (%)</i>	<i>40.1</i>	<i>32.3</i>	<i>35.1</i>	<i>nm</i>	<i>nm</i>	<i>44.2</i>	<i>34.0</i>	<i>nm</i>	<i>28.0</i>
Depn & amort.	(64.3)	(84.1)	(95.4)	13.3	48.3	(151.3)	(262.3)	73.4	(324.6)
EBIT	125.4	123.5	136.5	10.6	8.9	425.8	374.2	(12.1)	442.1
Interest expense	(25.5)	(37.1)	(37.7)	1.5	48.0	(60.5)	(108.1)	78.8	(107.8)
Interest & invt inc	2.3	1.0	0.4	(59.3)	(81.4)	2.3	2.4	nm	-
Other income	0.6	1.1	0.5	(54.4)	(13.0)	8.9	1.7	(81.1)	1.6
Associates' contrib	3.3	2.3	0.7	(68.9)	(78.5)	9.1	6.8	nm	56.2
Exceptionals	-	-	-	nm	nm	-	-	nm	-
Pretax profit	106.1	90.8	100.5	10.7	(5.3)	385.6	277.0	(28.2)	392.1
Tax	-	(3.6)	(3.5)	(1.0)	nm	-	(7.7)	nm	(4.0)
<i>Tax rate (%)</i>	<i>-</i>	<i>3.9</i>	<i>3.5</i>	<i>nm</i>	<i>nm</i>	<i>-</i>	<i>2.8</i>	<i>nm</i>	<i>1.0</i>
Minority interests	(45.0)	(38.8)	(45.2)	16.4	0.4	(145.8)	(121.7)	(16.5)	(162.8)
Net profit	61.1	48.4	51.8	6.9	(15.3)	239.8	147.6	(38.4)	225.4
Core net profit	61.1	48.4	51.8	6.9	(15.3)	233.3	147.6	(36.7)	225.4
EPS (THB)	0.15	0.12	0.13	6.9	(15.3)	0.60	0.37	(38.4)	0.56
Core EPS (THB)	0.15	0.12	0.13	6.9	(15.3)	0.58	0.37	(36.7)	0.56

Sources: TPCH; FSSIA estimates

Thai Oil (TOP TB, BUY, TP THB67) – A weak 3Q21 result caused by weak GRM and lube margin

TOP posted a 3Q21 net profit (NP) of THB2.06b, down 2.8% q-q, which was 30% below BBG consensus and 5% below our estimate.

- The NP was driven by a pre-tax inventory gain of THB3.9b, an FX loss of THB1.2b, a THB0.5b loss on financial instrument, and a THB1.4b NL from the hedging loss.
- Its 3Q21 core NP stood at THB1.25b, owing to 1) a refinery NL of THB1.3b, down from an NP of THB1b in 2Q21, due to a lower market GRM vs a higher cost at USD4.4/bbl; 2) lower non-refinery earnings from weak NPs from lube, power and olefins (from Chandra Asri) that was partly offset by the higher NP from aromatics.
- The refinery unit reported a 3Q21 NL of THB1.3b, which was dragged down by a market GRM of USD1.6/bbl, up 3x q-q but down 245% y-y, due to the y-y higher crude premium of USD1/bbl.
- The accounting gross integrated margin (GIM) was USD10.5/bbl in 3Q21, up 5% q-q due to a higher stock gain of USD5/bbl vs USD4.8/bbl in 2Q21.
- Aromatics NP jumped to THB1b in 3Q21, up 9% q-q and 62x y-y due to a higher paraxylene-gasoline spread but slightly lower utilisation rate of 88%, down from 89% in 2Q21.
- The lube unit posted a 3Q21 NP of THB1b, down 25% q-q, due to a lower product-to-feed margin at USD187/t (-19% q-q), with a lower utilisation rate of 88%.
- Power NP dipped to THB0.7b in 3Q21, down 7% q-q, due to lower NPs from small power producers caused by higher gas cost and the impact of unplanned shutdown.

Exhibit 11: Summary of 3Q21/9M21 operations

	3Q20	2Q21	----- 3Q21 -----		9M20	9M21	Chg.	2021E	
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Revenue	58,422	79,821	82,064	2.8	40.5	186,775	237,158	27.0	58,422
Operating costs	(54,327)	(70,404)	(72,144)	2.5	32.8	(191,716)	(207,050)	8.0	(54,327)
EBITDA	3,819	7,003	6,784	(3.1)	77.6	(5,548)	22,059	nm	3,819
<i>EBITDA margin (%)</i>	6.5	8.8	8.3	nm	nm	-3.0	9.3	nm	6.5
Depreciation & amort	(2,218)	(1,813)	(1,860)	2.6	(16.1)	(6,455)	(5,495)	(14.9)	(2,218)
EBIT	1,994	3,472	3,328	(4.2)	66.8	(10,010)	11,478	nm	1,994
Interest expense	(1,172)	(907)	(934)	3.0	(20.3)	(3,306)	(2,637)	(20.2)	(1,172)
Interest & invt inc	214	163	697	328.1	225.2	928	1,051	13.2	214
Associates' contrib	846	537	442	(17.6)	(47.7)	2,129	1,450	(31.9)	846
Exceptional	(276)	(2,415)	(3,136)	nm	nm	(607)	(8,050)	1,225.3	(276)
Pretax profit	1,608	851	396	(53.4)	(75.3)	(10,866)	3,292	nm	1,608
Tax	(33)	(358)	(213)	(40.6)	552.4	3,031	(959)	nm	(33)
<i>Tax rate (%)</i>	2.0	42.1	53.7	nm	nm	27.9	29.1	nm	2.0
Minority interests	(75)	(84)	(118)	39.9	57.4	(274)	(300)	9.6	(75)
Net profit	715	2,123	2,063	(2.8)	188.4	(10,559)	7,582	nm	715
Non-recurring	2,687	811	818	0.9	(69.6)	(8,402)	4,063	nm	2,687
Core profit	(1,972)	1,312	1,245	(5.1)	nm	(2,157)	3,519	nm	(1,972)
EPS (THB)	0.35	1.04	1.01	(2.8)	188.4	(5.18)	3.72	nm	0.35
Core EPS (THB)	(0.97)	0.64	0.61	(5.1)	nm	(1.06)	1.73	nm	(0.97)

Sources: TOP; FSSIA estimates

Exhibit 12: 3Q21/9M21 net profit breakdown

Net profit	3Q20	2Q21	3Q21	Change		9M20	9M21	Chg.
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Consolidated	715	2,123	2,063	(3)	189	(10,559)	7,545	nm
- Refinery	(715)	(1,014)	(1,312)	29	83	(13,496)	(1,428)	(89)
- Aromatics	16	916	1,002	9	6,163	989	2,552	158
- Olefins	-	-	(23)	nm	nm	-	(23)	nm
- Lube	375	1,386	1,038	(25)	177	520	3,222	520
- Stock gain/loss	2,986	3,783	3,915	3	31	(9,190)	12,354	nm
- Power and others								
Power	833	709	656	(7)	(21)	2,135	1,963	(8)
Solvent	73	147	143	(3)	96	150	536	257
Marine transport	2	(1)	-	nm	nm	34	15	(56)
Ethanol	9	14	535	3,721	5,844	38	584	1,437
Others	100	100	108	8	8	436	290	(33)

