

3 AUGUST 2022

SPOTLIGHT ON THAILAND

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- SIAM GLOBAL HOUSE (GLOBAL TB) - Decent second quarter; BUY TP THB26.40
- Thailand Energy - Limited impact from Myanmar gas pipeline accident
- PTT PCL (PTT TB) - Goodbye coal; BUY TP THB50.00
- BEC WORLD (BEC TB) - Expect a slowdown in 2Q22; Maintain BUY TP THB15.00

Economics

- COVID-19 cases as of 1 Aug globally reaches 583,666,571 with new 713,667 cases and 1,621 new deaths. There are 22,928,233 currently infected patients, with 42,160 (0.2%) cases in serious condition.
- China warns US will 'pay the price' if Pelosi visits Taiwan
- Chiang Rai tourism hit by airport closure
- Shippers' group poised to revise up forecast for export growth
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- Microsoft launches local innovation drive
- Taking a deep dive into the baht rebound
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- TAP Group launches 'Heineken Silver'
- Motorola rolls out broad range of new smartphones
- PTT sells Indonesian mines, Coal business sold to Astrindo for \$471m
- People Start Buying More Essentials at Dollar Stores
- Estée Lauder in Talks to Buy Luxury Brand Tom Ford

Indices	Index as of 2-Aug-22	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
Thailand SET	1,589	(0.3)	(4.1)	3,695
China SHCOMP	3,186	(2.3)	(12.5)	
Hong Kong HSI	19,689	(2.4)	(15.8)	
India SENSEX	58,136	0.0	(0.2)	(27,045)
Indonesia JCI	6,988	0.3	6.2	4,239
Korea KOSPI	2,440	(0.5)	(18.1)	(14,451)
MY FBMKLCI	1,495	(0.5)	(4.6)	
PH PCOMP	6,362	0.8	(10.7)	(860)
SG FSSTI	3,239	0.0	3.7	
Taiwan TWSE	14,747	(1.6)	(19.1)	(35,668)
VN VNINDEX	1,242	0.8	(17.1)	36
MSCI Emerging	984	(1.1)	(20.1)	
Nikkei 225	27,595	(1.4)	(4.2)	
FTSE 100	7,409	(0.1)	0.3	
CAC 40	6,410	(0.4)	(10.4)	
DAX	13,449	(0.2)	(15.3)	
Dow Jones	32,396	(1.2)	(10.8)	
Nasdaq	12,349	(0.2)	(21.1)	
S&P 500	4,091	(0.7)	(14.2)	
Brent	100.54	0.5	29.3	
Dubai	102.59	(2.3)	34.1	
WTI	94.42	(0.5)	24.9	
GOLD	1,760.39	(0.2)	(3.9)	
Trade data	Buy	Sell	Net	Share (%)
(THB m)	(THB m)	(THB m)	(THB m)	(THB m)
Foreign	29,841	27,158	2,683	48
Retail	19,704	20,069	(365)	33
Prop Trade	5,241	5,048	193	9
Local Institution	4,679	7,189	(2,510)	10
Total Trade	59,464	59,464	0	100
Rates	Last close	1M ago	End last yr	1yr ago
	8/2/2022	7/4/2022	12/31/2021	8/3/2021
THB/USD	36.23	35.71	33.21	33.02
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	2.44	2.80	1.89	1.54
Commodity	Last close	1M ago	End last yr	1yr ago
(USD/bbl)	8/2/2022	7/1/2022	12/31/2021	8/2/2021
Brent	100.54	111.63	77.78	72.89
Dubai	102.58	112.20	76.48	72.90
WTI	94.42	108.43	75.21	70.56
Gold	1,760	1,808	1,829	1,810
Baltic Dry	1,872	2,214	2,217	3,281
(USD/ton)	29-Jul-22	22-Jul-22	25-Dec-20	30-Jul-21
Coal	435.52	425.35	84.45	152.37
% change	2.4	7.9	415.7	185.8

* 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

SIAM GLOBAL HOUSE (GLOBAL TB) - Decent second quarter; BUY TP THB26.40

Strong sales offset higher cost in 2Q22

GLOBAL reported a strong 2Q22 net profit of THB1b, up 6% y-y but down 11% q-q, beating Bloomberg's consensus estimate by 3% and ours by 4%. Key drivers were 1) a higher retail sales margin of 26.4%, up from 25.9% in 2Q21 and 26.1% in 1Q22, mainly due to the rising sales of house brand products; 2) higher same store sales growth (SSSG); and 3) three new store openings. The operating margin dipped q-q to 14% in 2Q22, down from 14.7% in 1Q22 but up from 13.6% in 2Q21 due to higher distribution costs, mainly from higher utilities and transportation expenses.

Margins remained healthy

GLOBAL's product mix strategy is to increase its sales of house brand products which command a much higher gross margin than other products. This yielded a positive benefit in 2Q22, timely offsetting the rising costs of transportation as a result of the higher oil price and the initial large expenses related to the opening of three new stores in 1H22. We think GLOBAL's cost control remains effective, with SG&A to sales at 14.3% in 2Q22, slightly higher than 14.1% in 2Q21.

More stores, more growth

GLOBAL now operates 78 stores nationwide in Thailand, up three new stores in 1H22, and plans to open four more stores in 2H22 to achieve 82 branches by the end of 2022, rising to 89 in 2023 (+7 stores y-y), 97 in 2024 (+8), and 105 in 2025 (+8), according to the company's growth plan. In Southeast Asia, GLOBAL now has a presence in three countries, with three stores in the Philippines, seven stores in Laos, two stores in Cambodia, and 11 stores in Indonesia. It plans to add four new stores in Laos in 2022-25 to timely capture the demand growth potential following the recently opened high-speed train route connecting Vientiane and Kunming. In Indonesia, GLOBAL plans to add six new stores in 2022-25.

Still a good play on Thailand's domestic consumption recovery

We maintain BUY and our DCF-based target price of THB26.4. We think GLOBAL remains one of the attractive domestic plays for the ongoing demand recovery for construction materials and home improvement thanks to rising farm incomes.

