

21 JULY 2022

SPOTLIGHT ON THAILAND

Published Reports

- SCG PACKAGING (SCGP TB) - Flexible and nimble packaging play; Maintain BUY TP THB67.00

Results Comments

- Kiatnakin Bank (KKP TB, BUY; 2023 TP THB82) - Solid loan growth and strong asset quality drove 2Q22 net profit
- TMBThanachart Bank (TTB TB, BUY; 2023 TP THB1.4) - 2Q22: soft top line cushioned by lower ECL

Economics

- COVID-19 cases as of 20 Jul globally reaches 570,420,104 with new 747,668 cases and 1,448 new deaths. There are 22,591,416 currently infected patients, with 40,419 (0.2%) cases in serious condition.
- Industrial mood rises for first time in 3 months
- Central bank to ensure uninterrupted economic recovery
- Shippers shrug at Myanmar loan rule, Exports to next door neighbour slight
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- NBTC considers measure to let public block overseas scam calls
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- Starbucks operator to restart expansion in Thailand
- Bullish Standard targets 2nd-tier cities

Indices	Index as of 20-Jul-22	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
Thailand SET	1,539	0.4	(7.1)	3,401
China SHCOMP	3,305	0.8	(9.2)	
Hong Kong HSI	20,890	1.1	(10.7)	
India SENSEX	55,398	1.2	(4.9)	(29,505)
Indonesia JCI	6,875	2.1	4.5	3,978
Korea KOSPI	2,387	0.7	(19.8)	(15,529)
MY FBMKLCI	1,437	0.6	(8.3)	
PH PCOMP	6,275	(0.2)	(11.9)	(861)
SG FSSTI	3,170	1.7	1.5	
Taiwan TWSE	14,733	0.3	(19.1)	(35,275)
VN VNINDEX	1,194	1.3	(20.3)	(117)
MSCI Emerging	987	0.7	(19.9)	
Nikkei 225	27,680	2.7	(3.9)	
FTSE 100	7,264	(0.4)	(1.6)	
CAC 40	6,185	(0.3)	(13.5)	
DAX	13,282	(0.2)	(16.4)	
Dow Jones	31,875	0.2	(12.3)	
Nasdaq	11,898	1.6	(24.0)	
S&P 500	3,960	0.6	(16.9)	
Brent	106.92	(0.4)	37.5	
Dubai	108.17	0.3	41.4	
WTI	102.26	(0.2)	32.5	
GOLD	1,696.58	(0.1)	(7.3)	

Trade data (THB m)	Buy (THB m)	Sell (THB m)	Net (THB m)	Share (%) (THB m)
Foreign	30,400	31,006	(606)	53
Retail	15,817	17,384	(1,567)	29
Prop Trade	5,109	5,071	38	9
Local Institution	6,174	4,039	2,135	9
Total Trade	57,500	57,500	0	100

Rates	Last close 7/20/2022	1M ago 6/20/2022	End last yr 12/31/2021	1yr ago 7/19/2021
THB/USD	36.66	35.29	33.41	32.81
Inflation *	7.66	7.10	2.17	1.25
MLR **	5.31	5.31	5.31	5.31
1Y Fixed *	0.43	0.43	0.43	0.43
Govt bond 10Y	2.62	2.93	1.89	1.63

Commodity (USD/bbl)	Last close 7/20/2022	1M ago 6/20/2022	End last yr 12/31/2021	1yr ago 7/19/2021
Brent	106.92	114.13	77.78	69.35
Dubai	108.17	112.72	76.48	70.46
WTI	99.88	110.65	75.21	70.30
Gold	1,697	1,833	1,829	1,804
Baltic Dry	2,145	2,484	2,217	3,058

(USD/ton)	15-Jul-22	08-Jul-22	25-Dec-20	16-Jul-21
Coal	440.00	402.18	84.45	147.86
% change	9.4	9.4	421.0	197.6

* 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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Published Reports

SCG PACKAGING (SCGP TB) - Flexible and nimble packaging play; Maintain BUY TP THB67.00

Margin resiliency is key

We believe SCGP's margins and net profits in 2Q-4Q22 will remain highly resilient and should be relatively stable q-q in 3Q22, backed by relatively stable EBITDA margins across the board. Lower selling prices should be offset by a q-q lower price of old corrugated containers (OCC), wider EBITDA margins of fibrous pulp due to rising demand on the supply shortage from Russia, food service packaging, and polymer packaging via M&A and strong demand.

Strengthening the RCP cost value chain via Peute acquisition

On 18 Jul-22, SCGP announced the acquisition of a 100% stake in Peute Recycling B.V. (Peute), a packaging materials recycling company covering both recovered paper (RCP) and plastics with a current capacity of 1mtpa of RCP, based in the Netherlands. The acquisition is worth €78.19m (THB2,875m) and SCGP will start to consolidate Peute in Jul-22 onward. In 2021, Peute generated revenue of €249m (THB9.2b), a net profit of €3.2m (THB120m), and had an asset size of €52m (THB1.9b) at the end of 2021. We see four reasons why SCGP could benefit from the acquisition of Peute – RCP cost saving, lower RCP sourcing risk, RCP capacity expansion, and the reasonable acquisition cost that we estimate at 7x EV/EBITDA post the 2x capacity expansion by 4Q23 at the acquisition cost of €78.19m and EBITDA at €6.5m in 2021.

Well positioned to underline its growth roadmap

We think SCGP is positioned well to survive the coming storm of potential global recessions, rising costs of energy and "import parity" among continents or political blocs of the West, led by the US and the EU, and the East, led by the Russo-Sino twin. We think pricing power, cost control, and SCGP's position as a regional player will lead to more sustainable and gradually improving earnings in 2H22-24.

Still sanguine outlook in 2023

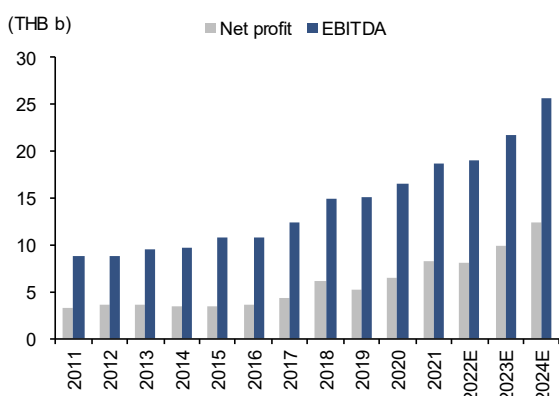
We lower our target price from THB70 to THB67, based on 16.1x 2023E EV/EBITDA, to reflect the higher y-y OCC and energy costs which should be partly offset by the higher selling prices that should gradually follow the rising costs thanks to SCGP's high pricing power. We lower our 2022-23E EPS by 16.3-21.8% to reflect our higher prices of RCP and pulp in 2022-24, higher selling prices for packaging papers, and higher sales.