Sources: TOP; FSSIA estimates

Exhibit 13: 3Q21/9M21 key quarterly drivers

Margin breakdown	Unit	3Q20	2Q21	3Q21	Change		9M20	9M21	Chg.
					(q-q %)	(y-y %)			
GIM (excl. stock gain/loss)	USD/bbl	1.0	5.2	5.5	6	450	2.0	4.9	145
GIM (incl. stock gain/loss)	USD/bbl	4.9	10.0	10.5	5	114	(1.8)	10.2	nm
Stock gain/loss	USD/bbl	3.9	4.8	5.0	4	28	(3.8)	5.3	nm
Refinery market GRM	USD/bbl	(1.1)	0.4	1.6	300	(245)	0.1	0.9	800
Spread PX- ULG 95	USD/tonne	143.0	206.0	212.0	3	48	192.0	204.0	6
Spread BZ-ULG95	USD/tonne	25.0	313.0	287.0	(8)	1,048	80.0	260.0	225
Product to feed - aromatics	USD/tonne	68.0	112.0	90.0	(20)	32	77.0	103.0	34
Spread 500SN-HSFO	USD/tonne	340.0	1,037.0	896.0	(14)	164	360.0	905.0	151
Product to feed - lube	USD/tonne	100.0	231.0	187.0	(19)	87	70.0	197.0	181
Utilisation*		3Q20	2Q21	3Q21	ppts q-q	ppts y-y	9M20	9M21	ppts y-y
Refinery	%	93	98	92	(6)	(1)	101	97	(4)
Aromatics	%	56	89	88	(1)	32	71	86	15
Lube	%	89	95	88	(7)	(1)	86	92	6
LAB	%	70	117	118	1	48	99	109	10
Solvent	%	104	129	102	(27)	(2)	111	124	13
CAP	%	-	-	89	89	89	-	-	-
Ethanol - Sapthip	%	108	79	70	(9)	(38)	99	78	(21)
Ethanol - Ubon Bio	%	80	97	107	10	27	88	98	10

*Note: Change in margin % is represented in ppt change

Sources: TOP; FSSIA estimates

IRPC: (BUY, TP THB5.4) – a strong 3Q21 result beat consensus by 26%

- (+) 3Q21 net profit (NP) of THB2.15b, down 53% q-q but up 39% y-y, missing our estimate by 3% but beating BBG consensus by 26%, due to a larger-than-expected net inventory gain of THB2.7b.
- (+) Excluding an after-tax non-recurring gain of THB1.3b, IRPC's 3Q21 core NP was THB1.1b due to the lower margins for refinery, lube, olefins, aromatics, and utilities.
- (+) One-time pre-tax gain of THB1.3b comprised a THB2.6b inventory gain, a THB333m oil hedging loss, a THB225m derivative loss, an unrealised hedging loss of THB685m, a THB262m FX loss, and a THB161m investment gain.
- (-) Refinery utilisation rate was 89% in 3Q21, down from 90% in 2Q21, as IRPC had optimised its profitability.
- (-) Market gross integrated margin (GIM) dipped to USD12.4/bbl in 3Q21, down 21.5% q-q but up 41.9% y-y.
- (-) Key drivers were 1) a lower market GRM of USD2.0/bbl, down 34% q-q, due to the weaker product margins and higher crude premiums; 2) a weak lube margin at USD3.2/bbl (-28% q-q) due to the rising new supply; and 3) a softer q-q petrochemical group margin.
- (-) The olefins GIM dropped to USD3.0/bbl in 3Q21 (-3.5% y-y, -21.3% q-q) due to the lower polyethylene-naphtha and polypropylene-naphtha margins, while the aromatics GIM was USD3.3/bbl, down 3.8% q-q due to the weaker styrene-naphtha (-23% q-q), ABS-naphtha (-13% q-q), and polystyrene (-23% q-q) margins

Exhibit 14: Summary of 3Q21/9M21 operations

	3Q20	2Q21	3Q21		9M20	9M21	Chg.	2021E	
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Revenue	43,330	62,003	67,017	8.1	54.7	127,770	182,670	43.0	288,132
Operating costs	(37,487)	(53,108)	(60,827)	14.5	62.3	(126,858)	(158,802)	25.2	(249,557)
EBITDA	5,843	8,895	6,190	(30.4)	5.9	912	23,868	2,517.1	29,354
<i>EBITDA margin (%)</i>	13.5	14.3	9.2	<i>nm</i>	<i>nm</i>	0.7	13.1	<i>nm</i>	10.2
Depreciation & amor	(2,260)	(2,209)	(2,130)	(3.6)	(5.7)	(6,711)	(6,519)	(2.9)	(8,847)
EBIT	3,583	6,686	4,060	(39.3)	13.3	(5,799)	17,349	<i>nm</i>	20,507
Interest expense	(455)	(441)	(431)	(2.3)	(5.3)	(1,402)	(1,317)	(6.1)	(2,054)
Interest & invt inc	206	535	473	(11.6)	129.4	741	1,713	<i>nm</i>	0
Associates' contr	90	186	157	(15.5)	74.1	206	499	141.9	333
Exceptional	(1,500)	(1,781)	(1,638)	(8.0)	9.2	(3,411)	(3,875)	<i>nm</i>	0
Pretax profit	1,924	5,184	2,621	(49.4)	36.2	(9,665)	14,369	<i>nm</i>	19,838
Tax	(365)	(600)	(460)	(23.4)	25.8	1,919	(2,032)	<i>nm</i>	(3,781)
<i>Tax rate (%)</i>	19.0	11.6	17.5	<i>nm</i>	<i>nm</i>	19.9	14.1	<i>nm</i>	19.1
Minority interests	(3)	(10)	(6)	(38.6)	100.2	(14)	(26)	93.7	(22)
Net profit	1,556	4,574	2,155	(52.9)	38.5	(7,760)	12,310	<i>nm</i>	16,036
Non-recurring	1,215	(1,800)	1,317	<i>nm</i>	8.4	2,728	(95)	<i>nm</i>	
Core profit	2,771	2,774	1,069	(61.5)	(61.4)	(5,032)	9,813	<i>nm</i>	16,036
EPS (THB)	0.08	0.22	0.11	(52.9)	38.5	(0.38)	0.60	<i>nm</i>	0.78
Core EPS (THB)	0.14	0.14	0.05	(61.5)	(61.4)	(0.25)	0.48	<i>nm</i>	0.78

Sources: IRPC; FSSIA estimates

Exhibit 15: 3Q21/9M21 quarterly performance

	3Q20	2Q21	3Q21	Change		9M20	9M21	Change
	(%)	(%)	(%)	(q-q %)	(y-y %)	(%)	(%)	(y-y %)
Utilisation rate*								
Refinery	91	90	89	(1.0)	(2.0)	89	89	0.0
RDCC	97	119	111	(8.0)	14.0	90	114	24.0
Lube-based oil	84	90	95	5.0	11.0	83	89	6.0
Olefins	88	95	98	3.0	10.0	91	94	3.0
Aromatics and Styrenics	100	93	105	12.0	5.0	96	100	4.0
Electricity	70	76	75	(1.0)	5.0	70	75	5.0
Steam	61	64	61	(3.0)	0.0	64	62	(2.0)
	(USD/bbl)	(USD/bbl)	(USD/bbl)	(q-q %)	(y-y %)	(USD/bbl)	(USD/bbl)	(y-y %)
Market GIM	8.7	15.8	12.4	(21.5)	41.9	8.0	14.0	74.4
Refinery	1.1	2.7	2.0	(34.1)	57.5	0.5	2.4	338.9
Lube-based oil	1.8	4.5	3.2	(28.4)	77.9	1.6	3.4	114.4
Olefins	3.1	3.8	3.0	(21.3)	(3.5)	3.3	3.5	6.6
Aromatics and Styrenics	1.5	3.4	3.3	(3.8)	125.5	1.3	3.3	156.9
Utilities	1.3	1.4	1.1	(18.6)	(8.8)	1.3	1.2	(2.4)
Stock Gain/(Loss) & LCM	4.9	6.0	4.6	(24.0)	(6.2)	(3.0)	6.7	nm
Hedging	1.8	0.3	(0.6)	nm	nm	1.2	(0.1)	nm
Accounting GIM	15.4	22.1	16.4	(25.8)	6.4	6.2	20.5	230.2