Exhibit 1: Global – 2Q22 operations summary

Year to Dec 31	2Q21	1Q22	2Q22	-----Change-----		2Q22	-----1H22-----			2022E	Change
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	%22E	(THB m)	(y-y%)	%22E	(THB m)	(y-y%)
Total revenue	9,068	9,805	9,419	(3.9)	3.9	26	19,224	7.4	52	36,803	7.9
Retail sales	8,888	9,634	9,220	(4.3)	3.7	26	18,853	7.3	52	36,152	7.9
Other income	180	171	200	16.5	11.0	31	371	12.6	57	651	5.2
Cost of retail sales	6,587	7,117	6,781	(4.7)	3.0	25	13,899	6.5	51	27,114	8.2
Gross profit	2,481	2,688	2,638	(1.9)	6.3	217	5,326	10.0	55	9,689	7.1
Operating costs	(1,250)	(1,244)	(1,316)	5.8	5.3	25	(2,560)	8.0	48	(5,336)	11.0
Operating profit	1,232	1,444	1,322	(8.5)	7.3	30	2,766	12.0	64	4,352	2.6
Operating EBITDA	1,550	1,756	1,634	(6.9)	5.5	29	3,390	9.6	59	5,709	3.7
Other income/expenses	(0)	0	0	n/a	(100.0)	0	0	(100.0)	0	(1)	0.0
Interest expense	(46)	(45)	(47)	3.2	1.7	25	(92)	(2.5)	48	(190)	5.0
Profit before tax	1,185	1,399	1,275	(8.8)	7.6	31	2,674	12.7	64	4,162	2.5
Tax	(232)	(275)	(253)	(8.3)	9.0	31	(528)	15.4	65	(812)	3.6
Associates	20	39	9	(77.3)	(56.3)	9	48	58.1	46	105	30.0
Minority interests	(2)	(7)	(3)	(52.0)	84.8	20	(10)	25.8	61	(17)	7.9
Non-recurring items	0	0	0	n/a	n/a	n/a	0	-	-	0	n/a
Reported net profit	972	1,156	1,028	(11.1)	5.8	30	2,185	12.7	64	3,439	2.8
Recurring net profit	972	1,156	1,028	(11.1)	5.8	30	2,185	12.7	64	3,439	2.8
EPS (THB)	0.22	0.26	0.23	(11.1)	5.8	33	0.5	12.7	69	0.72	(1.4)
Recurring EPS (THB)	0.22	0.26	0.23	(11.1)	5.8	33	0.5	12.7	69	0.72	(1.4)
Key Ratios	(%)	(%)	(%)	(ppt)	(ppt)					(%)	(ppt)
Retail sales margin	25.9	26.1	26.4	0.3	0.6		26.3	2.3	105	25.0	(0.2)
Operating margin	13.6	14.7	14.0	(0.7)	0.5		14.4	4.3	122	11.8	(0.6)
Recurring net margin	10.5	11.5	10.9	(0.6)	0.3		11.2	4.3	123	9.1	(0.5)
SG&A / Sales	14.1	12.9	14.3	1.4	0.2		13.6	0.6	94	14.5	0.4
Effective tax rate	19.5	19.7	19.8	0.1	0.3		19.7	2.4	101	19.5	0.2

Sources: GLOBAL; FSSIA estimates

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Thailand Energy - Limited impact from Myanmar gas pipeline accident

A two-week disruption of the Zawtika gas supply is expected

According to PTTEP, on 1 Aug-22 there was an accident on PTTEP’s gas pipeline connecting Myanmar’s gas fields to Thailand in western Myanmar, which shares a long border with Thailand. The gas pipeline from Myanmar to Thailand is one of the key pipeline networks that transports around 700-900mmscfd of gas, or about 15-17% of Thailand’s total gas supply (2017-5M22), from three fields – Yadana, Zawtika, and Yetagun – according to the Department of Mineral Fuels.

Likely a small impact on PTTEP in 3Q22

While details of the accident remain unconfirmed and undisclosed, we estimate three potential outcomes with implications for PTTEP’s earnings. Under our first case, we assume that the gas supplies will be cut for two weeks (60% gas flow with only Yadana still supplying gas). In our second case, we assume zero gas transmission as all three gas fields halt operations. Under our third case, gas flows fall to 40% with only Zawtika halting operations (250mmscfd as of 1Q22). We find that the impact on PTTEP’s net profit in 3Q22 would be THB0.2b (0.8% of 3Q22E net profit of THB24b) under case 1, THB0.35b (1.5%) under case 2, and THB0.1b (0.6%) under case 3.

Hydropower plants could quench spot LNG gas thirst in 3Q22

As heavy consumers of gas, we think the gas supply disruption on the Myanmar-Thailand route could pose a downside risk for the earnings of small power producers (SPPs) in terms of higher gas costs. However, we expect the gas cost to rise by no more than THB10/mmbtu, up from our THB42/mmbtu estimate in 2Q22, thanks to the limited imports of spot LNG at 1mt in 3Q22 vs the 0.9mt imported in 2Q22 and 1.1mt in 1Q22. We think this is the result of 1) seasonally higher electricity production at hydropower plants in Laos, from which Thailand imported around 10-15% of its total electricity consumption of 26-27GW as of 1Q22; and 2) more electricity being generated using alternative fuels including diesel, high sulphur fuel oil, and coal, given the high global spot LNG price of over USD42/mmbtu as of 1 Aug-22, up from USD28/mmbtu on average in 2Q22, and USD30/mmbtu in 1Q22.

Too soon to call a downside from higher imports of LNG

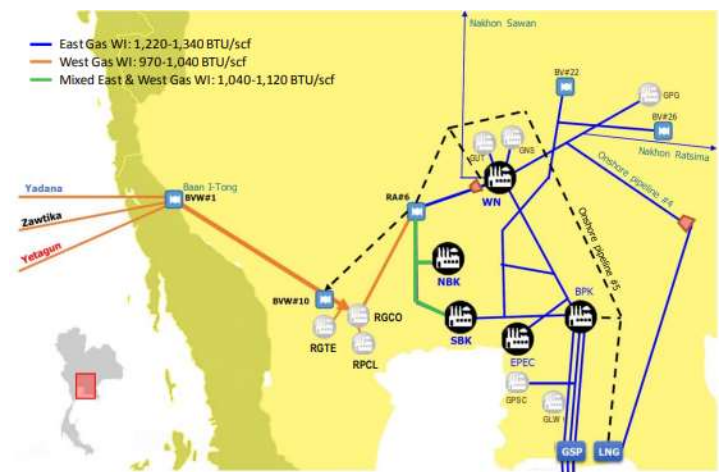
We maintain a positive view on the earnings outlook for Thailand’s SPPs, with BGRIM and GPSC our top picks in the sector, given 1) the limited impact of the gas pipeline accident due to the season; 2) the THB0.6866 hike in the fuel tariff (Ft) by the Energy Regulatory Commission for Sep-Dec 2022; and 3) the likelihood of further hikes in the Ft in 2023 given the soaring energy subsidy deficit of cTHB100b as of Jul-22.

Exhibit 2: Map of gas pipelines from Myanmar to Thailand



Source: PTTEP

Exhibit 3: Thailand’s gas pipeline network



Source: PTTEP

PTT PCL (PTT TB) - Goodbye coal; BUY TP THB50.00

Coal divestment is finally announced

On 2 August 2022, PTT announced the divestment of its 100% stake in PTT Mining Limited (PTTML) to PT Astrindo Nusantara Infrastruktur (Astrindo, AMI IJ), a listed coal producing company on the Indonesia Stock Exchange. Acquired since March 2009, PTT will divest PTTML for USD471m and the transaction is expected to be completed within 4Q22.