Exhibit 1: SCGP's EBITDA margin outlook in 2Q-4Q22

Value chain	Business segment	Capacity	EBITDA margin (q-q)	Key drivers	Countries impacting	Key companies under SCGP group
Integrated packaging	Packaging paper	3.22 mtpa	(+)	Lower testliner price despite lower AOCC price	China, US	Siam Craft, Thai Cane Paper (Thailand), VinaCraft (Vietnam), United Pulp & Paper (Philippines), Fajar (Indonesia)
	Corrugated box	1.38 mtpa	(+)	Higher price	Vietnam	Thai Containers Group
	Total	4.60 mtpa	(+)			
Polymers	Flexible packaging	952 m m2/yr	(+)	Higher price		Prepack (Thailand), Batico (Vietnam)
	Rigid packaging	143 ktpa	(+)			Visy (Thailand), Conimex (Thailand), Duyton (Vietnam)
	Medical supplies & lab ware	250 m pieces /year	(+)			Deltalab (Spain)
Fibrous chain	Pulp	0.3 mt	(+)	Lower freight	Higher demand	Phoenix Paper, Thai Paper (Thailand)
	Printing & writing	0.4 mt	(-)	WFH to WFO		Phoenix Paper, Thai Paper (Thailand)
	Food service packaging	0.05 mt	(+)	Higher demand for F&B		Go-Pak (UK), Interpress Printers (Malaysia),
Total	0.75 mt	(+)				

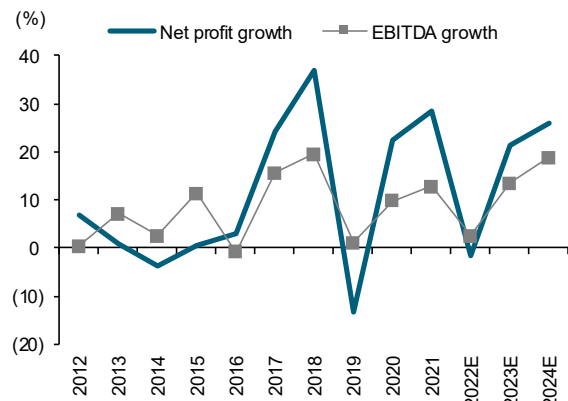
Sources: SCGP; FSSIA estimates

Exhibit 2: Net profit and EBITDA



Sources: SCGP; FSSIA estimates

Exhibit 3: Net profit margin and EBITDA growth



Sources: SCGP; FSSIA estimates

Results Comments

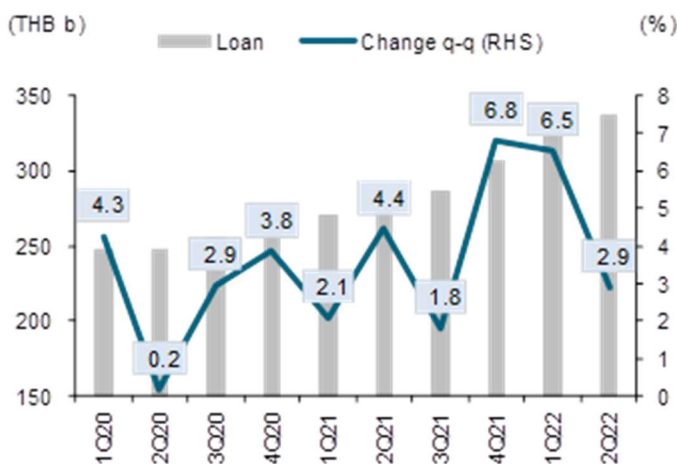
Kiatnakin Bank (KKP TB, BUY; 2023 TP THB82) - Solid loan growth and strong asset quality drove 2Q22 net profit

KKP reported an outperforming 2Q22 net profit of THB2,033m (+50% y-y, -1% q-q), beating the Bloomberg consensus estimate and our forecast by 8% thanks to better-than-expected expected credit loss (ECL). Its 1H22 net profit accounted for 54% of our 2022 net profit forecasts. Its 2Q22 operations were solid, driven by 1) a 2.9% q-q loan volume increase due largely to a rise in its hire purchase and housing loans; and 2) a significant lower ECL due to its sufficient provision cushion and efficient asset quality control, with a rise in NPLs by 8% q-q. These positives were able to offset a plummet 14% y-y and 22% q-q in its non-NII due mainly to a drop in brokerage and IB fees thanks to the lower capital market activities. Regarding losses on repossessed cars, it increased q-q due to the abnormally good level in 1Q22. Accordingly, our concern on this point is limited. Losses on repossessed cars remained in good shape, in our view.

2Q22 key highlights

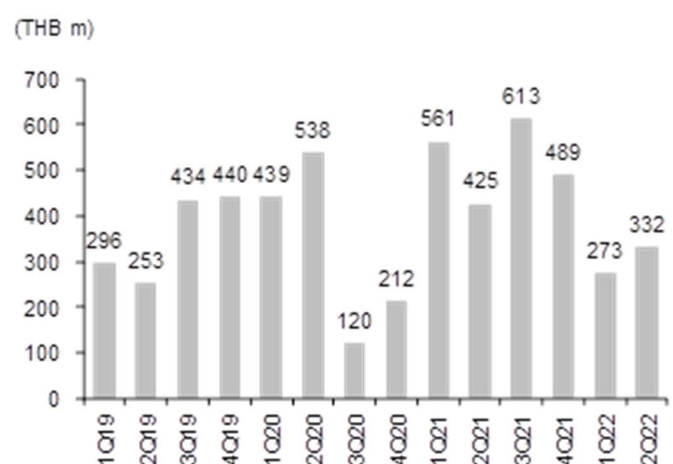
- Total loan volume increased by 2.9% q-q (19% y-y) from an increase in the hire purchase, and housing. Its new car lending penetration rate for the first five months of 2022 remained high at 5.5% vs 4.6% for TISCO, due mainly to its expansion into new business segments with higher asset quality.
 - NIM slightly fell to 4.08% from 4.16% in 1Q22 due to a low risk loan expansion.
 - Non-NII dropped by 14% y-y and 22% q-q due to a lower fee income and net gain on financial instruments designated at fair value through profit or loss.
 - Losses from repossessed car sales was at THB332m vs THB273m in 1Q22 and THB425m. The loss ratio per car was still in good shape.
 - Its 2Q22 coverage ratio remained at high level of 169%.
- We expect KKP to post a strong net profit growth y-y in 3Q22 (slightly drop q-q), supported by 1) a continued outstanding NII following a rise in its loan volume; 2) an increase in its fee income from IB deal; and 3) lower losses from repossessed car sales due to solid demand in used cars. We believe these positives should completely offset a gradual rise in its cost of funds from the potential rate hikes.
 - Maintain BUY call.

