

7 AUGUST 2023

# SPOTLIGHT ON THAILAND

## Published Reports

- MEGA LIFESCIENCES (MEGA TB) - Expect margin to recover in 2Q23; Maintain BUY TP THB65.00
- BANGKOK BANK (BBL TB) - Key takeaways from analyst meeting; Maintain BUY TP THB197.00
- THAI STANLEY ELECTRIC (STANLY TB) - 1QFY24 results at first glance; Maintain BUY TP THB240.00

## Results Comments

- PRECIOUS SHIPPING (PSL TB) – 2Q23 overall results as weak as expected; Maintain HOLD TP THB10.30

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- Brokers upbeat on Pheu Thai's role in new government
- Opportunity knocks amid sweetener scares
- Legal tactics used to minimise tax
- Department to meet all oil traders
- Asian shares inch up on hope for US 'soft landing'
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- Vietnamese rice exporters told to honour contracts
- Austria proposes putting cash in the constitution
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- China says it will remove tariffs on Australian barley

## Corporate News

- Nusa pressing ahead with Wind Energy Holding share deal
- Osotspa Yanhee eyes growth following calcium water launch
- Banking on the mainland
- Budget sought to maintain state EV subsidy
- TED Fund sets out strategy to offer more support to startups

Indices	Index as of 4-Aug-23	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
Thailand SET	1,530	0.1	(8.3)	(3,700)
China SHCOMP	3,288	0.2	6.4	
Hong Kong HSI	19,539	0.6	(1.2)	
India SENSEX	65,721	0.7	8.0	15,153
Indonesia JCI	6,853	(0.7)	0.0	1,564
Korea KOSPI	2,603	(0.1)	16.4	7,822
MY FBMKLCI	1,445	0.2	(3.4)	
PH PCOMP	6,451	(1.9)	(1.8)	(164)
SG FSSTI	3,292	(0.4)	1.3	
Taiwan TWSE	16,844	(0.3)	19.1	7,257
VN VNINDEX	1,226	1.2	21.7	(53)
MSCI Emerging	1,018	0.2	6.4	
Nikkei 225	32,193	0.1	23.4	
FTSE 100	7,564	0.5	1.5	
CAC 40	7,315	0.8	13.0	
DAX	15,952	0.4	14.6	
Dow Jones	35,066	(0.4)	5.8	
Nasdaq	13,909	(0.4)	32.9	
S&P 500	4,478	(0.5)	16.6	
Brent	86.24	1.3	0.4	
Dubai	86.87	3.5	10.4	
WTI	82.82	1.6	3.2	
GOLD	1,942.91	0.5	6.5	
Trade data	Buy	Sell	Net	Share (%)
(THB m)	(THB m)	(THB m)	(THB m)	(THB m)
Foreign	23,359	25,935	(2,576)	55
Retail	13,053	11,333	1,720	27
Prop Trade	4,095	3,657	438	9
Local Institution	4,003	3,585	418	9
Total Trade	44,510	44,510	(0)	100
Rates	Last close	1M ago	End last yr	1yr ago
	4/8/2023	4/7/2023	30/12/2022	4/8/2022
THB/USD	34.79	34.88	34.61	36.03
Inflation *	0.23	0.53	5.89	7.66
MLR **	6.87	6.87	5.83	5.31
1Y Fixed *	1.41	1.41	0.99	0.43
Govt bond 10Y	2.62	2.54	2.64	2.41
Commodity	Last close	1M ago	End last yr	1yr ago
(USD/bbl)	4/8/2023	4/7/2023	30/12/2022	4/8/2022
Brent	86.24	76.25	85.91	94.12
Dubai	86.87	75.41	78.66	98.15
WTI	82.82	69.79	80.26	88.54
Gold	1,943	1,925	1,824	1,791
Baltic Dry	1,136	1,009	1,515	1,560
(USD/ton)	04-Aug-23	28-Jul-23	25-Dec-20	05-Aug-22
Coal	141.66	135.21	84.45	399.71
% change	4.8	4.8	67.7	(64.6)

\* 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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### Thailand Equity Sales:

### Thailand Equity Trading:

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## Published Reports

### MEGA LIFESCENCES (MEGA TB) - Expect margin to recover in 2Q23; Maintain BUY TP THB65.00

#### Expect 2Q23 profit to increase 25% q-q but slide 1% y-y

We expect MEGA to report a core profit of THB564m in 2Q23, growing by 25% q-q but dipping by 1% y-y. The y-y decrease can be attributed to the fading Covid-related demand. The q-q recovery would largely be due to the company's product mix. Its branded business (Mega We Care), which has a higher gross margin, should continue its moderate growth, compensating for the distribution business (Maxxcare) for which we believe there is no development in Myanmar after the company lost one client since 1Q23.

#### Gross margin to recover in 2Q23

Overall, we project 2Q23 revenue of THB3.8b, (+2.8% q-q, -2.5% y-y), with the gross margin climbing to 44.1% from 43.6% in 1Q23 and 42.6% in 2Q22. The expected core profit in 1H23 could plummet 14% y-y. Despite a bright long-term outlook, the end of the panic buying seen during the pandemic and the slow economic growth in Myanmar in 2023 should explain the sluggish growth for MEGA this year.

#### More challenging quarters ahead

Our estimated revenue and core profit in 1H23 account for 45% and 42% of our full-year estimates, respectively. It means the company would have to make around THB650m-700m in profit each quarter for the next two quarters, which is even more challenging as compared with the average quarterly profit of THB530m during 2H22.