Neutral on the coal divestment, both financially and strategically

We are neutral on this divestment. Strategically, PTT will now fully divest its entire coal business to be aligned with its strategy towards higher sustainability and clean energy. Financially, we estimate that PTT would gain or lose only marginally from this divestment in the range of a USD20m-50m gain or loss, considering that the book value as of 1Q22 is USD580m, after an impairment of USD980m out of the USD1.7b investment cost that PTT paid for the assets. However, the final price will be the net value after the dividend paid to PTT during 2H22 for the operational performance in 2021 of around USD0.1b, and the working capital of USD50m-100m, compared to the USD471m divestment price.

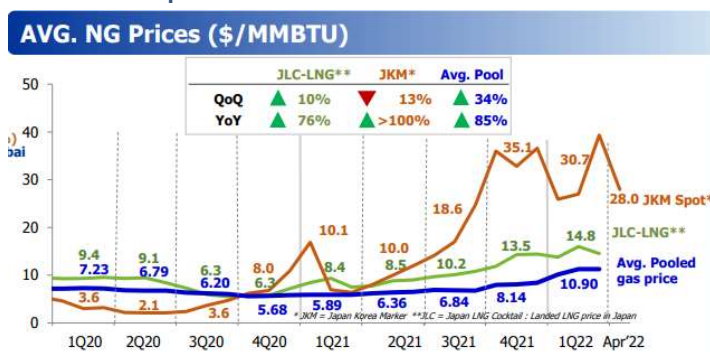
LNG import dilemma

In 1H22, PTT imported 2mt of spot LNG, comprising 1.1mt in 1Q22 at an average price of USD30/mmbtu and 0.9mt in 2Q22 at an average price of USD28/mmbtu, based on our estimates. However, given the current spike in the global spot LNG price to USD43/mmbtu, equivalent to a USD250/bbl oil price, we think that PTT, under the mandate of the Energy Regulatory Commission (ERC), may not import up to 2.5mt of spot LNG in 2H22 as it had originally planned. Management indicated that the ERC is now likely to require PTT to import 1.5-2.0mt or lower of spot LNG to keep the energy cost low for electricity. Thailand also plans to import more low-cost electricity produced by hydropower plants in Laos, mainly from the 1.2GW Xaiyaburi power plant with an average tariff of THB2.0-2.2/kWh vs cTHB6/kWh for spot LNG-based electricity.

Still in the restructuring phase

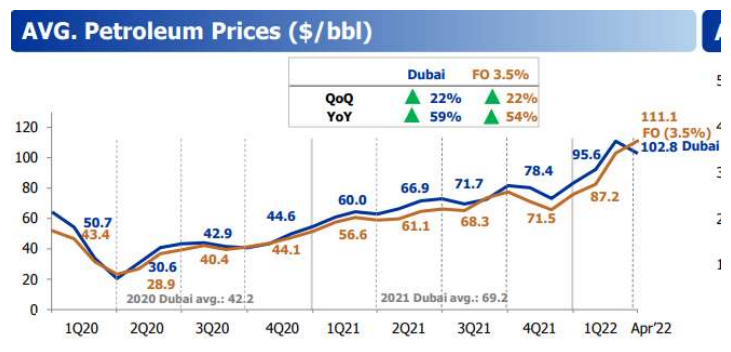
Maintain BUY but prefer PTTEP (BUY TP THB180) over PTT as an oil play due to PTT's earnings downsides from subsidies and the lower pricing power of the long-monopolised gas business.

Exhibit 4: Average pool gas price vs JKM spot LNG and JLC contract LNG prices



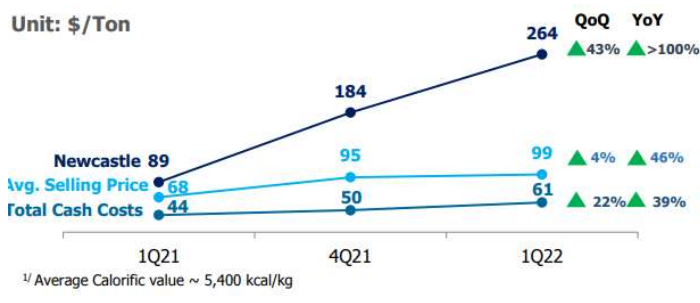
Source: PTT

Exhibit 5: Average gas price vs high sulphur fuel oil price



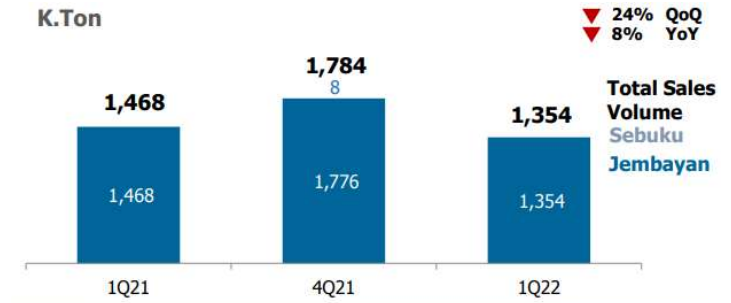
Source: PTT

Exhibit 6: Average selling price of coal for PTT's mines



Source: PTT

Exhibit 7: Coal sales volumes of PTT's mines



Source: PTT

BEC WORLD (BEC TB) - Expect a slowdown in 2Q22; Maintain BUY TP THB15.00

Unexciting earnings in 2Q22 expected

With the expectation of the advertising rate at THB74k/min and a 71% utilisation rate, we forecast BEC's TV revenue in 2Q22 to grow by only 5% q-q to THB1.15b. Moreover, with a small q-q improvement expected in the copyright business to THB165m (+14% q-q, -42% y-y), BEC's revenue should grow slightly by 6% q-q to THB1.3b (-13% y-y). We expect that the company's GPM should increase slightly in line with the growth in copyright revenue to 30.4% vs 29.5% in 1Q22. Thus, we expect BEC's 2Q22 core earnings to grow by 11% q-q to THB162m (-14% y-y).

Challenging outlook for copyright business

The copyright business, which includes global content licensing and digital revenue, has generated revenue more slowly than our expectation. BEC commented that it should improve in 2H22. However, due to the concern over the Thai economic outlook and high inflation which could hurt advertising expenditure (adex), we believe BEC may not yet decide to air a flagship drama series on its channel, as the full potential for revenue generation may be underutilised. This could lead to a delay in potential content sales in the future as well.