Exhibit 4: Quarterly loan growth



Sources: KKP; FSSIA's compilation

Exhibit 5: Losses from repossessed car sales



Sources: KKP; FSSIA's compilation

Exhibit 6: KKP – 2Q22 results review

Year-end Dec 31	2Q21	1Q22	2Q22	--- Change ---		----- 1H22 -----			2022E	Change	Comments
	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y %)	%22E	(THB m)	(y-y %)	
Net interest income	3,794	4,304	4,475	18	4	8,779	15	50	17,674	13	
Non-interest income*	1,941	2,137	1,672	(14)	(22)	3,809	2	49	7,724	(10)	
Operating income*	5,735	6,441	6,147	7	(5)	12,589	11	50	25,398	5	
Operating expenses	2,678	2,793	2,818	5	1	5,611	7	49	11,461	2	
PPOP before tax*	3,058	3,648	3,329	9	(9)	6,977	15	50	13,937	7	
Provision	1,378	1,066	812	(41)	(24)	1,878	(28)	41	4,533	(13)	
Income tax	322	521	481	50	(8)	1,002	60	56	1,787	24	
Minority interest	4	6	2			9		19	46	23	
Normalised profit	1,354	2,055	2,033	50	(1)	4,089	45	54	7,572	20	
Extraordinary items	0	0	0			0			0		
Net profit	1,354	2,055	2,033	50	(1)	4,089	45	54	7,572	20	
EPS (THB)	1.60	2.43	2.40	50	(1)	4.83	45	54	8.94	20	
Asset quality ratio											
Gross NPLs (THB m) ex POCI**	9,652	9,483	10,270	6	8				10,825	14	
NPL ratios (%) ex POCI	3.40	2.90	3.00						3.16		
LLR/NPLs (%) ex POCI	160	181	169						165		
Credit cost (bp)	200	135	98						140		
Profitability ratio											
Cost to income ratio*	46.7	43.4	45.8						45.1		
Average yield (%)	5.42	5.10	5.06						5.5		
Cost of fund (%)	1.25	1.07	1.12						1.2		
Net interest margin (NIM)	4.33	4.16	4.08						4.4		
Non-int inc/total income	33.8	33.2	27.2						30.4		
Liquidity ratio											
Loan to deposit ratio	113.2	109.2	104.8						109.6		
Loan growth											
y-y	14.0	21.0	19.2						11.0		
q-q	4.4	6.5	2.9								

*Including share of profits from associates; ** POCI = Purchased or Originated Credit Impaired

Source: KKP; FSSIA estimates

TMBThanachart Bank (TTB TB, BUY; 2023 TP THB1.4) - 2Q22: soft top line cushioned by lower ECL

TTB reported a 2Q22 net profit of THB3,438m (+36% y-y, +8% q-q), which was 12% higher than Bloomberg's consensus estimates our forecast thanks to lower expected credit losses (ECL). Its 1H22 net profit accounted for 53% of our 2022 net profit forecast. A strong 2Q22 net profit was driven mainly by a drop in its ECL due to a lower NPLs of 2% q-q and sufficient provision cushion. Its coverage ratio was relatively stable at 133%. As for its top line, we saw a slight improvement – with -1% y-y and 1% q-q in operating income. But this remained in soft territory, in our view. Loan volume increased by 1.9% q-q from retail and corporate segments, while its NIM fell slightly to 2.81% due to parking excess liquidity in low return investment. Its fee income increase 9% y-y and 7% q-q from bancassurance fee. Regarding OPEX, it was in the rising trend, with 4% q-q increase. TTB is expanding its retail business unit, called TTB Consumer. Also, it is in a digital investment phase.

2Q22 key highlights

- Total loan volume increased by 1.9% q-q (2.5% y-y) from an increase in the hire purchases, housing loans, unsecured loans, short-term government loans, and trade finance loans.
 - NIM slightly fell to 2.81% from 2.86% in 1Q22 due to parking excess liquidity in low return investment.
 - Non-NII rose by 5% y-y and 3% q-q due to a higher bancassurance fee. This was able to offer a lower mutual fund fee from unfavourable capital market environment.
 - Loan under forbearance program was at 12% of total loans, lower from 13% in 1Q22, of which 8% were orange scheme and 3% were blue scheme.
 - Its 2Q22 coverage ratio remained relatively stable at 133%.
- We think TTBs net profit in 3Q22 should decline q-q (still surge y-y from low base) due to 1) an increase in its OPEX from its investment in digital channels; and 2) an elevated provision as we expect that the debt repayment ability of TTB's clients should be reduced from the high inflation environment due to the high concentration of SME and retail segments – 66% of total portfolio.
 - Maintain BUY at TP of THB1.4.

Exhibit 7: TTB – 2Q22 results review

Year-end Dec 31	2Q21	1Q22	2Q22	Change		1H22E			2022E	Change	Comments
	(THB m)	(THB m)	(THB m)	(y-y%)	(q-q%)	(THB m)	(y-y %)	%22E	(THB m)	(y-y %)	
Net interest income	12,782	12,409	12,414	(3)	0	24,823	(3)	48	51,442	1	
Non-interest income	3,309	3,365	3,475	5	3	6,840	(10)	44	15,632	8	
Operating income	16,091	15,774	15,889	(1)	1	31,663	(5)	47	67,074	2	
Operating expenses	7,593	6,987	7,262	(4)	4	14,249	(10)	46	30,658	(2)	
PPOP before tax	8,498	8,787	8,627	2	(2)	17,414	0	48	36,416	6	
Provision	5,491	4,808	4,382	(20)	(9)	9,190	(16)	44	21,068	(2)	
Income tax	472	784	807	71	3	1,591	41	57	2,781	20	
Minority interest	1	(0)	0			(0)		(0)	4	44	
Normalised profit	2,534	3,195	3,438	36	8	6,633	25	53	12,563	20	
Extraordinary items	0	0	0			0			0		
Net profit	2,534	3,195	3,438	36	8	6,633	25	53	12,563	20	
EPS (THB)	0.03	0.03	0.04	35	8	0.07	25	53	0.13	20	
Asset quality ratio											
Gross NPLs	43,543	42,144	41,331	(5)	(2)				46,333	10	
NPL ratios (%)	2.89	2.73	2.63						3.03		
LLR/NPLs (%)	125	132	133						127		
Credit cost (bp)	160	141	127						152		
Profitability ratio											
Cost to income ratio	47.2	44.3	45.7						45.7		
Average yield (%)	3.72	3.61	3.60						3.7		
Cost of fund (%)	0.87	0.87	0.90						0.9		
Net interest margin (NIM)	2.96	2.86	2.81						3.0		
Non-int inc/total income	20.6	21.3	21.9						23.3		
Liquidity ratio											
Loan to deposit ratio	102.6	100.4	99.8						103.1		
Loan growth											
y-y	(1.7)	(1.0)	2.5						2.0		
q-q	(1.6)	(0.4)	1.9								