#### Maintain BUY on cheap valuation

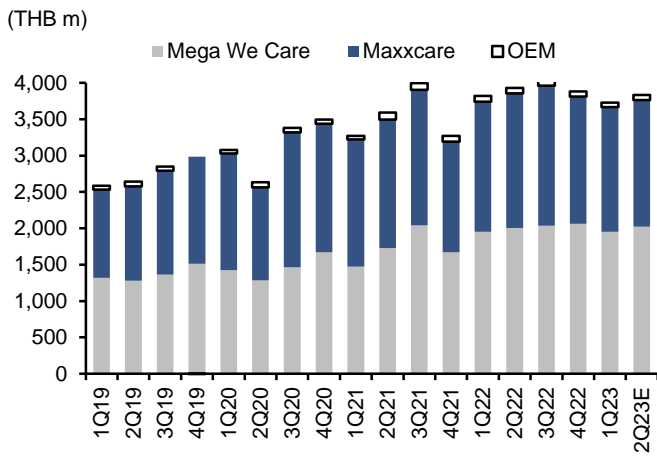
We maintain our projections and DCF-based TP of THB65 (8.3% WACC, 3% LTG), implying 23.6x 2023E P/E, +0.5SD of its five-year average. The plunge in its share price by almost 30% since February 2023 reflects the end of the panic buying during Covid, in our view. Its share price is currently trading at 14.0x 2023E P/E – the lowest among local and global peers. We maintain our BUY call.

#### Exhibit 1: 2Q23 earnings preview

Year to Dec 31	2Q22	3Q22	4Q22	1Q23	2Q23E	-----Change-----		1H22	1H23E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Sales	3,930	4,052	3,884	3,728	3,833	2.8	(2.5)	7,750	7,982	3.0
Cost of sales	(2,256)	(2,188)	(2,093)	(2,102)	(2,144)	2.0	(4.9)	(4,365)	(4,246)	(2.7)
Gross profit	1,674	1,864	1,791	1,626	1,688	3.8	0.8	3,538	3,315	(6.3)
Operating costs	(1,084)	(1,094)	(1,192)	(1,028)	(1,056)	2.7	(2.6)	(2,073)	(2,084)	0.5
Operating profit	2,758	2,958	2,983	2,654	2,744	3.4	(0.5)	1,465	1,231	(16.0)
Operating EBITDA	680	866	685	685	719	5.0	5.7	1,482	1,405	(5.2)
Other income	22	27	17	18	18	0.0	(21.7)	36	35	(2.9)
Interest expense	(6)	(8)	(9)	(9)	(10)	8.3	55.3	(12)	(19)	55.7
Profit before tax	606	789	608	607	640	5.5	5.6	1,336	1,247	(6.6)
Tax	(63)	(120)	(68)	(73)	(77)	5.4	22.9	(166)	(150)	(9.9)
Reported net profit	570	658	400	453	564	24.5	(1.0)	1,184	1,017	(14.1)
Core profit	544	669	540	534	564	5.6	3.7	1,171	1,098	(6.2)
Reported EPS (THB)	0.70	0.76	0.46	0.52	0.52	0.0	(25.7)	1.40	1.04	(25.7)
Core EPS (THB)	0.62	0.77	0.62	0.61	0.65	5.6	3.7	1.34	1.26	(6.2)
<b>Key Ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>
Gross margin	42.6	46.0	46.1	43.6	44.1	0.4	1.4	45.7	41.5	(4.1)
Operating margin	15.6	19.7	15.9	16.5	17.0	0.4	1.4	17.4	17.7	0.3
EBITDA margin	17.3	21.4	17.6	18.4	18.8	0.4	1.5	19.1	17.6	(1.5)
Recurring net margin	13.8	16.5	13.9	14.3	14.7	0.4	0.9	15.1	13.8	(1.4)
SG&A / Sales	27.6	27.0	30.7	27.6	27.6	(0.0)	(0.0)	26.7	26.1	(0.6)
<b>Operating Statistics</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q %)</b>	<b>(y-y %)</b>			
Mega We Care branded business	2,004	2,034	2,062	1,953	2,023	3.6	0.9			
Maxxcare distribution business	1,852	1,928	1,752	1,717	1,740	1.4	(6.1)			
OEM business	74	90	71	59	70	18.4	(5.3)			
<b>Key Ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>			
Mega We Care branded business	66.9	67.0	65.2	64.6	64.8	0.2	(2.1)			
Maxxcare distribution business	16.3	24.5	23.5	20.4	18.0	(2.4)	1.7			
OEM business	63.1	31.9	49.2	1.6	2.0	0.4	(61.1)			

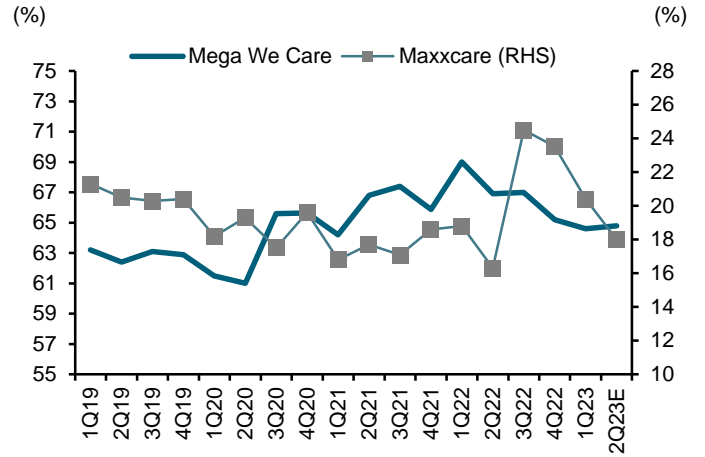
Sources: MEGA, FSSIA estimates

Exhibit 2: Revenue structure



Sources: MEGA, FSSIA estimates

Exhibit 3: Gross margins by business



Sources: MEGA, FSSIA estimates

## BANGKOK BANK (BBL TB) - Key takeaways from analyst meeting; Maintain BUY TP THB197.00

BBL's analyst meeting today mainly focused on the outlook for 2H23 and 2024, especially the sustainability of a high net interest margin (NIM), loan growth, and its overseas businesses. The bank insists on maintaining its 2023 business targets. The overall message is summarised below:

### Highlights

- (0) **Economic outlook and interest rates:** The slowdown in global economic growth is affecting the export sector of major countries in many Asian regions, such as China, Korea, Singapore, Hong Kong, and Thailand. However, Thailand's private consumption has seen a recovery following a significant recovery in tourism since 2022. BBL believes that the impetus from the tourism sector will motivate the economic recovery at the grassroots level. As for the policy interest rate outlook, BBL believes the Bank of Thailand (BoT)'s message implies that the policy interest rate will likely stop rising because it is close to the neutral zone that the BoT wants to see. However, if the overall economy grows continuously, there may be another interest rate hike and then a halt.
- (+) **2H23 NIM outlook:** BBL believes it is at the same level as in 1H23 at 2.81%, which exceeds the 2023 target of c2.50%. We think it is a conservative NIM mark, as lending rates are likely to increase in alignment with rising market interest rates, while the deposit rate saw a 25bp drop in savings rates in late 2Q23. Hence, the bank would have a chance to adjust its NIM. Besides, interest rate hikes also benefit the overall NIM of overseas businesses.
- (+) **2H23 loan outlook:** Up from 1H23 (+0.6% YTD) with a 2023 target of 4-6% y-y, driven by corporate and overseas loan growth from the ASEAN 8 countries – e.g., Indonesia, Singapore, the Philippines, and China (not included in ASEAN 8).
- (0) **Asset quality:** Not as much of a highlight as other big banks (e.g., KBANK, SCB). BBL maintains its conservative 2023 non-performing loan (NPL) target of c3.50%, although, in 1H23, it was at 2.90% (reported NPL). 2H23 credit cost is likely to weaken from 1H23 at 130bp, regarding its 2023 credit cost, which should be above the 100bp target but not exceed 2022's at 124bp.

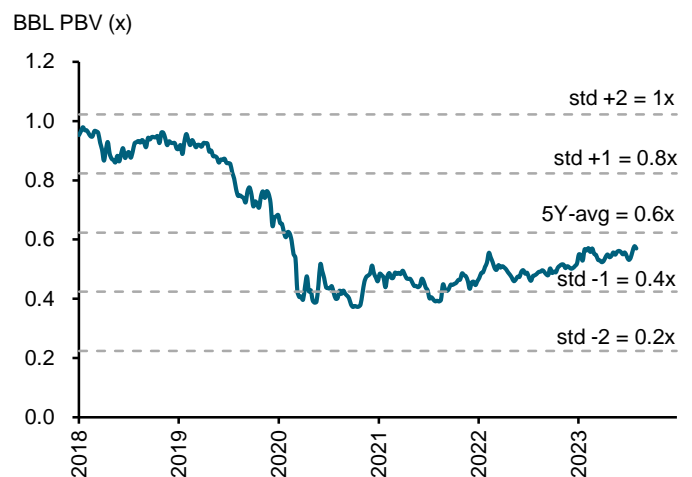
We reaffirm our positive outlook and top BUY call on BBL due to its long-term business growth prospects from both its domestic and foreign operations. The current share price is still below its average 5-yr P/BV and its book value, while offering dividend yields of 3-4% p.a.

Exhibit 4: 2023 key financial guidance vs FSSIA estimates

	BBL 2023E	FSSIA 2023E
Loan growth	4-6%	5%
NPL ratio (gross)	~ 3.5%	n/a
Net interest margin	~ 2.5%	2.82%
Net fee income growth	Flat growth	0.4%
Cost to income	Low 50s%	48.4%
Credit cost	~ 1%	1.27%

Sources: BBL; FSSIA estimates

Exhibit 5: One-year prospective P/BV



Sources: BBL; FSSIA estimates

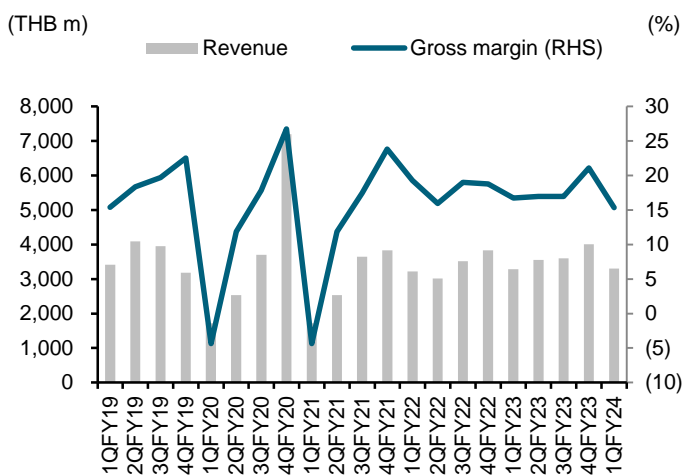
## THAI STANLEY ELECTRIC (STANLY TB) - 1QFY24 results at first glance; Maintain BUY TP THB240.00

### 1QFY24 results in line with our estimate but missed consensus by 11%

#### Highlights

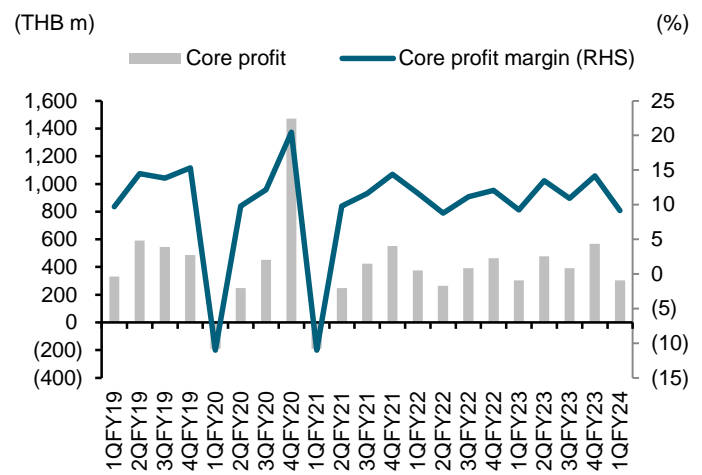
- Excluding a THB12m FX gain, STANLY registered a core profit of THB303m in 1QFY24, in line with our estimate but lower than Bloomberg's consensus by 11%. The 1QFY24 core profit declined by 47% q-q and 0.2% y-y.
- April is typically the least productive month of the year for the automotive industry owing to the long Songkran holiday period. Therefore, STANLY's 1QFY24 revenue slid 18% q-q to THB3.3b. Its revenue, however, was flat y-y because of the drop in sales from molds and dies by 52% y-y, or cTHB6m less than a year earlier. Although the contribution from molds and dies was less than 1% of total revenue, the GPM was relatively higher than that of auto bulbs.
- Given the company's efficient cost control together with the four-month cut in electricity bills during May-August 2023, its selling and administrative expenses fell 1.1% q-q and 0.9% y-y.
- Its EBITDA margin shrank to 20.7% from 24.8% in 4QFY23 mainly due to the diseconomies of scale, and was slightly below 21.2% in 1QFY23 owing to the revenue mix.
- STANLY is still a debt-free company. At end-1QFY24, the company had total liabilities of THB4.5b, which accounted for only 18% of total assets, most of which were trade receivables. Its D/E ratio was as low as 0.2x.
- STANLY's 1QFY24 profit accounts for 16% of our full-year forecast of THB2.0b (+12% y-y). We maintain our projection and TP of THB240, which is based on 9.4x FY24E P/E, close to its five-year historical average. We maintain our BUY rating on STANLY.