Earnings estimate cuts

With the concern we mentioned above, together with the economic slowdown trend, we revise our revenue estimate for 2022 down by 7% to THB6.1b (+8% y-y), mainly on both the TV and copyright businesses. In addition, we maintain our cost of production assumption, leading to a lower estimated GPM of 30.6% in 2022 vs our previous expectation of 33.5%. As a result, we cut our earnings estimates for this year and next by 24%/23% to THB816m/THB997m. With these projections, we believe BEC's core earnings for this year should be flattish from last year.

Maintain BUY with a new 2023 TP of THB15

We roll over our TP to 2023 at THB15, pegged to 30x P/E (mean P/E) from 35x, in order to reflect the unclear outlook for the company. In our view, 2H22 should be a challenging period for BEC. Our BUY recommendation is maintained. The company still has hopes that the economic situation should gradually improve at the end of this year into next year. The copyright business could be an upside risk for BEC.

Exhibit 8: BEC - 2Q22 results preview

	2Q21	1Q22	2Q22E	Change		1H21	1H22E	Change	2022E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
TV	1,222	1,096	1,150	4.9	(5.9)	2,397	2,246	(6.3)	5,100
Copyrights	282	145	165	13.9	(41.6)	416	310	(25.5)	942
Others	-	-	-	0.0	0.0	-	-	n.a.	80
Revenue	1,505	1,241	1,315	6.0	(12.6)	2,813	2,556	(9.1)	6,122
Operating costs	(1,048)	(875)	(915)	4.6	(12.7)	(2,021)	(1,790)	(11.4)	(4,249)
Gross profit	457	366	400	9.3	(12.5)	792	766	(3.3)	1,873
SG&A expenses	(208)	(173)	(185)	7.1	(11.1)	(355)	(358)	0.9	(812)
EBIT	249	193	215	11.4	(13.6)	437	408	n.a.	1,061
Depreciation & amortisation	578	468	465	(0.7)	(19.5)	1,116	933	(16.4)	2,025
EBITDA	827	661	680	2.8	(17.7)	1,554	1,341	(13.7)	3,086
EBITDA margin (%)	55	53	52	nm	nm	55	52	nm	50
Interest expense	(24)	(24)	(26)	8.5	5.8	(48)	(49)	1.7	(92)
Other income	12	14	13	(5.5)	6.4	23	27	15.7	51
Extra items	(3)	28	-	n.a.	n.a.	(6)	28	n.a.	-
Pretax profit	234	211	202	(4.0)	(13.6)	406	413	n.a.	1,020
Tax	(50)	(37)	(40)	9.3	(18.4)	(83)	(78)	(6.4)	(204)
Tax rate (%)	(21)	(18)	(20)	nm	nm	(20)	(19)	nm	(20)
Minority interests	-	0	-	n.a.	n.a.	0	0	33.3	-
Net profit	185	174	162	(6.8)	(12.3)	324	336	3.8	816
Core net profit	187	146	162	10.8	(13.5)	329	308	(6.4)	816
EPS (THB)	0.09	0.09	0.08	(6.8)	(12.3)	0.16	0.17	3.8	0.41
Core EPS (THB)	0.09	0.07	0.08	10.8	(13.5)	0.16	0.15	(6.4)	0.41

Sources: BEC; FSSIA estimates

Exhibit 9: BEC - key assumption changes

	-----New-----		-----Previous-----		-----Change-----	
	2022E (THB m)	2023E (THB m)	2022E (THB m)	2023E (THB m)	2022E (%)	2023E (%)
Ads rate (THB/min)	82,000	83,640	85,280	85,280	(4)	(2)
Utilisation rate (%)	71	72	72	75	(1)	(4)
Revenue	6,122	6,597	6,564	7,151	(7)	(8)
Gross profit	1,873	2,125	2,198	2,522	(15)	(16)
SG&A expenses	812	844	837	872	(3)	(3)
EBIT	1,112	1,336	1,412	1,706	(21)	(22)
Core net profit	816	997	1,067	1,302	(24)	(23)
Margin	(%)	(%)	(%)	(%)	(ppt)	(ppt)
GPM	30.6	32.2	33.5	35.3	(2.9)	(3.1)
NPM	13.3	15.1	16.3	18.2	(2.9)	(3.1)

Source: FSSIA estimates

Economic news

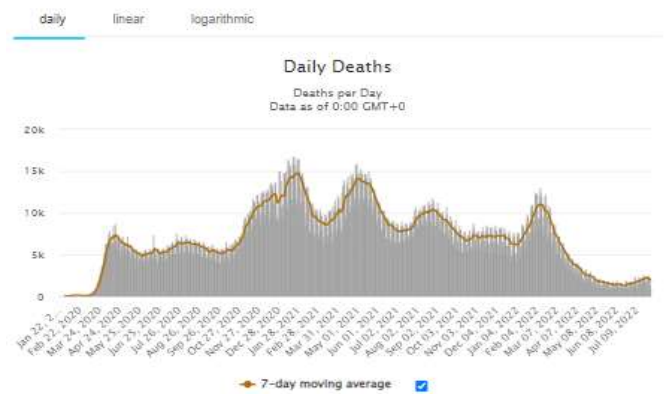
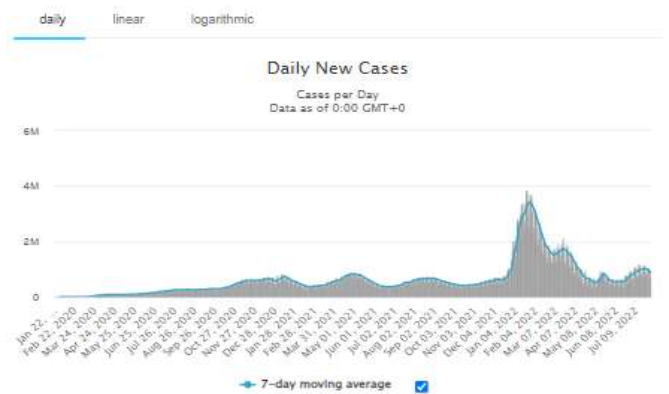
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Exhibit 10: Top 25 countries by new cases

Country	Total Cases	New Cases	Total Deaths	New Deaths
World	583,666,571	713,667	6,423,565	1,621
1 Japan	12,917,500	167,678	32,694	109
2 S. Korea	19,932,439	111,700	25,084	16
3 Italy	21,124,644	64,861	172,397	190
4 France	33,921,343	54,519	152,280	101
5 USA	93,304,025	45,485	1,055,933	321
6 Australia	9,476,145	35,468	11,960	96
7 Brazil	33,890,428	33,623	679,010	218
8 Taiwan	4,628,294	23,556	8,994	31
9 India	44,065,679	15,670	526,430	
10 Romania	3,080,545	11,696	66,049	38
11 Singapore	1,728,995	10,230	1,524	22
12 Russia	18,622,103	9,560	382,517	48
13 Iran	7,410,075	9,350	142,134	74
14 New Zealand	1,629,298	7,382	2,246	34
15 Serbia	2,135,952	6,936	16,296	10
16 Austria	4,755,335	6,638	19,140	22
17 Indonesia	6,216,621	5,827	157,028	24
18 Poland	6,075,927	5,649	116,592	22
19 Chile	4,253,056	5,008	59,629	7
20 Spain	13,245,996	4,855	110,719	
21 Bolivia	1,041,839	4,339	22,069	8
22 Malaysia	4,687,470	4,204	35,985	8
23 Hong Kong	1,362,371	4,123	9,520	11
24 Portugal	5,349,218	4,075	24,635	12
25 Israel	4,589,294	3,702	11,399	8
37 Thailand	4,594,127	1,843	31,434	27