*Including share of profits from associates
Source: TTB; FSSIA estimates

Economic news

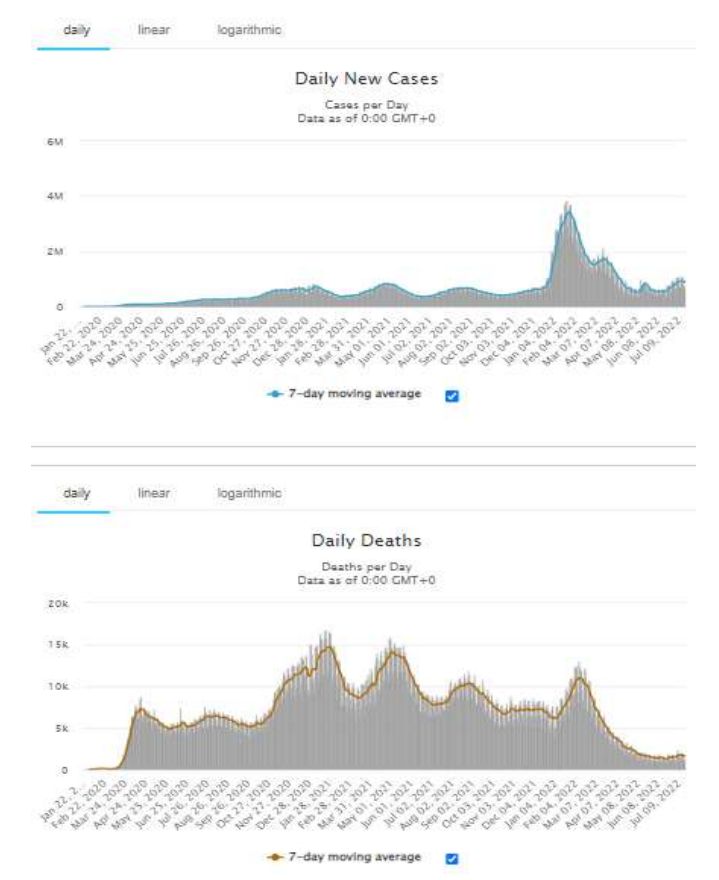
- COVID-19 cases as of 20 Jul globally reaches **570,420,104** with new 747,668 cases and 1,448 new deaths. There are 22,591,416 currently infected patients, with 40,419 (0.2%) cases in serious condition.

Exhibit 8: Top 25 countries by new cases

Country	Total Cases	New Cases	Total Deaths	New Deaths
World	570,420,104	747,668	6,393,413	1,448
1 France	33,258,481	89,982	151,104	125
2 Italy	20,385,814	86,067	170,370	157
3 Japan	10,469,440	81,362	31,643	33
4 S. Korea	18,937,971	76,378	24,777	12
5 USA	91,673,561	63,857	1,050,172	216
6 Brazil	33,454,294	56,254	676,217	288
7 Australia	8,912,149	48,971	10,884	90
8 Mexico	6,488,358	34,095	326,657	134
9 Taiwan	4,337,076	27,196	8,318	57
10 India	43,819,662	16,043	525,825	
11 Austria	4,644,055	14,014	18,971	13
12 New Zealand	1,530,186	10,696	1,837	34
13 Singapore	1,626,360	10,293	1,463	3
14 Hungary	1,951,079	10,255	46,736	40
15 Iran	7,296,635	7,093	141,564	32
16 Chile	4,152,475	7,023	59,146	6
17 Romania	2,981,659	6,779	65,836	12
18 Guatemala	997,980	6,723	18,860	9
19 Israel	4,531,690	6,239	11,208	
20 Portugal	5,307,141	5,852	24,503	16
21 Bolivia	979,738	5,733	21,991	2
22 Russia	18,504,729	5,685	381,997	37
23 Malaysia	4,635,648	5,685	35,878	8
24 Indonesia	6,149,084	5,653	156,875	10
25 Netherlands	8,296,783	4,509	22,446	7
31 Thailand	4,565,854	2,886	31,053	19