Exhibit 6: Revenue and gross margin



Source: STANLY

Exhibit 7: Core profit and core profit margin



Source: STANLY

## Exhibit 8: STANLY - 2Q23 operations summary

Year to Mar 31	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	-----Change-----		FY23	FY24E	% of 1QFY24
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(%)
Sales	3,283	3,551	3,602	4,012	3,306	(17.6)	0.7	14,448	15,804	20.9
Cost of sales	(2,734)	(2,949)	(2,991)	(3,165)	(2,799)	(11.6)	2.4	(11,839)	(12,944)	21.6
Gross profit	549	602	611	846	507	(40.1)	(7.6)	2,609	2,861	17.7
Operating costs	(270)	(278)	(274)	(271)	(268)	(1.1)	(0.9)	(1,093)	(1,144)	23.4
Operating profit	279	324	337	575	239	(58.4)	(14.1)	1,515	1,716	14.0
Operating EBITDA	696	848	772	996	685	(31.2)	(1.6)	3,311	3,495	19.6
Other income	28	135	44	40	46	15.2	67.6	101	95	21.6
Interest expense	0	0	0	0	0	0.0	0.0	0	0	nm
Profit before tax	306	459	382	616	286	(53.6)	(6.7)	1,763	1,922	14.9
Tax	(79)	(103)	(94)	(133)	(78)	(40.8)	(0.8)	(408)	(384)	20.4
Associates	77	121	105	84	96	13.6	24.9	387	418	22.9
<b>Reported net profit</b>	<b>317</b>	<b>487</b>	<b>376</b>	<b>565</b>	<b>315</b>	<b>(44.3)</b>	<b>(0.8)</b>	<b>1,746</b>	<b>1,955</b>	<b>16.1</b>
<b>Core profit</b>	<b>304</b>	<b>478</b>	<b>392</b>	<b>568</b>	<b>303</b>	<b>(46.6)</b>	<b>(0.2)</b>	<b>1,742</b>	<b>1,955</b>	<b>16.1</b>
Reported EPS (THB)	4.14	6.35	4.91	7.38	4.11	(44.3)	(0.8)	22.78	25.52	16.1
Core EPS (THB)	3.97	6.23	5.12	7.41	3.96	(46.6)	(0.2)	22.73	25.52	16.1
<b>Key Ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>
Gross margin	16.7	17.0	17.0	21.1	15.3	(5.8)	(1.4)	18.1	18.1	0.0
Operating margin	9.3	12.9	10.6	15.3	8.6	(6.7)	(0.7)	12.2	12.2	(0.0)
EBITDA margin	21.2	23.9	21.4	24.8	20.7	(4.1)	(0.5)	22.9	22.1	(0.8)
Core profit margin	9.3	13.5	10.9	14.1	9.2	(5.0)	(0.1)	12.1	12.4	0.3
SG&A / Sales	8.2	7.8	7.6	6.8	8.1	1.3	(0.1)	7.6	7.2	(0.3)
<b>Revenue breakdown by product type</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q %)</b>	<b>(y-y %)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(y-y %)</b>
Auto bulbs & automotive lighting equipment	3,271	3,488	3,598	3,973	3,300	(16.9)	0.9	14,329	15,676	9.4
Molds & dies and product designs	12	63	4	39	6	(84.5)	(51.7)	119	129	8.0
<b>Revenue breakdown by geographic</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q %)</b>	<b>(y-y %)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(y-y %)</b>
Domestic sales	2,109	2,390	2,355	2,648	2,037	(23.1)	(3.4)	9,502	10,036	5.6
Export sales	1,174	1,161	1,247	1,363	1,269	(6.9)	8.1	4,946	5,769	16.6

Sources: STANLY; FSSIA estimates

## Results Comments

### PRECIOUS SHIPPING (PSL TB) – 2Q23 overall results as weak as expected; Maintain HOLD TP THB10.30

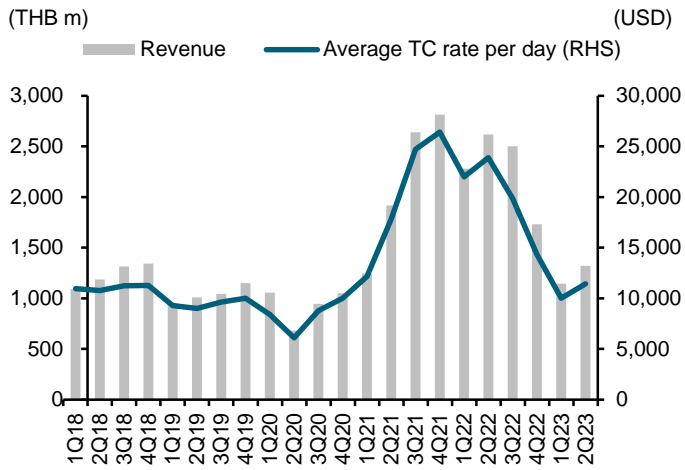
- Excluding gains on derivatives and FX, PSL registered a core profit of THB258m in 2Q23, down 84% y-y mainly due to a plunge in the average earnings per ship per day to USD11,424 from USD23,901 in 2Q22, (-52% y-y).
- The 376% q-q bounce in 2Q23 core profit could consider its bottom has passed but the dry bulk shipping market remained weak as expected.
- The company's 2Q23 core profit was better than our estimates by 25% owing to the lower-than-expected OPEX and administrative expenses while its freight rate was as weak as expected.
- The OPEX in 2Q23 came in at USD5,113 per ship per day, although 2% less than 1Q23 but higher than 2Q22 by 9% due to the higher dry-dock and special survey expenses.
- For the 1H23 performance, PSL posted a service revenue of THB2.5b (-50% y-y) and a core profit of THB312m (-89% y-y). The average earnings per ship per day dive to USD10,727 from USD22,956 in 1H22, (-53% y-y) while the OPEX rose to USD5,172 from USD4,797 in 1H22 (+8% y-y).
- PSL's 1H23 core profit accounts for 24% of our full-year forecast of THB1.3b (-74% y-y). We believe the dry bulk freight rates should improve in 2H23 due to the seasonal effect although the pace of recovery takes longer than earlier than expected.
- The stock lacks a near-term catalyst. We maintain our HOLD rating and TP of THB10.30, based on 12.6x 2023E P/E.