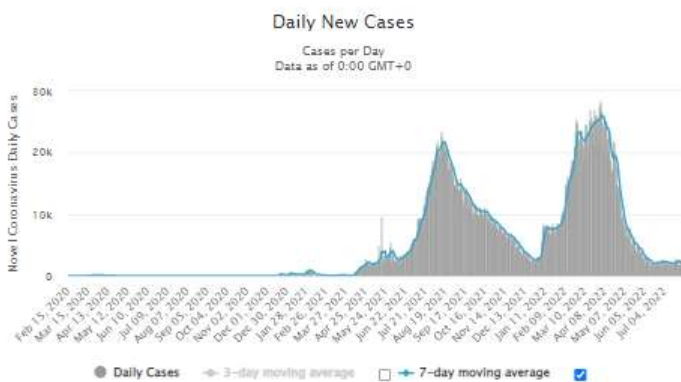
Source: worldometers.info

Exhibit 11: Global by new cases and deaths

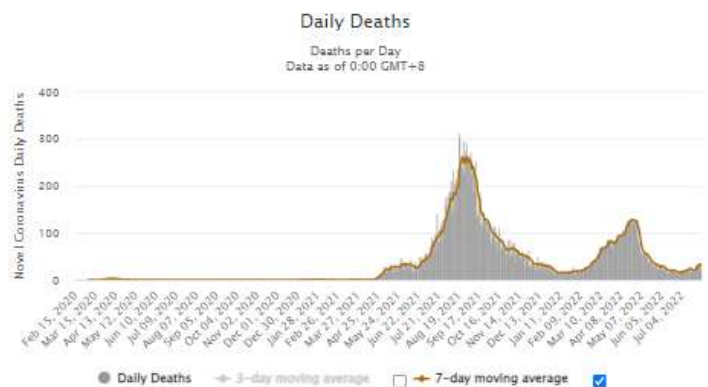


Source: worldometers.info

Daily New Cases in Thailand



Daily New Deaths in Thailand



- China warns US will 'pay the price' if Pelosi visits Taiwan** BANGKOK POST: The United States will "pay the price" if House Speaker Nancy Pelosi visits Taiwan during her Asia trip, China warned Tuesday, as tensions between the two superpowers continued to soar. The prospect of Pelosi going to Taipei, which would be the highest-profile visit by an elected US official in 25 years, has triggered increasingly bellicose warnings from Beijing that have set the region on edge. Pelosi, 82, has yet to officially confirm whether Taiwan is part of an ongoing Asia tour but US and Taiwanese media have reported it will happen.
- Chiang Rai tourism hit by airport closure** BANGKOK POST: Chiang Rai tourism has been impacted by the temporary closure of Mae Fah Luang Chiang Rai International Airport after an incident with a Nok Air flight on Saturday night, with tourists and locals having to cancel their trips or catch flights from Chiang Mai instead. After a Nok Air Boeing 737-800 skidded off the runway on July 30, the airport announced its closure until Aug 3, resulting in the cancellation of all flights for four days. Promporn Jindawong Nateharn, president of the Tourism Council of Chiang Rai, said all 16 daily flights carrying

3,200 passengers have been affected as airlines that operate at the airport have had to reroute those flights to Chiang Mai airport and arrange transportation from Chiang Rai, which takes around three hours by road. She said passengers who had still travelled as planned were mostly tourists who were left stranded at Chiang Rai after finishing their long-weekend holiday and needed to return home, along with locals who had urgent business in Bangkok.

- **Shippers' group poised to revise up forecast for export growth** BANGKOK POST: The national shippers' group looks set to raise its export growth forecast next month after the country registered a robust export growth of 12.7% in the first half, boosted by rising global food demand, higher prices and the baht's weakness. Chaichan Chareonsuk, chairman of the Thai National Shippers' Council, said the council sees exports showing better signs in the second half, prompting it to upgrade the forecast for exports for the whole year next month to 10% growth from 6-8% now. "The export sector will remain the hero driving the country's economic growth," said Mr Chaichan. "We are upbeat that export growth could outstrip our existing forecast of 6-8% growth and now fight to achieve 10% growth this year," he said.
- **PM hails return of foreign investors** BANGKOK POST: Prime Minister Prayut Chan-o-cha insists that Thailand's financial status remains stable and strong thanks to prudent and disciplined monetary and fiscal policy, as reflected by foreigners' growing interest in investing in the country. "There are now many foreign investors from many countries both on a small and big scale interested in investing in Thailand," said the premier, attributing the encouraging signs to the country's economic prospects, with GDP expected to grow by 3.3% this year and 4.2% in 2023. "The private consumption and purchasing power of high-income earners are recovering in the second half, with the number of international tourists rebounding," he said, adding that the number of foreign tourists is projected to reach 6 million this year, up from a previous estimate of 5.6 million. In 2023, the number of tourists is forecast to rise to 19 million.