*Note: Change in margin % is represented in ppt change

Sources: IRPC; FSSIA estimates

Exhibit 16: 3Q21/9M21 quarterly information

Quarterly information	3Q20	2Q21	3Q21	q-q %chg.	y-y %chg.	9M20	9M21	y-y %chg.
Crude intake (m bbl)	17.95	17.65	17.58	(0.4)	(2.1)	52.24	51.96	(0.5)
Sales volume (THB m)	43,330	62,003	67,017	8.1	54.7	127,770	182,670	43.0
Net sales (THB m)	37,671	56,858	62,088	9.2	64.8	111,658	167,334	49.9
Market GIM (THB m)	4,937	8,727	7,216	(17.3)	46.2	13,270	22,908	72.6
Market GIM (USD/bbl)	8.74	15.68	12.40	(20.9)	41.9	8.03	13.92	73.3
Accounting GIM (THB m)	8,707	12,234	9,544	(22.0)	9.6	10,318	33,745	227.0
Accounting GIM (USD/bbl)	15.41	21.98	16.40	(25.4)	6.4	6.25	20.51	228.2
EBITDA (THB m)	5,843	8,895	6,190	(30.4)	5.9	911	23,868	2,520.0
Net profit (THB m)	1,556	4,574	2,155	(52.9)	38.5	(7,760)	12,310	nm

Sources: IRPC; FSSIA estimates

PTT Oil and Retail Business (OR TB, TP THB36) – Chronic pandemic suffering should end soon after a weak 3Q21 result

- (-) 3Q21 net profit was THB1.9b, down 41% q-q and 45% y-y, missing Bloomberg's consensus estimate by 11% and our forecast by 9%.
- (-) Excluding a pre-tax inventory gain of THB1.0b and other non-recurring items, 3Q21 core net profit was THB0.9b, down 23% q-q and 73% y-y due to the weaker net profit from its oil and non-oil units on the Covid-19 impact and the subsidies to its franchisees in the range of THB0.4b (lower franchise, rental and royalty fees) and higher advertising expense
- (-) EBITDA was THB4.1b, comprising 1) THB3b from the oil unit, boosted by an inventory gain to offset the weaker marketing margin (MM) at THB1.09/litre, down from THB1.23/litre in 2Q21 and THB1.21/litre in 3Q20.

Oil suffered lower margin and sales volume.

- (-) Excluding the inventory gain, the MM was THB0.8/litre in 3Q21, down 20% q-q. The oil unit's sales volume dipped to THB5.5b in 3Q21 (-6% q-q, +2% y-y) due to the Covid lockdown.
- (-) The retail sales volume dipped 8% q-q vs 4% q-q for the commercial unit, despite adding 17 new stations to 2,027 stations in 3Q21.
- (-) The oil EBITDA margin lowered to 2.8% in 3Q21 (vs 3.8% in 2Q21 and 4.5% in 3Q20) due to the weak MM.
- (-) The oil sales volume per station dipped to 1.2m litres in 3Q21, due to the lower retail sales volume caused by the lockdowns.

Non-oil EBITDA lowered on lockdowns

- (-) Non-oil EBITDA plunged to THB820m (-26% q-q, -34% y-y) due to the lower EBITDA from Café Amazon which saw a lower number of cups sold dropped to 68m (-3% q-q, -6% y-y) due to Covid-19 and subsidies.
- (-) EBITDA margin for non-oil weakened to 21.8% in 3Q21, down from 27.3% in 2Q21 and 27.8% in 3Q20 due to the lower sales of low-margin coffee and subsidies to its franchisees.
- (+) OR reached 3,512 Café Amazon outlets (+60 q-q), 87 Texas Chicken outlets (+6 q-q), and 2,041 convenience stores (+23 q-q) to help offset the impact of Covid-19.

Exhibit 17: Summary of 3Q21/9M21 operations

	3Q20	2Q21	3Q21		9M20	9M21	Chg.	2021E	
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Revenue	104,854	118,708	116,791	(1.6)	11.4	319,308	353,960	10.9	586,684
Operating costs	(99,072)	(113,251)	(112,740)	(0.5)	13.8	(305,495)	(338,042)	10.7	(573,750)
EBITDA	5,782	5,457	4,051	(25.8)	(29.9)	13,813	15,918	15.2	12,934
<i>EBITDA margin (%)</i>	5.5	4.6	3.5	<i>nm</i>	<i>nm</i>	4.3	4.5	<i>nm</i>	2.2
Depn & amort.	(1,320)	(1,499)	(1,526)	1.8	15.6	(3,759)	(4,446)	18.3	(6,030)
EBIT	4,462	3,958	2,525	(36.2)	(43.4)	10,054	11,472	14.1	6,904
Interest expense	(347)	(325)	(283)	(13.1)	(18.5)	(1,104)	(943)	(14.6)	(774)
Interest & invt inc	962	802	803	0.2	(16.6)	3,100	2,447	(21.1)	4,247
Associates' contrib	125	81	26	(68.2)	(79.3)	411	233	(43.4)	750
Exceptional	(949)	(481)	(610)	<i>nm</i>	<i>nm</i>	(5,334)	(1,765)	<i>nm</i>	0
Pretax profit	4,253	4,034	2,461	(39.0)	(42.1)	7,127	11,444	60.6	11,127
Tax	(803)	(812)	(566)	(30.3)	(29.5)	(1,258)	(2,325)	84.8	(1,762)
<i>Tax rate (%)</i>	18.9	20.1	23.0	14.4	21.8	17.7	20.3	15.1	15.8
Minority interests	0	3	(2)	<i>nm</i>	<i>nm</i>	0	3	<i>nm</i>	0
Net profit	3,450	3,225	1,892	(41.3)	(45.1)	5,868	9,121	55.4	9,365
Non-recurring	(20)	(2,020)	(964)	(52.3)	4,712.0	998	(5,668)	<i>nm</i>	0
Core net profit	3,430	1,205	928	(23.0)	(72.9)	6,866	3,453	(49.7)	9,365
EPS (THB)	0.29	0.27	0.16	(41.3)	(45.1)	0.49	0.76	55.4	0.78
Core EPS (THB)	0.29	0.10	0.08	(23.0)	(72.9)	0.57	0.29	(49.7)	0.78