#### Exhibit 9: PSL - 2Q23 operations summary

Year to Dec 31	2Q22	3Q22	4Q22	1Q23	2Q23	-----Change-----		1H22	1H23	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Service revenue	2,616	2,500	1,731	1,146	1,322	15.4	(49.5)	4,896	2,466	(49.6)
Cost of services	(456)	(630)	(520)	(549)	(519)	(5.5)	13.8	(923)	(1,066)	15.4
Gross profit	2,160	1,870	1,211	596	803	34.6	(62.8)	3,972	1,400	(64.8)
Operating costs	(116)	(118)	(151)	(112)	(91)	(18.4)	(21.7)	(248)	(203)	(18.2)
Operating profit	1,727	1,397	719	156	365	133.2	(78.9)	3,113	521	(83.3)
Operating EBITDA	2,046	1,754	1,072	492	722	46.6	(64.7)	3,729	1,214	(67.4)
Other income	2	2	11	7	9	33.6	429.8	4	17	303.7
Interest expense	(95)	(107)	(109)	(104)	(110)	5.9	15.7	(177)	(213)	20.7
Profit before tax	1,632	1,291	610	53	255	383.3	(84.4)	2,936	308	(89.5)
Associates	7	10	10	2	2	32.6	(67.3)	8	4	(55.3)
<b>Reported net profit</b>	<b>1,660</b>	<b>1,348</b>	<b>605</b>	<b>79</b>	<b>286</b>	<b>263.3</b>	<b>(82.8)</b>	<b>2,954</b>	<b>365</b>	<b>(87.7)</b>
<b>Core profit</b>	<b>1,639</b>	<b>1,301</b>	<b>605</b>	<b>54</b>	<b>258</b>	<b>375.9</b>	<b>(84.3)</b>	<b>2,944</b>	<b>312</b>	<b>(89.4)</b>
Reported EPS (THB)	1.06	0.86	0.39	0.05	0.18	263.3	(82.8)	1.89	0.23	(87.7)
Core EPS (THB)	1.05	0.83	0.39	0.03	0.17	375.9	(84.3)	1.89	0.20	(89.4)
<b>Key Ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>
Gross margin	70.4	60.5	49.6	22.8	33.7	11.0	(36.6)	81.1	56.8	(24.4)
Operating margin	66.0	55.9	41.6	13.7	27.6	13.9	(38.4)	63.6	21.1	(42.4)
EBITDA margin	78.2	70.2	61.9	43.0	54.6	11.6	(23.6)	76.2	49.2	(26.9)
Core profit margin	62.7	52.1	35.0	4.7	19.5	14.8	(43.2)	60.1	12.6	(47.5)
SG&A / Sales	2.9	3.4	6.7	7.3	5.6	(1.7)	2.7	5.1	8.2	3.2
<b>Operating statistics</b>						<b>(q-q %)</b>	<b>(y-y %)</b>			<b>(y-y %)</b>
No. of vessels	37	38	38	38	38	0.0	2.7	38.0	38.0	0.0
BSI Index (Supramax) - average	2,627	1,793	1,327	925	978	5.7	(62.8)	2,457	952	(61.3)
BHSI Index (Handysize) - average	1,531	1,039	822	539	579	7.4	(62.2)	1,435	559	(61.0)
PSL's TC rate (USD/ship/day)	23,901	19,840	14,343	10,022	11,424	14.0	(52.2)	22,948	10,723	(53.3)
PSL's OPEX (USD/ship/day)	4,683	5,159	4,815	5,231	5,113	(2.3)	9.2	4,799	5,172	7.8