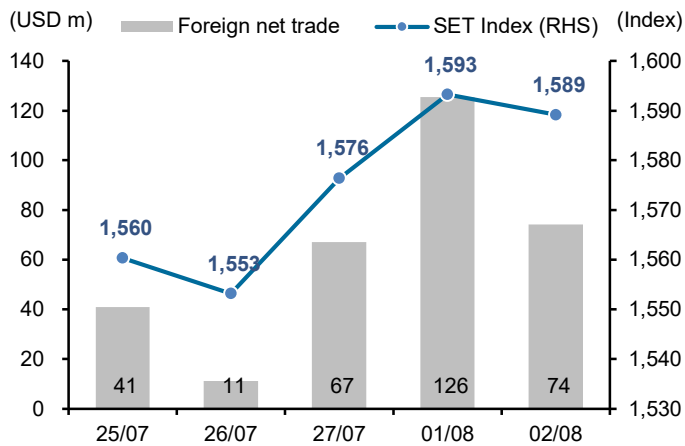
Corporate news

- **Youth shun tourism jobs in favour of admin work** BANGKOK POST: Administrative duties top a list of young applicants' 12 most sought-after jobs, while tourism and hospitality work is least popular, says the Employers' Confederation of Thai Trade and Industry (EconThai). The findings were based on around 2 million job seekers who submitted their applications through job placement agency JobThai.com in July this year. "Most job applicants [around 75%] hold a bachelor's degree or higher," said Tanit Sorat, vice-chairman of EconThai, adding that they were aged between 20 and 30 years old. A total of 29.7% of candidates applied for administrative work in companies. In second place was factory work (16%), followed by accounting (10.1%).
- **Microsoft launches local innovation drive** BANGKOK POST: Software powerhouse Microsoft has set an ambitious mission to encourage local firms to bring out innovation and creativity, under the "Born in Thailand" concept, a shift from "Made in Thailand", while supporting them with advanced tech and pursuing digital upskilling and reskilling. Microsoft Thailand also aims to increase its workforce by 20-30% to support local entrepreneurs with necessary solutions geared towards business transformation and digital drive. "As a technology firm, we aim to drive Thailand into the next decade's competition from 'Made in Thailand' to 'Born in Thailand' by encouraging more businesses to embrace technologies to innovate products and services themselves," said Dhanawat Suthumpun, managing director of Microsoft Thailand. Microsoft has co-created and co-innovated with large enterprises and startups to use advanced technology for tech-related products and services.
- **Taking a deep dive into the baht rebound** BANGKOK POST: The currency of Southeast Asia's second-largest economy traded against the greenback at 36.08 on Monday, appreciating 1.4% compared to a week prior. The Bangkok Post takes a deep dive into what caused the rebound and the implications for the economy. What forces are driving the rebound? Since the beginning of this year, the baht has weakened by 10.3% against the US dollar. It is worth noting where this trend started before addressing the rebound.
- **Aeroflot set to resume Phuket route** BANGKOK POST: Russian flag carrier, Aeroflot, will resume flights from Moscow to Phuket starting on Oct 30, government spokesman Thanakorn Wangboonkongchana said. The resumption of regular flights to the resort island by the Russian airline after its suspension in March will boost Thailand's tourism industry, he said on Tuesday. Flights were suspended at the onset of the Russian-Ukraine war which saw Russian airlines banned from the airspace of several countries. Mr Thanakorn said the resumption of services by Aeroflot would revitalise tourism for both countries, which will help stimulate the Thai economy.
- **TAP Group launches 'Heineken Silver'** BANGKOK POST: Boosted by an improvement in domestic beer consumption in the first half, Thai Asia Pacific Brewery Group (TAP), the marketer of Dutch beer brand Heineken, has rolled out a new beer product for the first time since Heineken entered the Thai market 27 years ago. According to marketing manager Teerapat Pongmaytee, overall consumption of premium beer declined during 2020 and 2021 due to the pandemic but demand has turned around in the first half of this year after the country's reopening and outlets that sell beer were allowed to reopen as normal. Heineken sales also saw double-digit growth in the first half, he said.
- **Motorola rolls out broad range of new smartphones** BANGKOK POST: Smartphone maker Motorola Mobility, under Chinese tech giant Lenovo, has launched a variety of handset models to improve its competitiveness amid economic challenges. "Overall, the growth of the smartphone market in Thailand is expected to be slower than last year as high inflation is hindering consumer purchasing power," said Supamas Boonpramuk, mobile business group lead at Lenovo Thailand. "But smartphone makers are trying to offer products with more attractive prices and features that drive customers' purchasing decisions."
- **PTT sells Indonesian mines, Coal business sold to Astrindo for \$471m** BANGKOK POST: National oil and gas conglomerate PTT Plc has decided to sell its Indonesian coal mining business for US\$471 million as the firm continues to

move towards clean energy. "It is the right time for the sale as global coal prices have risen since the end of last year," said Auttapol Rerkpiboon, chief executive and president of PTT. The Newcastle coal futures reference price closed at \$407.9 per tonne yesterday, according to Investing.com. The price stood at \$83 per tonne at the end of 2021, an increase from \$53.8 per tonne in 2020, thanks to a recovery in the global economy as the pandemic eased. The prices were also driven by huge demand among European nations after they joined the US in restricting oil and gas imports from Russia, following its invasion of Ukraine.

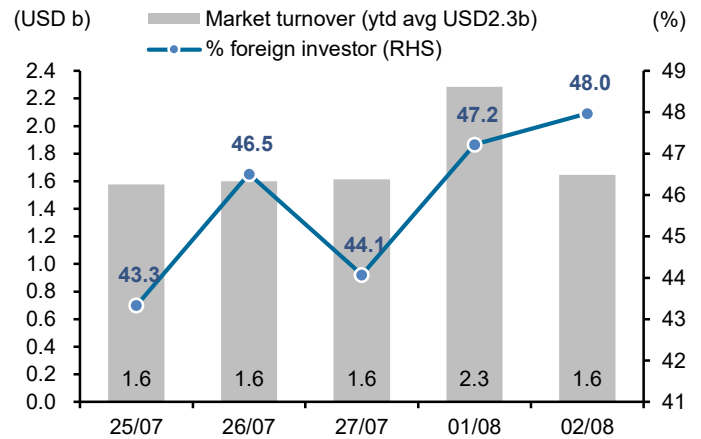
- **People Start Buying More Essentials at Dollar Stores** BANGKOK POST: More Americans are embracing frugality as they face rising prices at every turn. With energy costs up 41.6% and groceries 12.2% more expensive than they were last year, according to June's Consumer Price Index, many families say that skipping vacations and restaurant meals is no longer enough. They are now finding ways to cut costs on essentials as inflation remains high. One way they are doing so is by relying more on dollar and discount stores for groceries. Average spending on grocery products at discount chains increased 71% from October 2021 to June 2022, according to analytics firm InMarket. Over that time period, spending on the same items in grocery stores decreased by 5%. Many large consumer brands -- including Walmart and Unilever -- attest that their prices aren't going down anytime soon.
- **Estée Lauder in Talks to Buy Luxury Brand Tom Ford** BANGKOK POST: Estée Lauder Cos. is in talks to buy luxury fashion brand Tom Ford, according to people familiar with the matter, in what could be a \$3 billion or more deal representing the cosmetics giant's largest-ever acquisition. New York-based Estée Lauder primarily sells skin-care products, cosmetics and perfume. Its brands include MAC, Clinique, La Mer and Aveda. With a market value of nearly \$100 billion, it has the wherewithal to do such a deal. There are no guarantees the two sides will reach an agreement. Estée Lauder isn't the only suitor for Tom Ford, one of the people said. Closely held Tom Ford is best-known for its menswear, though it also sells womenswear and accessories as well as a fast-growing, high-end line of cosmetics and fragrances.