Sources: OR; FSSIA estimates

Exhibit 18: 3Q21/9M21 key performance

	3Q20	2Q21	3Q21	q-q %	y-y %	9M20	9M21	y-y %
Total sales and service (THB m)	104,854	118,708	116,792	(2)	11	319,308	353,960	11
Oil	96,583	109,732	108,668	(1)	13	295,378	328,348	11
Non-oil	4,443	4,060	3,761	(7)	(15)	12,249	11,907	(3)
International	5,211	6,669	6,613	(1)	27	16,385	19,738	20
Other	385	108	239	121	(38)	819	738	(10)
EBITDA (THB m)	5,782	5,457	4,051	(26)	(30)	12,523	15,917	27
Oil	4,312	4,202	3,003	(29)	(30)	8,636	12,326	43
Non-oil	1,237	1,109	820	(26)	(34)	3,139	2,993	(5)
International	240	183	199	9	(17)	730	589	(19)
Other	15	(38)	28	(174)	87	23	14	(39)
Share of profit/loss from investments (THB m)	97	126	81	(36)	(16)	287	207	(28)
Gain/loss on derivatives (THB m)	(285)	(19)	(51)	168	(82)	(1,178)	(70)	(94)
Gain/loss on exchange rate (THB m)	(23)	191	203	6	(983)	676	394	(42)
Oil								
Number of stations (stations)								
PTT in Thailand	1,943	2,010	2,027	1	4	1,943	2,027	4
LPG station	237	221	214	(3)	(10)	237	214	(10)
Volume sold (m bbl)	5,433	5,910	5,542	(6)	2	12,056	11,452	(5)
Retail	2,924	3,121	2,870	(8)	(2)	5,917	5,991	1
Commercial	2,509	2,789	2,672	(4)	6	6,139	5,461	(11)
Sales volume per station (m litre/station)	1.7	1.4	1.2	(13)	(25)	4.7	4.2	(10)
Gross profit (THB/litre)	1.21	1.23	1.09	(11)	(10)	0.94	1.21	29
Oil EBITDA margin* (%)	4.5	3.8	2.8	(1.0)	(1.7)	2.9	3.8	0.9
Non-oil								
Number of outlets (outlets)								
Café Amazon (Thailand, Myanmar, Japan, Oman, Malaysia)	3,188	3,452	3,512	2	10	3,188	3,512	10
Texas Chicken	73	81	87	7	19	73	87	19
Convenience store (Jiffy and 7-Eleven in Thailand)	1,960	2,018	2,041	1	4	1,960	2,041	4
Café Amazon total cups sold (Thailand, Myanmar, Japan, Oman, Malaysia) (m cups)	72	70	68	(3)	(6)	200	211	6
Cups sold per outlet (cups/outlet)	22,585	20,278	19,362	(5)	(14)	62,735	60,080	(4)
Sales and service (THB m)	4,443	4,060	3,761	(7)	(15)	12,249	11,907	(3)
Food & Beverage	2,802	2,611	2,467	(6)	(12)	7,397	7,784	5
Other non-oil	1,641	1,449	1,294	(11)	(21)	4,852	4,123	(15)
Non-oil EBITDA margin* (%)	27.8	27.3	21.8	(5.5)	(6.0)	25.6	25.1	(0.5)

*Note: Change in margin % is represented in ppt change

Source: OR

Key takeaways from Analyst Meeting

TOP (Buy, TP THB64) - Key messages from analyst conference

(-) capital increase plan is now under consideration and likely to finalise in 1H21

(+) utilisation rate will rise to 110% in 4Q21 for refinery, up by 10% pts q-q.

(+) expect higher market GRM in 4Q21 to USD6/bbl, driven by higher margins of diesel for heating oil demands and jet for return of global travel. Gasoline-crude margin is expected to stay high over USD10/bbl in 4Q21 into 2022 as a result of high demand.

(-) higher crude premium by USD2-4/bbl q-q should be more than offset by the higher product margins.

(-) lube margin is expected to lower q-q by USD0.5/bbl q-q particularly for LAB due to the feedstock shortage of middle distillates (for LAB) and fuel oil (lube)

(-) Chandra Asri contributed loss in 3Q21 to TOP due to the poor margin in Sep and higher admin cost related to the acquisition despite the quarter net profit posted by Chandra Asri.

(+) gain of THB624m booked in 3Q21 for the UBE divestment of 9% or 98m shares to bring holding stake down to 12%.

(-) opex cost per bbl will increase from USD2.1/bbl in 3Q21 to USD2.6-2.8/bbl in 4Q21 due to high SG&A while interest cost and depreciation expenses remain stable q-q at USD0.7/bbl and USD1.4/bbl

STGT (Reduce, TP THB26) - Key messages from analyst conference

More positive messages from 3Q21 analyst meeting including

(+) ASP is expected to hit bottom at USD35/1,000 pieces (ptp) in 4Q21, down 25% q-q. However, the decline in ASP is lower than 36% q-q in 3Q21 as the supply growth impact will slow down q-q while demand growth remains strong.

Management believes that USD35/ptp is likely to be the bottom ASP given 1. the high costs of natural rubbers and nitrile; 2. the competition in pricing should subside in 2022 onward as some of new suppliers in China has already incurred losses in 3Q21 to gain market share.

3. The USD35/ptp projected bottom ASP is not too much above USD19/ptp ASP in pre-covid level 4. The demand growth of 10-15% y-y post Covid in 2022 onward should outpace supply growth of 10-13% y-y after the significant supply growth of 40% y-y in 2021E.

5. The price of PVC glove, the lowest quality type of glove, has already increased from its bottom price of USD13/ptl in 3Q21 due to the high oil price.

(0) the price gap between nitrile glove and natural rubber gloves is projected to narrow from over USD60/ptp in 1Q21 down to close to parity by end-2023, similar to the pre-Covid gap of USD1-3/ptp.

(+) sales volume is expected to rise to 7.5b pieces in 4Q21, up from 7.1b in 3Q21 and capacity growth plan remains on track to reach 50b pieces in 2022 and 82b pieces in 2024.

(0) while STGT still maintain its target of 50% nitrile glove capacity in 2028, up from 38% in 2021, management is confident that it could switch to produce the natural rubber-based powder-free gloves to replace the nitrile gloves if the margins of nitrile gloves shrinks faster than expected.

(+) STGT will retain its minimum 50% payout in 2022 onward after paying 45% payout in 1H21 and 81% payout in 3Q21.

(-) container shortage is likely to continue in 4Q21 but should subside in 2022.

We still maintain Reduce and believe downside for share price remain at THB27-28 due to the sharp drop in ASP and potential downgrades on EPS in 2022-23.

Economic news

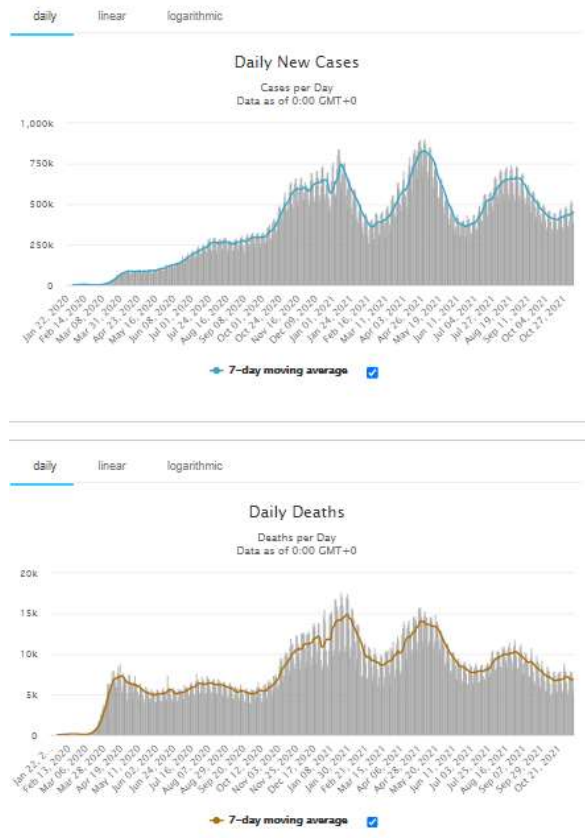
- COVID-19 cases as of 9 Nov globally reaches **251,494,536** with new 420,552 cases and 6,734 new deaths. There are 18,748,838 currently infected patients, with 76,434 (0.4%) cases in serious condition.