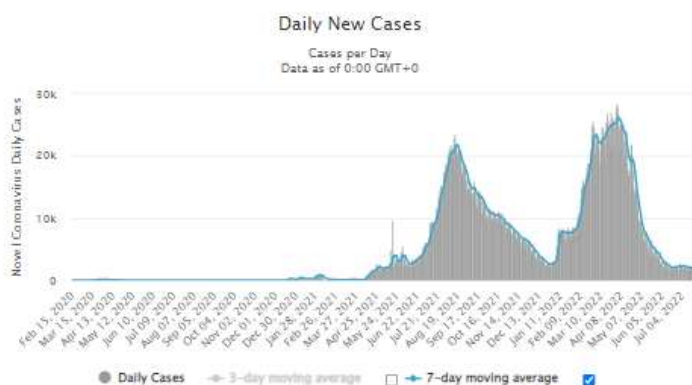
Source: worldometers.info

Exhibit 9: Global by new cases and deaths

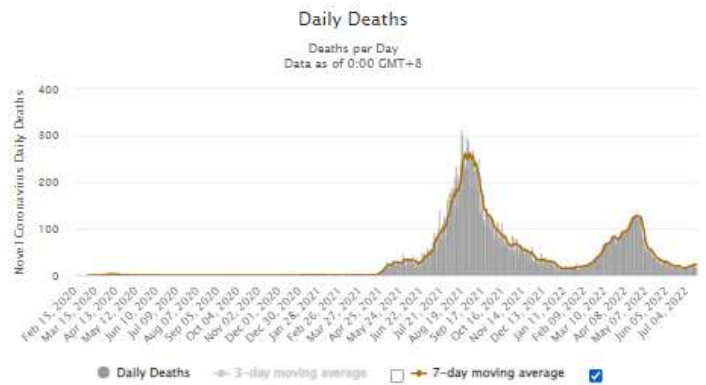


Source: worldometers.info

Daily New Cases in Thailand



Daily New Deaths in Thailand



- Industrial mood rises for first time in 3 months** BANGKOK POST: Thailand's industrial sentiment picked up for the first time in three months in June thanks to an easing of Covid-19 restrictions and improved economic activity, an industries group said on Wednesday. The Federation of Thai Industries (FTI) said its industries sentiment index rose to 86.3 points in June from 84.3 in May. However, negative factors continue to affect sentiment, including rising raw materials and energy prices, supply shortages and a global economic slowdown, the group said. The impact of a recession and weakening global purchasing power on Thai exports will also be monitored, FTI chairman Kriengkrai Thiennukul told a news conference. "If there is no big impact, and we get more foreign tourists, I believe our GDP will get better," he said.
- Central bank to ensure uninterrupted economic recovery** BANGKOK POST: Thailand's economy has clearly recovered and the Bank of Thailand (BoT) will ensure the recovery is not interrupted by efforts to tackle higher inflation, BoT governor Sethaput Suthiwartnarueput said on Wednesday, amid expectations of an interest rate hike. Economic recovery is expected to continue while the financial system remains strong and functioning normally, Mr Sethaput told a business event

on Wednesday. The economic context has largely changed compared with during the Covid-19 crisis, so all sectors must adapt in the face of higher inflation, policy adjustments going on in major economies and geopolitical problems, he said. Monetary policies and measures need to be adjusted to match the economic and financial conditions and a new risk balance that gives more weight to inflation by "focusing on continual economic recovery without interruption," Mr Sethaput said.

- **Shippers shrug at Myanmar loan rule, Exports to next door neighbour slight** BANGKOK POST: The Central Bank of Myanmar's order for companies and individual borrowers to suspend repayment of foreign loans, the latest in a series of steps to shore up the nation's dwindling foreign exchange reserves, is unlikely to have a significant impact on Thai exports, says the Thai National Shippers' Council (TNSC). According to Chaichan Chareonsuk, chairman of the TNSC, Thai exports to Myanmar represented only 1.6% of Thailand's total exports or US\$4.3 billion last year, meaning the impact of Myanmar's foreign loan repayment measure should be minor. Key export products were mainly finished oil, beverages, chemicals, plastic pellets, steel products, cosmetics, soap and skincare products. According to Mr Chaichan, Myanmar's measure is also unlikely to affect border trade as transactions are mostly handled in cash before product delivery. "What is of greater concern right now is Myanmar's strict import policy applied for the last 10 years, as it causes inconvenience in exporting goods to the country," he said.
- **FTI, KBank gauge effect on Thai investors** BANGKOK POST: The Federation of Thai Industries is assessing the impact on Thai investors in Myanmar after authorities in that country ordered companies there to suspend debt payments for foreign loans. Myanmar's central bank instructed companies and individual borrowers to suspend paying principal and interest to foreign lenders in a move to slow Myanmar's decreasing foreign exchange reserves, according to media reports. Thai companies have major investments in the banking, hospital, hotel and manufacturing sectors in Myanmar. Kattiya Indaravijaya, chief executive at Kasikornbank (KBank), said the bank's representative office in Myanmar would not be affected by the latest instruction from the Myanmar central bank ordering local companies and banks to suspend and reschedule repayment of foreign loans to exert control over foreign currency flows. The Central Bank of Myanmar ordered companies with up to 35% foreign ownership to convert foreign exchange into the local currency, state media reported on Monday, extending a rule aimed at relieving pressure on the kyat to include more businesses. Both KBank and large Thai corporations investing overseas understand the business and political risk of each country, she said. As a result, the bank believes corporate customers investing in Myanmar can manage regulations from Myanmar government agencies, said Ms Kattiya. As for KBank, it slowed its business expansion in Myanmar, waiting for a clearer picture of the overall environment in the neighbouring country, she said. Ms Kattiya said the bank is maintaining its goal of becoming a regional bank through the digital platform.
- **Travel agents push trips to Malaysia, 100 firms take part in familiarisation jaunt** BANGKOK POST: The Thai Travel Agents Association (TTAA) wants to spur more outbound trips to Malaysia through the exchange of tourist flow to support the recovery trajectory following the border's reopening. Charoen Wangananont, TTAA president, said Malaysia is a major market that can support two-way tourism with Thailand, as seen by the current influx of Malaysian tourists. Outbound trips to Malaysia are mostly to border provinces that have casinos or duty-free shopping, but shopping destinations that used to attract Thai tourists such as Langkawi have lost their appeal because the prices are similar to Thailand, said Mr Charoen. He said Malaysia still has more products, particularly adventure tourism for the young generation in Kota Kinabalu. This trend was growing before being interrupted by Covid-19.
- **City Hall opens new field hospitals, Capital prepares for surge in Covid cases** BANGKOK POST: Bangkok City Hall has opened two new field hospitals with a total of 500 beds for Covid-19 patients with mild symptoms. Bangkok governor Chadchart Sittipunt on Wednesday met non-governmental organisations such as the Zendai Foundation and Sai Mai Tong Rod group to improve guidelines on how to best manage the rising number of Covid-19 patients being treated by hospitals. Mr Chadchart said the BMA's affiliated hospitals have about 760 beds allocated for moderate-to-severe Covid-19 cases. As of Wednesday, about 47% of their beds were occupied, including 17 severe cases. When every hospital in Bangkok has been counted, the capacity to handle Covid-19 patients is 5,600 beds. At present, about 3,000 beds or 47% are occupied. Meanwhile, Dr Somsak Akksilp, director-general of the Department of Medical Services, said the occupied bed rate has gradually increased at the department's three affiliated hospitals -- Lerdsin, Rajavithi and Nopparat Rajathanee hospitals. He said the combined daily case from the three hospitals is about 1,500.