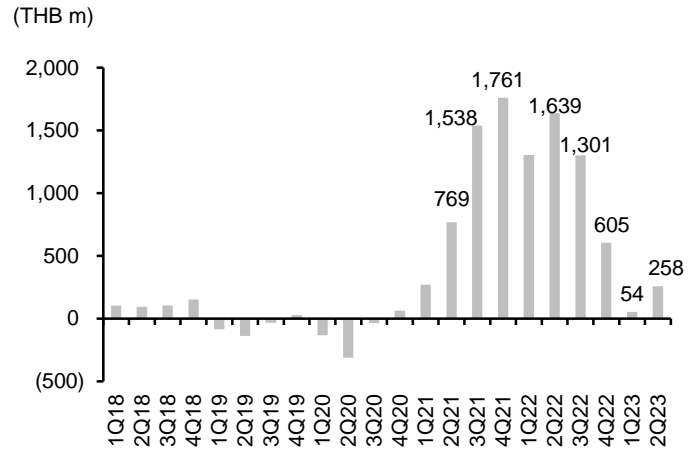
Source: PSL

**Exhibit 10: PSL's freight rates and revenue**



Source: PSL

**Exhibit 11: Core profit**



Source: PSL



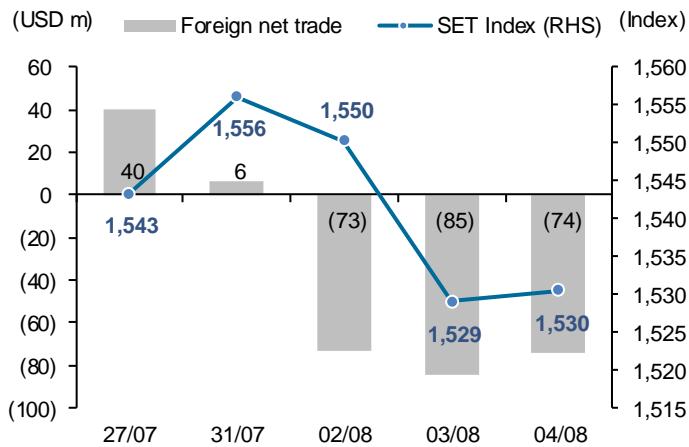
## Economic news

- [Brokers upbeat on Pheu Thai's role in new government](#) BANGKOK POST: Although prolonged political uncertainty has been weighing on the stock market, brokers share a positive view of Pheu Thai Party's leadership role in forming the new government as the party has policies to drive the economy and investment through capital markets, benefitting large-cap stocks.
- [Opportunity knocks amid sweetener scares](#) BANGKOK POST: While sweeteners have been in the spotlight for all the wrong reasons recently, a major sugar producer senses an opportunity. Concerns over aspartame, an artificial sweetener, emerged recently when the World Health Organization revealed in July that it may be carcinogenic.
- [Legal tactics used to minimise tax](#) BANGKOK POST: Chuvit Kamolvisit's allegation that Srettha Thavasin, former president of SET-listed developer Sansiri, was aware of landlords using legal tactics to evade tax payments on land transactions is a common practice among landowners to minimise tax liabilities.
- [Department to meet all oil traders](#) BANGKOK POST: The Internal Trade Department has scheduled a meeting with all oil traders next week to inspect fuel dispensers and equipment to ensure they are in good condition after customers complained they had been short-changed by certain petrol stations.
- [Asian shares inch up on hope for US 'soft landing'](#) BANGKOK POST: RECAP: Asian shares inched higher yesterday, while the dollar retreated from a one-month peak, as investors assessed US economic data suggesting that a hoped-for "soft landing" is possible.
- [Stock markets diverge on mixed US jobs data](#) BANGKOK POST: LONDON: Stock markets diverged on Friday, with US stocks pushing higher after positive earnings and a tepid jobs report that could help the Federal Reserve hold off on further interest rate hikes.
- [Vietnamese rice exporters told to honour contracts](#) BANGKOK POST: HANOI: Vietnam's trade minister has called on the country's rice exporters to honour their export contracts to maintain demand despite a recent surge in prices for the staple grain.
- [Austria proposes putting cash in the constitution](#) BANGKOK POST: VIENNA: The government of Austria plans to enshrine the right to use cash in its constitution, addressing a hot topic for opposition parties agitating about digital currencies.
- [Lao households struggle to survive amid high inflation](#) BANGKOK POST: VIENTIANE: The cost of living in Laos continued to rise due to the depreciation of the Lao currency kip and high inflation, affecting household incomes and people's standard of living.
- [China says it will remove tariffs on Australian barley](#) BANGKOK POST: BEIJING: China said Friday it will remove extra tariffs on Australian barley, in the latest thawing of ties between the two after years of tensions.

## Corporate news

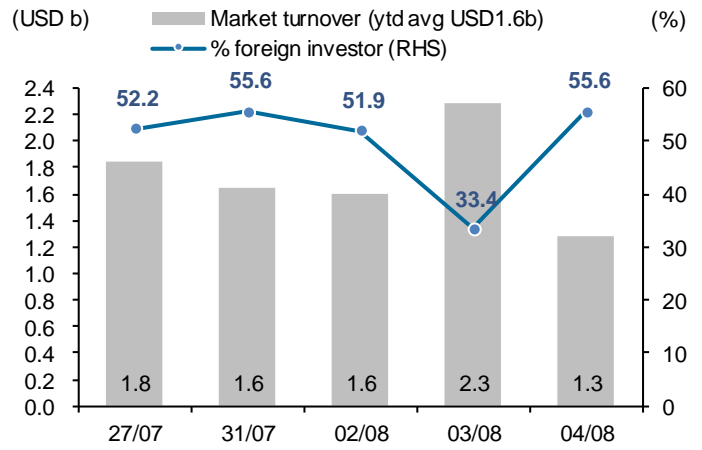
- [Nusa pressing ahead with Wind Energy Holding share deal](#) BANGKOK POST: Nusasiri Plc (Nusa) is pressing ahead with its plan to acquire the additional 26.65% of Wind Energy Holding (WEH) for 11.7 billion baht, transforming itself from a property company to an energy business operator through a backdoor listing of WEH.
- [Osotspa Yanhee eyes growth following calcium water launch](#) BANGKOK POST: Osotspa Yanhee Beverage Co, the producer and marketer of Yanhee vitamin water, is strengthening its functional drinking water portfolio following the introduction of calcium water in the second quarter.
- [Banking on the mainland](#) BANGKOK POST: When China announced the country's surprise reopening in January, every business sector in Thailand responded enthusiastically to the news, particularly the tourism industry, which earned more than 530 billion baht from Chinese visitors in 2019.
- [Budget sought to maintain state EV subsidy](#) BANGKOK POST: The Excise Department says the 2.9-billion-baht subsidy to support the use of electric vehicles (EVs) will run out within September and it plans to request an additional budget from the new administration to continue the programme until 2025, says director-general Ekniti Nitithanprapas.
- [TED Fund sets out strategy to offer more support to startups](#) BANGKOK POST: The Technology and Innovation-Based Enterprise Development Fund (TED Fund) plans to provide financial support and knowledge, as well as networking incubation, to 270 enterprises and startups next year through its annual budget of 290 million baht.