Exhibit 19: Top 25 countries by new cases

Country	Total Cases	New Cases	Total Deaths	New Deaths
World	251,494,536	420,552	5,078,254	6,734
1 USA	47,510,980	54,478	777,716	934
2 Russia	8,873,655	39,160	249,215	1,211
3 UK	9,366,676	33,117	142,124	262
4 Germany	4,830,135	28,986	97,355	188
5 Turkey	8,288,165	28,662	72,510	196
6 Ukraine	3,107,489	18,988	73,390	833
7 Poland	3,125,179	13,644	77,980	220
8 France	7,232,157	12,476	118,023	58
9 India	34,386,786	12,331	461,827	480
10 Netherlands	2,224,096	11,282	18,612	29
11 Brazil	21,897,025	10,948	609,756	154
12 Czechia	1,828,440	9,253	31,173	22
13 Greece	801,208	8,613	16,414	53
14 Belgium	1,438,830	8,418	26,200	24
15 Iran	6,004,460	8,305	127,551	112
16 Vietnam	984,805	8,133	22,686	88
17 Austria	899,777	7,712	11,554	39
18 Romania	1,718,726	7,589	51,483	462
19 Thailand	1,982,495	6,904	19,764	61
20 Italy	4,818,705	6,032	132,491	57
21 Georgia	761,067	6,021	10,584	75
22 Serbia	1,192,476	5,103	10,534	62
23 Croatia	507,535	4,966	9,605	59
24 Slovakia	526,608	4,958	13,314	45
25 Hungary	914,586	4,588	31,521	123

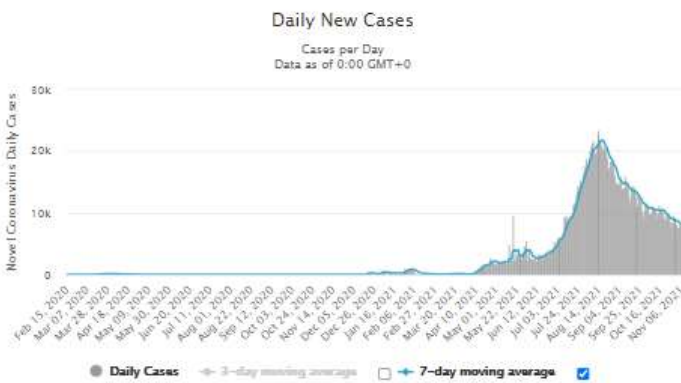
Source: worldometers.info

Exhibit 20: Global by new cases and deaths

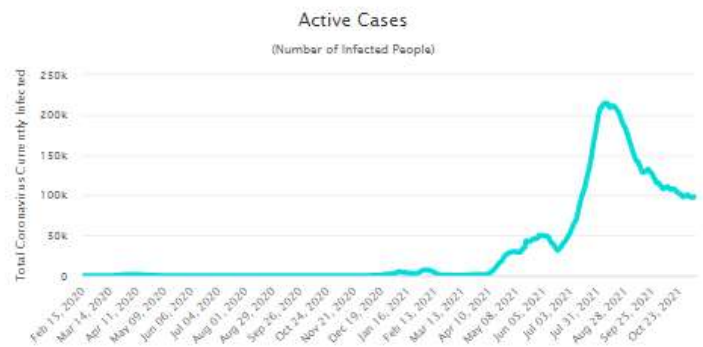


Source: worldometers.info

Daily New Cases in Thailand



Active Cases in Thailand



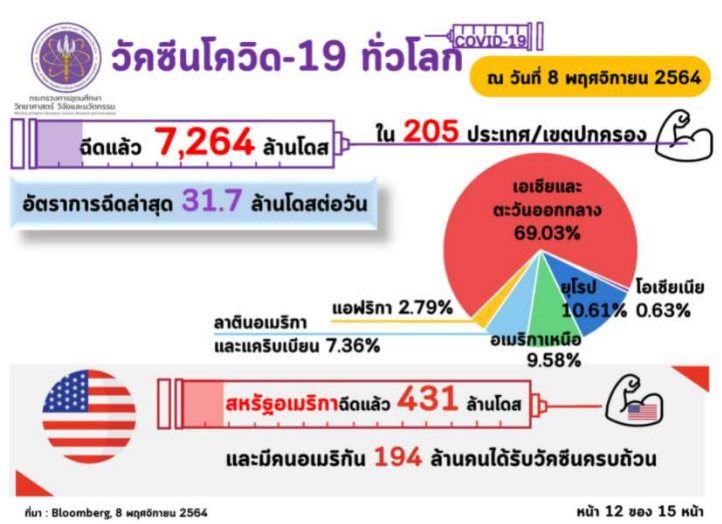
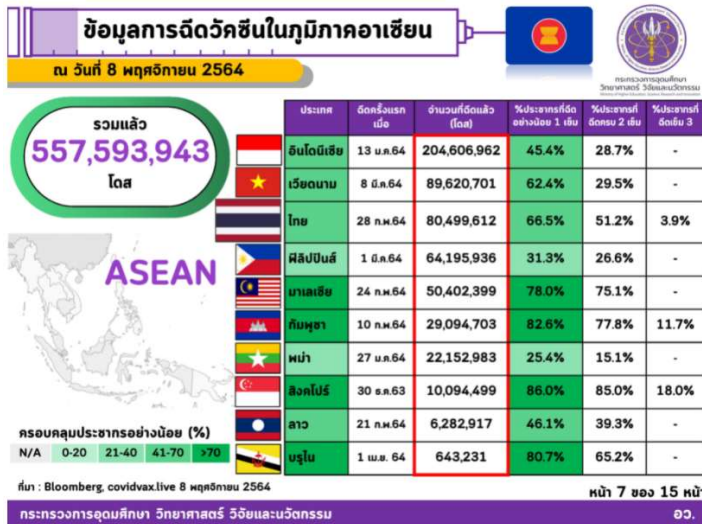
สรุปข้อมูลการฉีดวัคซีนโควิด-19 ของไทย ณ วันที่ 8 พฤศจิกายน 2564

ชนิดวัคซีน	จำนวน	% ประสิทธิภาพ
ฉีดวัคซีนแล้ว 80,499,612 โดส		
Sinovac	25,111,646	66.5
AstraZeneca	35,250,211	51.2
Sinopharm	12,940,981	3.9
Pfizer	7,196,774	

เข็มที่ 1: 43,990,610 โดส
 เข็มที่ 2: 33,912,537 โดส
 เข็มที่ 3: 2,596,465 โดส

วัคซีน	ฉีดเข็ม 1 (โดส)	ฉีดเข็ม 2 (โดส)	ฉีดเข็ม 3 (โดส)
Sinovac	21,577,043	3,534,603	0
AstraZeneca	10,928,787	22,286,794	2,034,630
Sinopharm	6,923,299	6,017,682	0
Pfizer	4,561,481	2,073,458	561,835

ณ วันที่ 8 พฤศจิกายน 2564 หน้า 4 ของ 15 หน้า
 กระทรวงการอุดมศึกษา วิทยาศาสตร์ วิจัยและนวัตกรรม



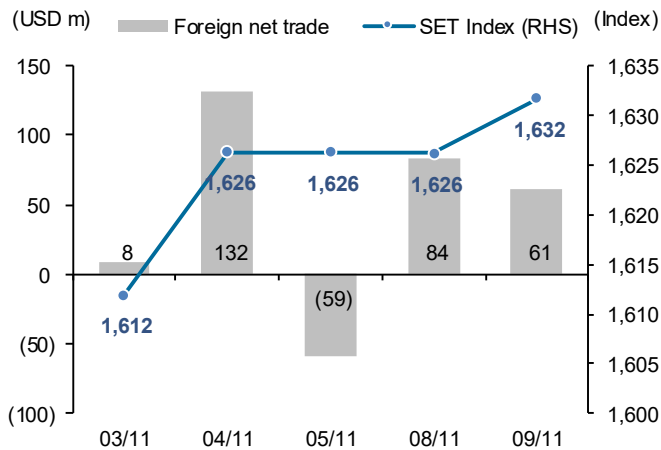
TAT looks to quality, first timers, Industry has passed its lowest point BANGKOK POST: Thai tourism is on course to reboot in the post-pandemic era by targeting the quality market and first-time visitors from emerging destinations along with the domestic market. "With currently 2,000-3,000 tourists per day, the tourism industry has already passed the lowest point," said Tourism Authority of Thailand (TAT) governor Yuthasak Supasorn. To jumpstart sustainable growth, every tourism-related party should work together to attract more high-value travellers in diverse segments who prioritise good experiences. Mr Yuthasak said post-Covid tourism presents an opportunity for first-time visitors such as those from India. Thailand could capture a small part of the market compared to its vast size.