Exhibit 12: Foreign fund flow and SET Index



Source: Bloomberg

Exhibit 13: Foreign participation



Source: Bloomberg

Exhibit 14: Index performance

	SET Index		Index performance (% change)								
	Index	(%chg)	Energy	Bank	Comu	Commerce	Food	Property	Construct	Transport	Petrochem
% of SET Index			22%	9%	9%	10%	6%	6%	4%	8%	3%
Current	1,589.16	(0.3)	0.1	(0.4)	0.3	(0.1)	0.1	(0.0)	(0.6)	(0.3)	(0.1)
-5D	1,552.73	2.3	2.1	2.1	1.3	1.4	1.6	3.5	(1.1)	1.0	(0.5)
-1M	1,572.67	1.0	1.5	(2.2)	0.5	0.3	(2.4)	2.6	(2.6)	(0.3)	(2.3)
-3M	1,652.29	(3.8)	(0.8)	(5.5)	(19.0)	(8.9)	(2.1)	(2.3)	(2.5)	1.9	(5.4)
-6M	1,669.05	(4.8)	(2.2)	(15.7)	(10.7)	(6.4)	(2.2)	(2.6)	(7.5)	5.1	(13.1)
-1Y	1,540.51	3.2	9.5	11.1	19.4	(2.0)	(7.6)	15.8	(14.7)	9.0	(4.9)
WTD	1,576.41	0.8	1.0	(0.6)	1.7	0.3	0.8	1.9	(1.7)	0.9	1.6
MTD	1,576.41	0.8	1.0	(0.6)	1.7	0.3	0.8	1.9	(1.7)	0.9	1.6
QTD	1,568.33	1.3	2.1	(1.8)	0.7	1.1	(2.5)	2.8	(2.3)	(0.5)	(3.2)
End of 2021	1,657.62	(4.1)	(0.9)	(12.7)	(9.4)	(5.7)	(3.1)	0.4	(7.6)	6.8	(9.7)

Source: Bloomberg

Exhibit 15: 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)	Average daily turnover (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	1,589.16	(4.1)	34.13	77,346	2,266	3,695	(693)	31	(3,031)	1,589.16
1Q21	1,587.21	41.0	30.27	93,653	3,094	(987)	1,622	129	(765)	1,587.21
2Q21	1,587.79	18.6	31.35	94,016	2,999	(1,482)	1,973	85	(575)	1,587.79
3Q21	1,605.68	29.8	32.94	86,406	2,623	(8)	(179)	190	98	1,605.68
4Q21	1,657.62	14.4	33.37	79,917	2,395	845	212	33	(1,089)	1,657.62
1Q22	1,695.24	6.8	33.03	89,343	2,705	3,369	(904)	32	(2,495)	1,695.24
2Q22	1,568.33	(1.2)	34.38	70,765	2,058	72	128	11	(211)	1,568.33
3Q22	1,589.16	(1.0)	36.27	64,562	1,780	253	83	(12)	(324)	1,589.16
Jan-22	1,648.81	12.4	33.22	87,540	2,635	432	220	104	(757)	1,648.81
Feb-22	1,685.18	12.6	32.63	91,300	2,798	1,931	(864)	142	(1,207)	1,685.18
Mar-22	1,695.24	6.8	33.25	89,189	2,682	1,006	(260)	(214)	(532)	1,695.24
Apr-22	1,667.44	5.3	33.80	71,959	2,129	321	109	(40)	(390)	1,667.44
May-22	1,663.41	4.4	34.41	73,281	2,130	592	(771)	50	128	1,663.41
Jun-22	1,568.33	(1.2)	34.94	67,056	1,919	(841)	790	1	50	1,568.33
Jul-22	1,576.41	3.6	36.35	58,263	1,603	128	155	(12)	(271)	1,576.41
Aug-22	1,589.16	(3.0)	36.20	70,861	1,958	126	(72)	0	(53)	1,589.16
2022YTD	1,589.16	(4.1)	34.13	77,346	2,266	3,695	(693)	31	(3,031)	1,589.16
7/26/2022	1,553.18		36.73	58,698	1,598	11	30	14	(55)	(37)
7/27/2022	1,576.41		36.68	59,390	1,619	67	(73)	(12)	17	(21)
8/1/2022	1,593.24		36.13	82,257	2,277	51	(62)	(5)	16	144
8/2/2022	1,589.16		36.23	59,464	1,642	74	(10)	5	(69)	13

Source: Bloomberg

Exhibit 16: Upcoming events

Date Time	Event		Survey	Actual	Prior
08/04/2022 23:30	CPI YoY	Jul	8.00%	--	7.66%
08/04/2022 23:30	CPI NSA MoM	Jul	0.00%	--	0.90%
08/04/2022 23:30	CPI Core YoY	Jul	2.60%	--	2.51%
08/05/2022 03:30	Forward Contracts	29-Jul	--	--	\$28.6b
08/05/2022 03:30	Foreign Reserves	29-Jul	--	--	\$218.0b
08/08/2022 23:30	Consumer Confidence Economic	Jul	--	--	35.7
08/08/2022 23:30	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%
08/17/2022 08/24	Car Sales	Jul	--	--	67952
08/23/2022 00:30	Bloomberg Aug. Thailand Economic Survey				
08/23/2022 23:30	Customs Exports YoY	Jul	--	--	11.90%
08/23/2022 23:30	Customs Imports YoY	Jul	--	--	24.50%
08/23/2022 23:30	Customs Trade Balance	Jul	--	--	-\$1529m
08/25/2022 08/30	Mfg Production Index ISIC NSA YoY	Jul	--	--	-0.08%
08/25/2022 08/30	Capacity Utilization ISIC	Jul	--	--	62.41
08/31/2022 03:00	BoP Current Account Balance	Jul	--	--	-\$1873m
08/31/2022 03:30	Exports YoY	Jul	--	--	11.10%
08/31/2022 03:30	Exports	Jul	--	--	\$26234m
08/31/2022 03:30	Imports YoY	Jul	--	--	24.30%
08/31/2022 03:30	Imports	Jul	--	--	\$24175m
08/31/2022 03:30	Trade Balance	Jul	--	--	\$2059m
08/31/2022 03:30	BoP Overall Balance	Jul	--	--	-\$3308m
08/31/2022 20:30	S&P Global Thailand PMI Mfg	Aug	--	--	52.4
09/01/2022 03:30	Business Sentiment Index	Aug	--	--	49.4