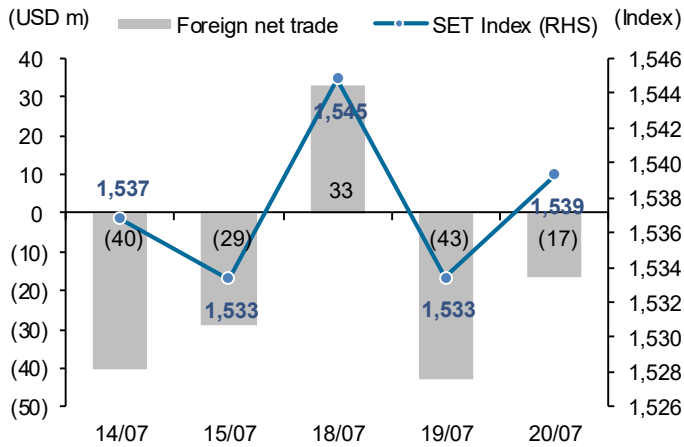
Corporate news

- **Investment companies face SET, MAI fundraising ban** BANGKOK POST: The Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) intend to ban investment management companies from raising funds on the SET and Market for Alternative Investment (MAI) to close regulatory loopholes and enhance investor protection. The SEC is conducting a public hearing to collect opinions on the new regulations. The hearing ends on Aug 18. Under the new guidelines, any investment management company, except for financial institutions, will be prohibited from offering and listing shares on the SET and MAI. According to the SEC, an investment company refers to any company that invests more than 40% of its assets in securities, derivatives, or digital assets without active management of such assets.
- **Siam Square hosts new green building, KLOUD by KBank offers free services** BANGKOK POST: Kasikornbank (KBank) and six partners on Wednesday jointly launched an "innovative iconic green building" named "KLOUD by KBank" at Siam Square. The six partners comprise Chulalongkorn University, Property Management of Chulalongkorn University, PTT Global Chemical Plc, Siam Cement Group's Cement-Building Materials Business, Advanced Info Service, and Thailand Greenhouse Gas Management Organization. Located at Siam Square Soi 7, the KLOUD by KBank building is meant to be a

prototype for a green area in Siam Square, according to KBank. The building aims to attract the new generation to use this area for knowledge sharing, learning and participating in fun activities that open up new opportunities and challenges for green citizens in the digital era, said the bank.

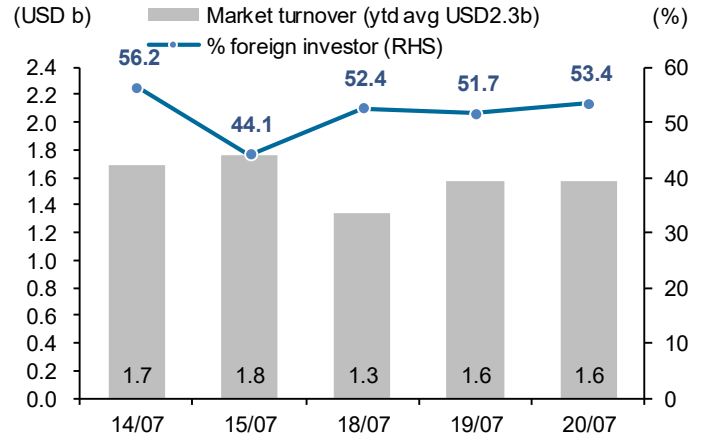
- **NBTC considers measure to let public block overseas scam calls** BANGKOK POST: The telecom regulator plans to consider forcing all mobile operators to install a system or application to allow users to block incoming phone calls from abroad to combat call centre scams. The proposal was made by a multilateral working group tasked with finding ways to tackle fraudulent call centres following its meeting on Tuesday. Once approved, mobile operators will have 60 days to comply or face a penalty. Prawit Leesathapornwongsa, head of the working group, said the proposal will be submitted to the board of the National Broadcasting and Telecommunications Commission (NBTC) next week as an urgent agenda item to address the problem.
- **Thailand lacking on cybersecurity** BANGKOK POST: Thailand was ranked 41st out of 66 countries for the world's best destinations for remote work, weighed down by low scores in cybersecurity and English proficiency, according to a new report conducted by NordLayer, a network access security solution provider. Germany topped the ranking, followed by Denmark and the US. European nations filled out fourth to eighth in the rankings, comprising Spain, Lithuania, the Netherlands, Sweden and Estonia, respectively. Singapore was ranked ninth, followed by France. The Global Remote Work Index assessed and compared the countries using four dimensions: cybersecurity; economic and social conditions; digital and physical infrastructure; and Covid-19 response.
- **Crypto exchange Zipmex suspends withdrawals** BANGKOK POST: Crypto exchange Zipmex shuts down, then reopens app for trade wallet transactions only; all holdings in its "Z Wallet" frozen due to "liquidity problems with partners", including Celsius. In a statement via its Facebook account, Zipmex Thailand attributed the decision to "market fluctuations, incidents in the industry and financial problems of main business partners which are beyond the company's control." The decision was aimed at maintaining the stability of the platform, the company said. It apologised for the incident. The Securities and Exchange Commission ordered the company to clarify the issue without delay, protect clients and comply with relevant laws.
- **Starbucks operator to restart expansion in Thailand** BANGKOK POST: US coffee giant Starbucks looks set to open 30 new coffee shops in Thailand per year from 2022-2024 to sustain its business growth in the country. According to Nednapa Srisamai, managing director of Starbucks Thailand, the local operator of Starbucks, the company is ready to resume expansion this year following improving sales in the first half. The company plans to open 30 new Starbucks coffee shops in 2022, the same level as before the pandemic, and maintain that number of launches over the next two years. Ms Nednapa said the firm adapted to Covid-19 outbreaks by opening more drive-thru stores and launching innovative beverages in response to health trends.
- **Bullish Standard targets 2nd-tier cities** BANGKOK POST: Standard International, a hospitality subsidiary of SET-listed developer Sansiri Plc, plans to tap second-tier cities like Ayutthaya and Rayong with Bunkhouse, its boutique brand. Srettha Thavisin, chairman of Standard International, said Thailand had a number of attractive destinations, particularly in second-tier cities which needed to be promoted as tourist attractions to lengthen foreign travellers' stays to longer than a few days. "Thailand wants to boost its economy through the tourism sector, so we should build up second-tier cities to attract foreign travellers, not just major destinations like Bangkok, Phuket or Samui," he said. Attractive second-tier cities include Ayutthaya, Sukhothai, Chiang Rai, Chiang Mai, Rayong, Ranong, Chumphon, Krabi, Hua Hin and Nan.