Corporate news

- PTTEP gas production licences renewed** BANGKOK POST: The Department of Mineral Fuels has renewed licences to produce natural gas at Bongkot gas field for PTT Exploration and Production Plc (PTTEP), enabling the company to continue with its plan to secure sufficient gas supply for Thailand. A gas production licence for block 15 at Bongkot, located in the Gulf of Thailand, expires in April next year while the licences for blocks 16 and 17 expire in March, 2023. PTTEP is required to transfer certain assets for gas exploration and production to the department under the production-sharing contract (PSC) model, said department chief Sarawut Kaewtathip as he signed an asset transfer agreement with PTTEP on Tuesday. Thailand has replaced a concession-based contract with the PSC model, which grants the government a right to own and regulate usage of assets of energy companies. PTTEP is given permission to operate at Bongkot, Erawan and Arthit gas fields, all of which are in the Gulf of Thailand.
- Agencies seek B76bn for farmers** BANGKOK POST: The overall scheme covers rice and other crops. For the rice scheme alone, the total project budget is 89 billion baht, of which 13 billion baht was gradually disbursed. The rice scheme needs another 76 billion baht. Mr Arkhom declined to specify if the government will have to revise the monetary and fiscal discipline framework to give more room to borrow from state financial institutions to finance the rice scheme. The existing framework caps the government's outstanding borrowing from the state financial institutions for financing state projects at 30% of the annual expenditure budget. The outstanding borrowing has nearly hit the ceiling rate.
- Sabuy makes push into ATM market** BANGKOK POST: SET-listed vending and top-up machine operator Sabuy Technology is moving into automated teller machines (ATMs), one of six moves it is making to expand its business ecosystem. Sabuy's board has approved the purchase of 50% of the shares of Platt Finserve (PFS) for 1.13 billion baht from Cash Machine Capital. PFS holds the right to install 10,000 ATMs in front of 7-Eleven convenience stores across the country for 10 years. "We see that ATM kiosks will replace routine operations in the banking sector, including opening new bank accounts. This responds to consumers' digital lifestyle and the bank policy of cost reductions," said Chookiat Rujanapompaje, chief executive of Sabuy.
- IEAT looks to underground water stores** BANGKOK POST: The Industrial Estate Authority of Thailand (IEAT) will pilot underground Plastic Rainwater Storage Structures (PRSS) in a move to help prevent flooding and water scarcity on industrial estates, with Japanese cooperation. The technology is another IEAT effort to deal with water issues after its Bangpu Industrial Estate in Samut Prakan was severely hit by flooding in August. The IEAT launched the first PRSS project, co-developed by the IEAT, the Japan International Cooperation Agency, and Chichibu Chemical Co, at Lat Krabang Industrial Estate in Bangkok. Veeris Ammarapala, IEAT governor, said Thailand and Japan established the project in 2019 to protect the industrial sector against water-related problems. "We have already set up PRSS and tested its system at the Lat Krabang Industrial Estate," he said.
- High hopes for project amid Hua Hin recovery** BANGKOK POST: Issara United Co, a joint venture between SET-listed developer Charn Issara Development Plc and Thai conglomerate Saha Group, is expecting a recovery in property and tourism to boost sales of a new beachfront condo project in Hua Hin. Boonkiet Chokwatana, chairman of Issara United, said the country's reopening would help stimulate consumer confidence and revitalise the tourism industry and property market. "Hua Hin has been a top destination among local tourists and Thai resort homebuyers," he said. "Despite the pandemic, our new condo project in Hua Hin was frequently visited by customers as it taps the upper-end segment, which has been less affected by the pandemic."

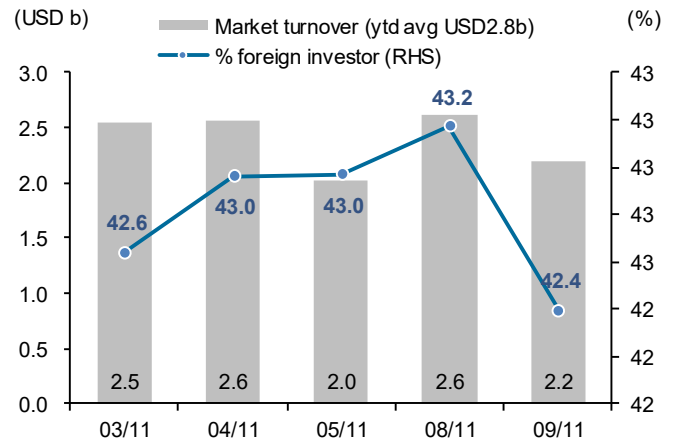
- **Bitcoin, Ether hit records amid broad rally in cryptocurrencies** BANGKOK POST: Bitcoin and Ether hit all-time highs Tuesday in an ongoing cryptocurrency rally that some analysts attributed partly to the search for investments to hedge risks from inflation. Bitcoin, the world's largest digital token, jumped as much as 3.6% to \$68,513, while Ether posted a more modest advance to about \$4,840. The total value of digital tokens tracked by CoinGecko reached some \$3.1 trillion.

Exhibit 21: Foreign fund flow and SET Index



Source: Bloomberg

Exhibit 22: Foreign participation



Source: Bloomberg

Exhibit 23: Index performance

	SET Index		Index performance (% change)									
	Index	(%chg)	Energy	Bank	Comu	Commerce	Food	Property	Construct	Transport	Petrochem	
% of SET Index			21%	9%	8%	11%	6%	6%	4%	8%	3%	
Current	1,631.69	0.3	0.2	0.4	0.6	0.6	0.2	0.2	(0.2)	0.0	0.4	
-5D	1,617.89	0.9	(0.9)	3.1	1.0	2.6	0.4	1.3	0.3	2.5	1.2	
-1M	1,639.41	(0.5)	(4.0)	4.5	0.3	1.5	(1.3)	4.1	(2.5)	1.1	(3.5)	
-3M	1,540.19	5.9	5.7	24.5	13.0	13.5	(2.3)	15.3	(4.5)	8.9	7.1	
-6M	1,585.03	2.9	(0.6)	11.1	16.5	6.2	1.9	6.9	(12.2)	6.3	(9.5)	
-1Y	1,285.88	26.9	19.2	53.8	23.4	18.6	13.9	35.8	15.0	15.5	48.0	
WTD	1,626.22	0.3	0.3	0.8	1.3	0.9	0.0	1.3	(0.2)	2.3	2.2	
MTD	1,623.43	0.5	(1.3)	4.1	0.8	2.8	(0.4)	0.3	(0.6)	2.0	0.5	
QTD	1,605.68	1.6	(0.8)	7.8	0.3	3.5	(0.2)	6.4	(2.0)	5.5	(1.6)	
End of 2020	1,449.35	12.6	4.1	22.2	21.4	18.4	13.0	17.0	9.3	8.3	13.0	