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
<b>% of SET Index</b>			21%	10%	8%	10%	5%	6%	3%	8%	2%
Current	1,530.46	0.1	0.0	0.3	0.3	(0.7)	0.1	0.3	(0.5)	0.5	(0.3)
-5D	1,524.59	0.4	0.7	(0.8)	0.4	(1.3)	0.7	0.2	0.7	(0.1)	(1.5)
-1M	1,490.51	2.7	4.8	2.7	3.5	(0.5)	1.4	(0.1)	0.1	0.5	(1.1)
-3M	1,533.30	(0.2)	1.6	5.4	(2.9)	(8.4)	(1.2)	(6.5)	(2.8)	(2.6)	(4.7)
-6M	1,680.49	(8.9)	(9.0)	2.5	(5.7)	(13.0)	(13.2)	(11.7)	(9.4)	(7.3)	(18.7)
-1Y	1,601.09	(4.4)	(9.0)	7.8	(10.2)	(3.5)	(14.3)	(0.1)	(11.6)	(5.0)	(16.7)
WTD	1,530.46	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
MTD	1,556.06	(1.6)	(1.4)	(1.9)	(1.9)	(3.2)	(1.7)	(1.8)	(0.8)	(1.5)	(2.3)
QTD	1,503.10	1.8	3.8	2.0	2.7	(2.3)	(0.7)	(1.1)	(0.5)	(0.6)	(1.0)
End of 2022	1,668.66	(8.3)	(12.1)	2.2	(4.4)	(13.3)	(12.9)	(11.8)	(9.7)	(8.0)	(16.7)

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)	
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
2022	1,668.66	15.1	34.78	53,589	1,541	5,362	(656)	56	(4,758)	4,111
<b>2023YTD</b>	<b>1,530.46</b>	<b>(8.3)</b>	<b>34.27</b>	<b>54,061</b>	<b>1,578</b>	<b>(3,700)</b>	<b>2,518</b>	<b>(98)</b>	<b>1,279</b>	<b>893</b>
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	1,589.51	(1.0)	36.42	66,215	1,818	1,076	(93)	(20)	(962)	24
4Q22	1,668.66	0.7	36.37	57,767	1,588	1,443	(533)	(115)	(792)	2,928
1Q23	1,609.17	(5.1)	33.92	63,300	1,866	(1,646)	1,594	(83)	136	612
2Q23	1,503.10	(4.2)	34.48	47,432	1,376	(1,461)	593	(120)	987	(178)
Jan-23	1,671.46	1.4	33.22	68,181	2,052	545	16	172	(732)	822
Feb-23	1,622.35	(3.7)	34.05	63,203	1,856	(1,273)	836	34	404	(1,115)
Mar-23	1,609.17	(5.1)	34.49	58,517	1,697	(917)	742	(290)	464	905
Apr-23	1,529.12	(8.3)	34.27	44,594	1,301	(231)	222	(16)	24	(608)
May-23	1,533.54	(7.8)	34.26	52,780	1,541	(967)	137	(49)	880	699
Jun-23	1,503.10	(4.2)	34.92	44,923	1,286	(263)	234	(55)	83	(269)
Jul-23	1,556.06	(1.3)	34.61	44,682	1,291	(361)	100	81	181	958
Aug-23	1,530.46	(6.6)	34.57	50,259	1,454	(232)	232	24	(25)	(499)
<b>2023YTD</b>	<b>1,530.46</b>	<b>(7.7)</b>	<b>34.27</b>	<b>54,061</b>	<b>1,578</b>	<b>(3,700)</b>	<b>2,518</b>	<b>(98)</b>	<b>1,279</b>	<b>893</b>
27/07/2023	1,543.27		34.08	62,680	1,839	40	(94)	28	26	113
31/07/2023	1,556.06		34.22	56,269	1,644	6	(17)	13	(2)	21
02/08/2023	1,550.28		34.27	54,924	1,603	(73)	64	15	(7)	(64)
03/08/2023	1,529.01		34.64	51,343	1,482	(85)	118	(4)	(30)	(232)
04/08/2023	1,530.46		34.79	44,510	1,280	(74)	49	13	12	(202)

Source: Bloomberg

## Exhibit 16: Upcoming events

Date Time	Event		Survey	Actual	Prior
08/04/2023 03:30	Foreign Reserves	Jul-28	--	\$220.8b	\$221.7b
08/04/2023 03:30	Forward Contracts	Jul-28	--	\$31.1b	\$30.7b
08/06/2023 23:30	CPI Core YoY	Jul	0.90%	--	1.32%
08/06/2023 23:30	CPI NSA MoM	Jul	0.27%	--	0.60%
08/06/2023 23:30	CPI YoY	Jul	0.66%	--	0.23%
08/09/2023 23:00	Consumer Confidence Economic	Jul	--	--	51.2
08/09/2023 23:00	Consumer Confidence	Jul	--	--	56.7
08/11/2023 03:30	Foreign Reserves	Aug-04	--	--	\$220.8b
08/11/2023 03:30	Forward Contracts	Aug-04	--	--	\$31.1b
08/17/2023 08/24	Car Sales	Jul	--	--	64440
08/20/2023 22:30	GDP SA QoQ	2Q	--	--	1.90%
08/20/2023 22:30	GDP YoY	2Q	--	--	2.70%
08/22/2023 08/28	Customs Exports YoY	Jul	--	--	-6.40%
08/22/2023 08/28	Customs Imports YoY	Jul	--	--	-10.30%
08/22/2023 08/28	Customs Trade Balance	Jul	--	--	\$58m
08/24/2023 08/30	Mfg Production Index ISIC NSA YoY	Jul	--	--	-5.24%
08/27/2023 08/30	Capacity Utilization ISIC	Jul	--	--	59.12
08/31/2023 03:00	BoP Current Account Balance	Jul	--	--	\$1449m
08/31/2023 03:30	Exports YoY	Jul	--	--	-5.90%
08/31/2023 03:30	Exports	Jul	--	--	\$24673m
08/31/2023 03:30	Imports YoY	Jul	--	--	-9.60%
08/31/2023 03:30	Imports	Jul	--	--	\$22656m
08/31/2023 03:30	Trade Balance	Jul	--	--	\$2018m
08/31/2023 03:30	BoP Overall Balance	Jul	--	--	-\$2708m
08/31/2023 20:30	S&P Global Thailand PMI Mfg	Aug	--	--	50.7
09/01/2023 03:30	Business Sentiment Index	Aug	--	--	49.3

Source: Bloomberg

## Exhibit 17: Upcoming XR

Symbol	X-Date	Announce Date	Rights for	Subscription Price	Unit	Subscription Ratio (Holding:New)	Subscription Period	Allotted Shares (Shares)
APEX	11/08/2023	26/06/2023	Common	0.05	Baht	1 : 2	01/09/2023 - 08/09/2023	8068998702
ALPHAX	30/10/2023	15/05/2023	Common	0.25	Baht	1 : 1	-	4646406094