Exhibit 10: Foreign fund flow and SET Index



Source: Bloomberg

Exhibit 11: Foreign participation



Source: Bloomberg

Exhibit 12: Index performance

	SET Index		Index performance (% change)								
	Index	(%chg)	Energy	Bank	Comu	Commerce	Food	Property	Construct	Transport	Petrochem
% of SET Index			23%	9%	9%	10%	6%	6%	4%	8%	3%
Current	1,539.32	0.4	0.1	(0.6)	1.2	(0.0)	0.3	(0.2)	(0.7)	0.5	0.6
-5D	1,546.80	(0.5)	(0.1)	(4.3)	0.7	(1.5)	(2.2)	(0.4)	(1.4)	(0.5)	(0.7)
-1M	1,574.52	(2.2)	(1.2)	(7.7)	(2.1)	(2.6)	(4.0)	(2.0)	0.1	(1.4)	(4.8)
-3M	1,690.55	(8.9)	(4.3)	(13.1)	(21.1)	(14.6)	(3.0)	(8.5)	(1.4)	(0.5)	(7.5)
-6M	1,652.73	(6.9)	(5.0)	(18.0)	(9.9)	(6.7)	(4.4)	(4.6)	(6.5)	4.7	(12.2)
-1Y	1,540.88	(0.1)	6.3	6.9	19.1	(7.0)	(8.5)	7.6	(12.6)	7.5	(4.0)
WTD	1,533.37	0.4	0.8	(0.9)	0.5	(1.0)	(1.9)	0.7	(0.7)	0.4	1.9
MTD	1,568.33	(1.8)	(0.2)	(7.0)	0.4	(2.0)	(3.9)	(2.1)	(2.4)	(1.8)	(3.8)
QTD	1,568.33	(1.8)	(0.2)	(7.0)	0.4	(2.0)	(3.9)	(2.1)	(2.4)	(1.8)	(3.8)
End of 2021	1,657.62	(7.1)	(3.2)	(17.3)	(9.6)	(8.6)	(4.5)	(4.3)	(7.7)	5.3	(10.3)

Source: Bloomberg

Exhibit 13: 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)
2021	1,657.62	14.4	32.00	88,443	2,764	(1,632)	3,630	435	(2,330)	6,550
2022YTD	1,539.32	(7.1)	33.97	78,180	2,302	3,401	(426)	37	(3,011)	3,247
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	1,657.62	14.4	33.38	79,917	2,394	845	213	32	(1,089)	3,348
1Q22	1,695.24	6.8	33.04	89,343	2,704	3,369	(902)	32	(2,495)	2,613
2Q22	1,568.33	(1.2)	34.40	70,765	2,057	72	126	10	(212)	663
3Q22	1,539.32	(4.1)	36.22	58,392	1,612	(41)	350	(5)	(303)	(29)
Jan-22	1,648.81	12.4	33.22	87,540	2,635	432	221	104	(756)	2,434
Feb-22	1,685.18	12.6	32.65	91,300	2,796	1,931	(863)	142	(1,208)	2,201
Mar-22	1,695.24	6.8	33.26	89,189	2,682	1,006	(260)	(215)	(531)	(2,023)
Apr-22	1,667.44	5.3	33.83	71,959	2,127	321	109	(40)	(391)	227
May-22	1,663.41	4.4	34.39	73,281	2,131	592	(771)	50	128	876
Jun-22	1,568.33	(1.2)	34.97	67,056	1,917	(841)	789	1	50	(440)
Jul-22	1,539.32	1.1	36.22	58,392	1,612	(41)	350	(5)	(303)	(29)
2022YTD	1,539.32	(7.1)	33.97	78,180	2,302	3,401	(426)	37	(3,011)	3,247
14/07/2022	1,536.82		36.52	61,695	1,690	(40)	115	1	(76)	(3)
15/07/2022	1,533.37		36.61	64,710	1,768	(29)	71	20	(62)	(48)
18/07/2022	1,544.81		36.61	49,093	1,341	33	(23)	11	(21)	(13)
19/07/2022	1,533.43		36.61	57,675	1,575	(43)	85	13	(55)	(36)
20/07/2022	1,539.32		36.66	57,500	1,568	(17)	(43)	1	58	(2)

Source: Bloomberg

Exhibit 14: Upcoming events

Date Time	Event		Survey	Actual	Prior
07/19/2022 07:25	Car Sales	Jun	--	--	64735
07/21/2022 23:30	Customs Exports YoY	Jun	10.05%	--	10.50%
07/21/2022 23:30	Customs Imports YoY	Jun	19.80%	--	24.20%
07/21/2022 23:30	Customs Trade Balance	Jun	-\$1316m	--	-\$1870m
07/22/2022 03:30	Forward Contracts	15-Jul	--	--	\$28.6b
07/22/2022 03:30	Foreign Reserves	15-Jul	--	--	\$218.6b
07/25/2022 07:29	Mfg Production Index ISIC NSA YoY	Jun	0.53%	--	-2.11%
07/25/2022 07:29	Capacity Utilization ISIC	Jun	--	--	62.42
07/29/2022 03:00	BoP Current Account Balance	Jun	--	--	-\$3716m
07/29/2022 03:30	Exports YoY	Jun	--	--	11.30%
07/29/2022 03:30	Exports	Jun	--	--	\$25598m
07/29/2022 03:30	Imports YoY	Jun	--	--	23.30%
07/29/2022 03:30	Imports	Jun	--	--	\$23612m
07/29/2022 03:30	Trade Balance	Jun	--	--	\$1985m
07/29/2022 03:30	BoP Overall Balance	Jun	--	--	-\$2105m
07/31/2022 20:30	S&P Global Thailand PMI Mfg	Jul	--	--	50.7
08/01/2022 03:30	Business Sentiment Index	Jul	--	--	50.5
08/04/2022 23:30	CPI YoY	Jul	--	--	7.66%
08/04/2022 23:30	CPI NSA MoM	Jul	--	--	0.90%
08/04/2022 23:30	CPI Core YoY	Jul	--	--	2.51%
08/08/2022 08:10	Consumer Confidence Economic	Jul	--	--	35.7
08/08/2022 08:10	Consumer Confidence	Jul	--	--	41.6
08/10/2022 03:00	BoT Benchmark Interest Rate	10-Aug	--	--	0.50%
08/14/2022 22:30	GDP SA QoQ	2Q	--	--	1.10%
08/14/2022 22:30	GDP YoY	2Q	--	--	2.20%

Source: Bloomberg

Exhibit 15: Management trading

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
Jaymart (JMART)	Ekachai Sukumvitaya	Common Shares	7/19/2022	612,100	43.16	Buy	26.42
Nusasiri (NUSA)	Pairoj Sirirat	Common Shares	7/15/2022	20,000,000	1.16	Sell	23.20
The Brooker Group (BROOK)	Kirin Narula	Warrant	7/18/2022	1,000,000	0.25	Sell	0.25
Prinsiri (PRIN)	Prinya Kovitchindachai	Common Shares	7/19/2022	559,800	2.90	Buy	1.62
RAJTHANEE HOSPITAL (RJH)	Wachira Wudhiprapan	Common Shares	7/19/2022	20,000	38.50	Sell	0.77
Saha Pathanapibul (SPC)	Vathit Chokwatana	Common Shares	7/1/2022	202,333	-	Transfer	n/a