Source: Bloomberg

Exhibit 24: Trade by investor types

	SET Index		Exchange rate (USD:THB)	SET Index		Equity trading / Net position				Bond Net foreign (USD m)
	Index	Change (y-y%)		Average daily turnover (THB m)	(USD m)	Foreign (USD m)	Retail (USD m)	PropTrade (USD m)	Local Inst (USD m)	
2018	1,563.88	(10.8)	32.32	56,370	1,744	(8,913)	3,571	(478)	5,799	8,855
2019	1,579.84	1.0	31.06	52,468	1,689	(1,496)	(662)	477	1,681	(502)
2020	1,449.35	(8.3)	31.29	67,335	2,152	(8,287)	6,873	459	953	(1,005)
2021YTD	1,631.69	12.6	31.78	89,916	2,830	(1,903)	3,196	585	(1,776)	4,203
1Q21	1,587.21	41.0	30.26	93,653	3,095	(987)	1,622	129	(764)	128
2Q21	1,587.79	18.6	31.36	94,016	2,998	(1,482)	1,973	85	(574)	2,442
3Q21	1,605.68	29.8	32.92	86,406	2,625	(8)	(178)	189	97	632
4Q21	1,631.69	12.6	33.36	79,626	2,387	574	(222)	183	(535)	1,001
Jan-21	1,466.98	(3.1)	30.00	98,584	3,286	(365)	928	(31)	(533)	5
Feb-21	1,496.78	11.7	29.99	90,860	3,029	(621)	1,010	82	(470)	(154)
Mar-21	1,587.21	41.0	30.78	91,515	2,973	(1)	(316)	78	238	277
Apr-21	1,583.13	21.6	31.33	87,668	2,798	(107)	573	(12)	(453)	1,050
May-21	1,593.59	18.7	31.30	103,240	3,299	(1,061)	1,094	(42)	10	6
Jun-21	1,587.79	18.6	31.46	91,139	2,897	(314)	307	139	(131)	1,385
Jul-21	1,521.92	14.6	32.61	77,785	2,385	(522)	542	89	(110)	282
Aug-21	1,638.75	25.0	33.10	86,818	2,623	175	(798)	58	666	1,447
Sep-21	1,605.68	29.8	33.05	94,614	2,863	338	79	42	(459)	(1,097)
Oct-21	1,623.43	35.9	33.49	81,653	2,438	474	(106)	175	(542)	305
Nov-21	1,631.69	15.9	33.23	77,599	2,335	100	(116)	8	7	696
2021YTD	1,631.69	12.6	31.78	89,916	2,830	(1,903)	3,196	585	(1,776)	4,203
03/11/2021	1,611.92		33.32	84,727	2,543	8	(11)	(10)	13	50
04/11/2021	1,626.27		33.41	85,650	2,564	132	(163)	(16)	48	97
05/11/2021	1,626.22		33.32	67,472	2,025	(59)	67	7	(15)	(14)
08/11/2021	1,626.13		33.06	86,640	2,621	84	(67)	(11)	(6)	149
09/11/2021	1,631.69		32.80	71,995	2,195	61	(29)	25	(57)	368

Source: Bloomberg

Exhibit 25: Upcoming events

Date Time	Event		Survey	Actual	Prior
11/10/2021 14:00	BoT Benchmark Interest Rate	10-Nov	0.50%	--	0.50%
11/12/2021 14:30	Foreign Reserves	05-Nov	--	--	\$246.1b
11/12/2021 14:30	Forward Contracts	05-Nov	--	--	\$32.9b
11/15/2021 09:30	GDP YoY	3Q	-3.40%	--	7.50%
11/15/2021 09:30	GDP SA QoQ	3Q	--	--	0.40%
11/18/2021 11/24	Car Sales	Oct	--	--	56871
11/23/2021 10:30	Customs Exports YoY	Oct	--	--	17.10%
11/23/2021 10:30	Customs Imports YoY	Oct	--	--	30.30%
11/23/2021 10:30	Customs Trade Balance	Oct	--	--	\$610m
11/26/2021 11/30	Capacity Utilization ISIC	Oct	--	--	61.98
11/26/2021 11/30	Mfg Production Index ISIC NSA YoY	Oct	--	--	-1.28%
11/30/2021 14:00	BoP Current Account Balance	Oct	--	--	-\$1346m
11/30/2021 14:30	Exports YoY	Oct	--	--	17.80%
11/30/2021 14:30	Exports	Oct	--	--	\$22935m
11/30/2021 14:30	Imports YoY	Oct	--	--	20.40%
11/30/2021 14:30	Imports	Oct	--	--	\$18928m
11/30/2021 14:30	Trade Balance	Oct	--	--	\$4007m
11/30/2021 14:30	BoP Overall Balance	Oct	--	--	-\$3417m
12/01/2021 07:30	Markit Thailand PMI Mfg	Nov	--	--	50.9
12/01/2021 14:30	Business Sentiment Index	Nov	--	--	47
12/03/2021 10:30	CPI YoY	Nov	--	--	2.38%
12/03/2021 10:30	CPI NSA MoM	Nov	--	--	0.74%
12/03/2021 10:30	CPI Core YoY	Nov	--	--	0.21%
12/04/2021 12/09	Consumer Confidence	Nov	--	--	43.9
12/04/2021 12/09	Consumer Confidence Economic	Nov	--	--	37.8

Source: Bloomberg

Exhibit 26: Upcoming XM

Symbol	X-Date	Announce Date	Meeting Date	Type of Meeting	Agenda	Venue
EP	10/11/2021	28/10/2021	17/12/2021	EGM	Acquisition and disposition of assets	Miracle Grand Convention Hotel, Magic 2 Room, No. 99, Kamphaeng Phet 6 road, Talat Bang Ken, Laksi, Bangkok
SCG	10/11/2021	28/10/2021	07/12/2021	EGM	Capital increase, Connected transaction	Montien Riverside Hotel, No. 372 Rama 3 Road, Bang Khlo Sub-district, Bang Kho Laem District, Bangkok 10120
THE	10/11/2021	27/10/2021	13/12/2021	EGM	Acquisition and disposition of assets, Connected transaction	The Company's branch office located at No. 7/4, 7/6 Moo 1, Ekkachai Road, Khaerai Sub-District, Kratumban District, Samutsakorn Province
UV	10/11/2021	28/10/2021	16/12/2021	EGM	Acquisition and disposition of assets	By electronic meeting (E-EGM)
DIMET	12/11/2021	18/10/2021	07/12/2021	EGM	Capital increase	The Company's headquarter No.602 Moo 2, Bangpoo Industrial Estate Soi 1, Sukhumvit Road, Mueang Samut Prakarn, Samut Prakarn
KWG	12/11/2021	01/11/2021	08/12/2021	EGM	Capital increase, Paid up capital reduction, Connected transaction, Change of par value	E-Meeting
NOVA	17/11/2021	02/11/2021	09/12/2021	EGM	Capital increase, Acquisition and disposition of assets, Connected transaction, To consider approving the reduction of the Company's registered capital by THB 588 from the current registered capital of THB 70,000,000 to be THB 69,999,412	Through Electronic Media (E-AGM)
CHO	19/11/2021	08/11/2021	13/12/2021	EGM	Capital increase, The issuance of convertible securities	The electronic meeting will be held at meeting room, 3rd floor, branch office (1) of Cho Thavee Public Company Limited,
SABUY	22/11/2021	08/11/2021	15/12/2021	EGM	Capital increase	VIA Electronic Meeting only and broadcast live from the meeting room on the 2nd floor of the Company's office,
STAR	26/11/2021	27/09/2021	21/12/2021	EGM	Changing the director(s)	Via the electronic system at the Company's meeting room,
FTREIT	13/12/2021	05/11/2021	27/01/2022	AGM	To acknowledge the distribution payment from the operating results of fiscal year 2021, To consider and approve the capital increase of FTREIT by means of a general mandate by issuing a total of not exceeding 919,016,114 trust units	Through Electronic Media (E-AGM)