Source: Bloomberg

Exhibit 17: Management trading

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
Ramkhamhaeng Hospital (RAM)	Captain Kajit Habananaanda	Common Shares	1/8/2022	50,500	54.25	Sell	2.74
Ramkhamhaeng Hospital (RAM)	Captain Kajit Habananaanda	Common Shares	2/8/2022	49,500	54.50	Sell	2.70
Ramkhamhaeng Hospital (RAM)	Captain Kajit Habananaanda	Common Shares	2/8/2022	50,000	55.00	Sell	2.75
Ramkhamhaeng Hospital (RAM)	Captain Kajit Habananaanda	Common Shares	2/8/2022	50,000	55.25	Sell	2.76
LEO Global Logistics (LEO)	Sripri Eakwichit	Warrant	2/8/2022	811,900	-	Receive	n/a
LEO Global Logistics (LEO)	Kettivit Sittisoontornwong	Warrant	27/07/2022	1,500,000	-	Buy	n/a
LEO Global Logistics (LEO)	Kettivit Sittisoontornwong	Warrant	27/07/2022	75,000	-	Buy	n/a
LEO Global Logistics (LEO)	Teerachai Chemnasiri	Warrant	27/07/2022	200,000	-	Buy	n/a
LEO Global Logistics (LEO)	Manop Patjawit	Warrant	27/07/2022	200,000	-	Buy	n/a
LEO Global Logistics (LEO)	Vises Sittisoontornwong	Warrant	27/07/2022	429,400	-	Buy	n/a
LEO Global Logistics (LEO)	Vises Sittisoontornwong	Warrant	27/07/2022	100,000	-	Buy	n/a
LEO Global Logistics (LEO)	Surasit Asavasakseri	Warrant	27/07/2022	500,000	-	Buy	n/a
LEO Global Logistics (LEO)	Sanee Dangwung	Warrant	27/07/2022	40,000	-	Buy	n/a
Sabuy Technology (SABUY)	Prasith Laokasemsukwong	Common Shares	27/07/2022	50,000	18.00	Sell	0.90
Sahamit Machinery (SMIT)	Thana Senavattanakul	Common Shares	5/7/2022	290,000	4.74	Buy	1.37
Sahamit Machinery (SMIT)	Thana Senavattanakul	Common Shares	27/07/2022	120,000	4.61	Buy	0.55
Sahamit Machinery (SMIT)	Thana Senavattanakul	Common Shares	1/8/2022	190,000	4.63	Buy	0.88

Source: SEC

Exhibit 18: Upcoming XM

Symbol	X-Date	Meeting Date	Type of Meeting	Agenda	Venue
TGH	8/3/2022	8/26/2022	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	E-EGM
GLOCON	8/8/2022	9/8/2022	EGM	Paid up capital reduction	E-EGM
BAY	8/9/2022	9/1/2022	EGM	Acquisition and disposition of assets, Changing the director(s)	E-EGM

STHAI	8/11/2022	9/9/2022	EGM	To Consider and approve the amendment of the Memorandum of Association Clause 3. (Objectives) by increasing the Company's objectives to operate and sell steam	E-EGM
STARK	8/29/2022	9/23/2022	EGM	Capital increase, Acquisition and disposition of assets	E-EGM

Source: SET

Exhibit 19: Upcoming XR

Symbol	X-Date	Announce Date	Rights for	Unit	Subscription Ratio (Holding:New)	Allotted Shares (Shares)
MACO	8/4/2022	5/25/2022	Warrants	Baht	4 : 1	2,029,493,030
BR	8/18/2022	7/5/2022	Warrants	Baht	2 : 1	456,723,279
JP	8/23/2022	6/28/2022	Warrants	Baht	2 : 1	227,500,000
MBAX	8/24/2022	6/29/2022	Warrants	Baht	3 : 1	63,965,047
SABUY	9/1/2022	6/24/2022	Warrants	Baht	5 : 2	616,428,376

Source: SET

Exhibit 20: Upcoming XD

Symbol	X-Date	Announce Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date
BTS	8/3/2022	5/30/2022	0.16	Baht	01/04/2021 - 31/03/2022	Both	8/23/2022
KYE	8/3/2022	6/16/2022	8.55	Baht	01/04/2021 - 31/03/2022	NP	8/22/2022
TMW	8/3/2022	6/7/2022	0.9	Baht	01/04/2021 - 31/03/2022	NP	8/22/2022
BLAND	8/3/2022	5/30/2022	0.03	Baht	-	RE	8/22/2022
PTL	8/5/2022	5/23/2022	0.34	Baht	01/04/2021 - 31/03/2022	Both	8/25/2022
SCGP	8/8/2022	7/26/2022	0.25	Baht	01/01/2022 - 30/06/2022	NP	8/24/2022
BMSCITH	8/8/2022	7/25/2022	0.3	Baht	-	RE	8/24/2022
SCC	8/10/2022	7/27/2022	6	Baht	01/01/2022 - 30/06/2022	NP	8/26/2022
RAM	8/10/2022	7/27/2022	0.25	Baht	-	RE	8/26/2022
PTTEP	8/15/2022	8/1/2022	4.25	Baht	01/01/2022 - 30/06/2022	Both	8/26/2022

Source: SET

Exhibit 21: New securities

Warrants	Trade Date	Underlying	Market	Maturity Date	Initial Price (Baht)	Exercise Price (Baht)	
META-W6	3/8/2022	META	mai	31/08/2023	-	0.54	
Derivative Warrants	Trade Date	Underlying	Issuer	DW Type	Market	Maturity Date	Exercise Price (Baht)
ADVANC41C2212A	3/8/2022	ADVANC	JPM	Call	SET	8/12/2022	242
BGRIM41C2212A	3/8/2022	BGRIM	JPM	Call	SET	8/12/2022	46
CPALL41C2212A	3/8/2022	CPALL	JPM	Call	SET	8/12/2022	74
DTAC41C2212A	3/8/2022	DTAC	JPM	Call	SET	8/12/2022	55
FORTH16C2211A	3/8/2022	FORTH	TNS	Call	SET	7/12/2022	66
GULF19C2212A	3/8/2022	GULF	YUANTA	Call	SET	9/12/2022	59.07
GUNKUL13P2211A	3/8/2022	GUNKUL	KGI	Put	SET	12/11/2022	3.6
IRPC41C2212A	3/8/2022	IRPC	JPM	Call	SET	8/12/2022	3.94
JMT24C2212A	3/8/2022	JMT	FSS	Call	SET	9/12/2022	100
KTC16C2211A	3/8/2022	KTC	TNS	Call	SET	7/12/2022	68.75
OSP24C2212A	3/8/2022	OSP	FSS	Call	SET	9/12/2022	41.5
PTG16C2211A	3/8/2022	PTG	TNS	Call	SET	7/12/2022	19.4
PTTEP13P2212A	3/8/2022	PTTEP	KGI	Put	SET	8/12/2022	113
SCB16C2211A	3/8/2022	SCB	TNS	Call	SET	7/12/2022	138
SET5013P2209C	3/8/2022	SET50	KGI	Put	SET	5/10/2022	825
TIDLOR16C2212A	3/8/2022	TIDLOR	TNS	Call	SET	6/1/2023	37.5
TRUE41C2212A	3/8/2022	TRUE	JPM	Call	SET	8/12/2022	5.7

Source: SET