Source: SEC

Exhibit 16: Upcoming XM

Symbol	X-Date	Meeting Date	Type of Meeting	Agenda	Venue
TQM	21/07/2022	18/08/2022	EGM	To consider and approve the appointment of one new director	Via online media at Integrity Room, 6th Floor, TQM Corporation Public Company Limited, 123 Punnipa1 Building, Ladplakao Road, Jorakhaebua, Ladprao, Bangkok
CIG	22/07/2022	18/08/2022	EGM	To Consider and Approve on partial business transfer of C.I. Group Public Company Limited to a subsidiary (CIG Blusolutions Company Limited),	at The master Meeting Room of C.I. Group Public Company Limited 1/1 M.7 Bangkoowad Road, Bangkoowad, A. Muang Pathumthani, Pathumthani 12000, Thailand.
JAS	22/07/2022	23/09/2022	EGM	Acquisition and disposition of assets	E-Meeting
ACC	26/07/2022	25/08/2022	EGM	To consider and approve the clearing of accumulated losses of the Company, To consider and approve the ratification of the compromise agreement and to withdraw the lawsuit, Black No. 269/2020, Red Case No. 2041/2020, Phra Khanong Criminal Court	Meeting via electronic media (E-EGM) broadcasted live at the Company's Head Office meeting room, 16th Floor, Mitrtown Office Tower, No. 944 Rama IV Road, Wang Mai Subdistrict, Pathum Wan District, Bangkok 10330
TNL	27/07/2022	23/08/2022	EGM	Capital increase, The issuance of convertible securities	Montien Riverside Hotel, Bangkok,
TGH	03/08/2022	26/08/2022	EGM	The change of the Company's seal, acknowledge the progress and approve the approach of non-life insurance business of the Company's group business	Through Electronic Meeting (E-EGM)
STARK	09/09/2022	12/10/2022	EGM	Acquisition and disposition of assets	Through Electronic Meeting (E-EGM)

Source: SET

Exhibit 17: Upcoming XR

Symbol	X-Date	Announce Date	Rights for	Subscription Price	Unit	Subscription Ratio (Holding:New)	Subscription Period	Allotted Shares (Shares)
MACO	04/08/2022	25/05/2022	Warrants	-	Baht	4 : 1	-	2029493030
BR	18/08/2022	05/07/2022	Warrants	-	Baht	2 : 1	-	456723279
JP	23/08/2022	28/06/2022	Warrants	-	Baht	2 : 1	-	227500000
MBAX	24/08/2022	29/06/2022	Warrants	-	Baht	3 : 1	-	63965047
SABUY	01/09/2022	24/06/2022	Warrants	-	Baht	5 : 2	-	616428376

Source: SET

Exhibit 18: Upcoming XD

Symbol	X-Date	Announce Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date	Par
VGI	26/07/2022	25/05/2022	0.02	Baht	01/10/2021 - 31/03/2022	NP	19/08/2022	0.1
LPF	27/07/2022	19/07/2022	0.2042	Baht	01/03/2022 - 31/05/2022	Both	16/08/2022	10.1948
DTAC	27/07/2022	15/07/2022	0.85	Baht	01/01/2022 - 30/06/2022	NP	15/08/2022	2
EPG	01/08/2022	30/05/2022	0.19	Baht	01/04/2021 - 31/03/2022	NP	19/08/2022	1
BTS	03/08/2022	30/05/2022	0.16	Baht	01/04/2021 - 31/03/2022	Both	23/08/2022	4
KYE	03/08/2022	16/06/2022	8.55	Baht	01/04/2021 - 31/03/2022	NP	22/08/2022	10
TMW	03/08/2022	07/06/2022	0.9	Baht	01/04/2021 - 31/03/2022	NP	22/08/2022	5
BLAND	03/08/2022	30/05/2022	0.03	Baht	-	RE	22/08/2022	1
PTL	05/08/2022	23/05/2022	0.34	Baht	01/04/2021 - 31/03/2022	NP	25/08/2022	1

Source: SET

Exhibit 19: New securities

ETFs	Trade Date	Market	Subscription on Date	IPO Price (Baht)	Listed Shares (Shares)
UBOT	21/07/2022	SET	04/07/2022 - 14/07/2022	10.05	200,000,000

Derivative Warrants	Trade Date	Underlying	Issuer	DW Type	Market	Maturity Date	Exercise Price (Baht)
BAM06C2211A	21/07/2022	BAM	KKPS	Call	SET	3/12/2022	20.6
BBL06C2211A	21/07/2022	BBL	KKPS	Call	SET	26/11/2022	162
CPF13C2212A	21/07/2022	CPF	KGI	Call	SET	14/12/2022	30
GPSC13C2212A	21/07/2022	GPSC	KGI	Call	SET	14/12/2022	85
IVL06C2211K	21/07/2022	IVL	KKPS	Call	SET	3/12/2022	56
IVL06P2211A	21/07/2022	IVL	KKPS	Put	SET	3/12/2022	32
KBANK06C2211A	21/07/2022	KBANK	KKPS	Call	SET	3/12/2022	180
KBANK24C2212A	21/07/2022	KBANK	FSS	Call	SET	9/12/2022	174
KBANK41C2211B	21/07/2022	KBANK	JPM	Call	SET	9/11/2022	170
KEX13P2212A	21/07/2022	KEX	KGI	Put	SET	9/12/2022	16
MEGA19C2212A	21/07/2022	MEGA	YUANTA	Call	SET	9/12/2022	62.67
OSP13C2212A	21/07/2022	OSP	KGI	Call	SET	14/12/2022	39.5
PTTEP06C2211A	21/07/2022	PTTEP	KKPS	Call	SET	26/11/2022	192
RBF13C2212B	21/07/2022	RBF	KGI	Call	SET	14/12/2022	15.8
RCL19P2212A	21/07/2022	RCL	YUANTA	Put	SET	9/12/2022	24.99
SCB06C2211K	21/07/2022	SCB	KKPS	Call	SET	3/12/2022	115
SCB41C2212A	21/07/2022	SCB	JPM	Call	SET	8/12/2022	115
SET5041C2209C	21/07/2022	SET50	JPM	Call	SET	5/10/2022	1,025.00
TISCO13C2212A	21/07/2022	TISCO	KGI	Call	SET	9/12/2022	112
TU24C2212A	21/07/2022	TU	FSS	Call	SET	9/12/2022	19.1
VGI19C2212B	21/07/2022	VGI	YUANTA	Call	SET	9/12/2022	5.73

Source: SET