Source: SET

Exhibit 27: Management trading

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
CAZ (Thailand) (CAZ)	Mr. Yeong Cheol Choi	Common Shares	11/8/2021	2,000,000	3.42	Sell	6.84
Thai Mitsuwa (TMW)	Hirokazu Tsuruhara	Common Shares	11/8/2021	3,000	37.50	Buy	0.11
Khon Kaen Sugar Industry (KSL)	Piripon Chinthammit	Common Shares	11/5/2021	16,600	3.72	Sell	0.06
Prime Road Power (PRIME)	Somprasong Panjalak	Common Shares	11/8/2021	20,000,000	1.95	Sell	39.00
Sabuy Technology (SABUY)	Chookiat Rujanapompajee	Common Shares	11/9/2021	12,590,000	11.59	Buy	145.92
Ingress Industrial (INGRS)	Mr. Nurshareyza Bin Saaidin	Common Shares	11/8/2021	20,000	0.91	Buy	0.02
Exotic Food PCL (XO)	Soyphet Jantarach	Common Shares	11/4/2021	1,050,000	-	Transfer	n/a
Exotic Food PCL (XO)	Wattana Jantarach	Common Shares	11/4/2021	1,050,000	-	Receive	n/a
Hwafong Rubber (HFT)	Chih-Yao Chuang	Warrant	11/8/2021	150,000	7.65	Buy	1.15
Heng Leasing and Capital (HENG)	Sompop Pundrikabha	Common Shares	11/8/2021	580,000	3.24	Sell	1.88

Source: SEC

Exhibit 28: Upcoming XR

Symbol	X-Date	Announce Date	Rights for	Subscription Price	Unit	Subscription Ratio (Holding:New)	Subscription Period	Allotted Shares (Shares)
SFLEX	10/11/2021	11/08/2021	Warrants	-	Baht	10 : 1	-	82000000
SFLEX	10/11/2021	11/08/2021	Warrants	-	Baht	8 : 1	-	102500000
NOVA	17/11/2021	02/11/2021	Common	10.35	Baht	10 : 1	20/12/2021 - 24/12/2021	13999882
AQ	19/11/2021	01/10/2021	Warrants	-	Baht	2 : 1	-	42662405722
OTO	19/11/2021	11/08/2021	Warrants	-	Baht	2 : 1	-	280000000
CMO	22/11/2021	08/10/2021	Common	0.5	Baht	1 : 5	08/12/2021 - 15/12/2021	1277313665
HYDRO	22/11/2021	05/10/2021	Common	0.18	Baht	2 : 1	08/12/2021 - 15/12/2021	768227679
MAKRO	22/11/2021	27/10/2021	Common	-	Baht	10 : 1	-	1362000000
ICN	24/11/2021	28/09/2021	Warrants	-	Baht	2 : 1	-	225000000
RICHY	24/11/2021	21/10/2021	Common	1.3	Baht	5 : 1	14/12/2021 - 20/12/2021	247690926
RICHY	24/11/2021	21/10/2021	Warrants	-	Baht	1 : 1	-	247690926
MACO	26/11/2021	23/09/2021	Common	0.3	Baht	2 : 1	20/12/2021 - 24/12/2021	2705990707
PLANB	29/11/2021	23/09/2021	Common	5	Baht	12.5 : 1	20/12/2021 - 24/12/2021	310605449
PLANB	29/11/2021	23/09/2021	Warrants	-	Baht	2 : 1	-	155302725
GLOCON	07/12/2021	18/10/2021	Common	0.9	Baht	5 : 1	04/01/2022 - 10/01/2022	423932401
UPA	14/12/2021	26/08/2021	Warrants	-	Baht	5 : 1	-	2026068585
UPA	14/12/2021	26/08/2021	Common	0.3	Baht	3.37678 : 1	17/01/2022 - 21/01/2022	3000000000
AAV	15/12/2021	20/10/2021	Common	1.75	Baht	5.7625 : 1	10/01/2022 - 14/01/2022	1714285714
APURE	16/12/2021	21/10/2021	Warrants	-	Baht	2 : 1	-	479138692

Source: SET

Exhibit 29: Upcoming XD

Symbol	X-Date	Announce Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date	Par
DIF	11/11/2021	01/11/2021	0.261	Baht	01/07/2021 - 30/09/2021	NP	03/12/2021	10
POPF	11/11/2021	01/11/2021	0.247	Baht	01/07/2021 - 30/09/2021	Both	03/12/2021	10
PPF	11/11/2021	01/11/2021	0.175	Baht	01/07/2021 - 30/09/2021	NP	03/12/2021	10
TMILL	11/11/2021	28/10/2021	0.08	Baht	01/01/2021 - 30/06/2021	NP	25/11/2021	1
TSTE	11/11/2021	28/10/2021	0.06	Baht	01/01/2021 - 30/06/2021	NP	26/11/2021	0.5
RAM	11/11/2021	28/10/2021	0.18	Baht	-	RE	26/11/2021	0.1
SIRIP	11/11/2021	01/11/2021	0.0511	Baht	-	RE	03/12/2021	10
CPNCG	15/11/2021	03/11/2021	0.24	Baht	01/07/2021 - 30/09/2021	Both	03/12/2021	10.3
TPRIME	16/11/2021	03/11/2021	0.0951	Baht	01/07/2021 - 30/09/2021	NP	03/12/2021	8.8646
INETREIT	17/11/2021	05/11/2021	0.1269	Baht	29/07/2021 - 30/09/2021	NP	03/12/2021	10
RCL	18/11/2021	05/11/2021	1.5	Baht	01/01/2021 - 30/09/2021	NP	03/12/2021	1
DCC	19/11/2021	08/11/2021	0.04	Baht	01/07/2021 - 30/09/2021	NP	03/12/2021	0.1
FTREIT	19/11/2021	05/11/2021	0.169	Baht	01/07/2021 - 30/09/2021	NP	02/12/2021	9.5363
TNH	26/11/2021	17/09/2021	0.5	Baht	01/08/2020 - 31/07/2021	NP	15/12/2021	1

Source: SET

Exhibit 30: New securities

Derivative Warrants	Trade Date	Underlying	Issuer	DW Type	Market	Maturity Date	Exercise Price (Baht)
BAM24C2203A	10/11/2021	BAM	FSS	Call	SET	10/3/2022	26
CKP13C2203A	10/11/2021	CKP	KGI	Call	SET	8/3/2022	6.7
COM724C2203A	10/11/2021	COM7	FSS	Call	SET	10/3/2022	97.75
DELT13C2203A	10/11/2021	DELTA	KGI	Call	SET	8/3/2022	590
DELT19C2203A	10/11/2021	DELTA	YUANTA	Call	SET	31/03/2022	640
DTAC24C2203A	10/11/2021	DTAC	FSS	Call	SET	10/3/2022	43.75
GUNK19C2203A	10/11/2021	GUNKUL	YUANTA	Call	SET	31/03/2022	6.2
GUNK19P2203A	10/11/2021	GUNKUL	YUANTA	Put	SET	17/03/2022	3.6
INTU24C2203A	10/11/2021	INTUCH	FSS	Call	SET	10/3/2022	94.75
KCE24C2203A	10/11/2021	KCE	FSS	Call	SET	10/3/2022	116.5
SCGP13P2202A	10/11/2021	SCGP	KGI	Put	SET	22/02/2022	44
TCAP13C2203A	10/11/2021	TCAP	KGI	Call	SET	22/03/2022	45.75

Source: SET