Source: SET

## Exhibit 18: Upcoming XM

Symbol	X-Date	Meeting Date	Type of Meeting	Agenda	Venue
SABUY	07/08/2023	25/08/2023	EGM	Acquisition and disposition of assets	via electronic media (Electronic Meeting) only, broadcast live from the meeting room on the 2nd floor of the Company's office, No. 230 Bang Khun Thian-Chaitalay Road, Samae Dam Subdistrict, Bang Khun Thian District, Bangkok
TKS	07/08/2023	29/08/2023	EGM	To consider and approve the cancellation of the acquisition of 280,000,000 ordinary shares of Advanced Information Technology Public Company Limited from Sabuy Technology Public Company Limited and Mr. Chookiat Rujanapornpajee	Mongkolsuthree Auditorium, 4th Floor, Synnex (Thailand) Public Company Limited, No. 433, Sukontasawat Road, Khwaeng Lat Phrao, Khet Lat Phrao, Bangkok
BDMS	08/08/2023	06/09/2023	EGM	To consider approving the amendment to Article 9 of the Company's Articles of Association (non-Thai shareholding restriction)	e-meeting
GIFT	08/08/2023	30/08/2023	EGM	Acquisition and disposition of assets	Rose Hall, RS Group Building, 5th floor, Prasert-Manukitch Rd., Sena Nikhom, Chatuchak, Bangkok 10900 via electronic media (e-EGM) only
TTLPF	08/08/2023	31/08/2023	EGM	To acknowledge the Minutes of the 2023 Annual General Meeting of Unitholders, To consider and approve the change in the utilization plan in the leasehold rights of immovable properties in Talaad Thai	Sala Daeng Room, 12 Floor, Eastin Grand Hotel Sathorn Bangkok, 33/1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120
JCK	15/08/2023	08/09/2023	EGM	Capital increase, Connected transaction, Acquisition and disposition of assets	Through only electronic media
TKC	30/08/2023	09/10/2023	EGM	Capital increase, The issuance of debentures, Acquisition and disposition of assets	E-AGM

Source: SET

**Exhibit 19: Management trading**

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
Super Energy (SUPER)	Jormsup Lochaya	Common Shares	8/3/2023	300,000	0.50	Buy	0.15
BGT Corporation (BGT)	Nantarika Chansue	Common Shares	8/3/2023	10,000	0.98	Buy	0.01
BGT Corporation (BGT)	Nopdol Tumwattana	Common Shares	8/3/2023	8,400	0.98	Buy	0.01
Proud Real Estate (PROUD)	Proudpath Liptapanlop	Common Shares	7/31/2023	100,000	1.73	Buy	0.17
Eastern Power Group (EP)	Yuth Chinpakkul	Common Shares	8/3/2023	82,100	2.95	Buy	0.24

Source: SEC

**Exhibit 20: Upcoming XD**

Symbol	X-Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date	Price	Div Yield	Par
BTS	7/8/2023	0.16	Baht	01/04/2022 - 31/03/2023	NP	25/8/2023	7.80	2.1%	4
PTL	7/8/2023	0.27	Baht	01/04/2022 - 31/03/2023	Both	24/8/2023	14.40	1.9%	1
SCGP	8/8/2023	0.25	Baht	01/01/2023 - 30/06/2023	NP	22/8/2023	39.50	0.6%	1
1DIV	8/8/2023	0.2	Baht	-	RE	23/8/2023	10.56	1.9%	10.5049
SCC	9/8/2023	2.5	Baht	01/01/2023 - 30/06/2023	NP	25/8/2023	320.00	0.8%	1
ITC	10/8/2023	0.25	Baht	01/01/2023 - 30/06/2023	NP	25/8/2023	18.60	1.3%	1
RAM	10/8/2023	0.3	Baht	-	RE	25/8/2023	42.00	0.7%	0.1
CPNCG	15/8/2023	0.1848	Baht	01/04/2023 - 30/06/2023	NP	4/9/2023	9.20	2.0%	10.046
DIF	15/8/2023	0.237	Baht	01/04/2023 - 30/06/2023	NP	7/9/2023	9.90	2.4%	10
ERWPF	15/8/2023	0.0895	Baht	01/04/2023 - 30/06/2023	NP	4/9/2023	5.25	1.7%	7.7793
PPF	15/8/2023	0.1818	Baht	01/04/2023 - 30/06/2023	Both	4/9/2023	11.20	1.6%	10
SIRIP	15/8/2023	0.055	Baht	01/04/2023 - 30/06/2023	NP	4/9/2023	9.00	0.6%	10
PTTEP	15/8/2023	4.25	Baht	01/01/2023 - 30/06/2023	Both	29/8/2023	162.00	2.6%	1
POPF	15/8/2023	0.0796	Baht	-	RE	4/9/2023	9.75	0.8%	10
FTREIT	16/8/2023	0.187	Baht	01/04/2023 - 30/06/2023	NP	31/8/2023	10.80	1.7%	9.5363
MSFT80X	16/8/2023	-	Baht	-	NP	17/10/2023	-	-	-
LPN	17/8/2023	0.08	Baht	01/01/2023 - 30/06/2023	Both	31/8/2023	4.14	1.9%	1

Source: SET

**Exhibit 21: New securities**

Derivative Warrants	Trade Date	Underlying	Issuer	DW Type	Market	Maturity Date	Exercise Price (Baht)
CPALL19C2312A	07/08/2023	CPALL	YUANTA	Call	SET	15/12/2023	82
DELTA19P2312A	07/08/2023	DELTA	YUANTA	Put	SET	15/12/2023	56.25
JMART19P2312A	07/08/2023	JMART	YUANTA	Put	SET	15/12/2023	11.3
MINT13C2312A	07/08/2023	MINT	KGI	Call	SET	20/12/2023	42
MINT13P2312A	07/08/2023	MINT	KGI	Put	SET	15/12/2023	21.5
NTES41C2312A	07/08/2023	NTES	JPM	Call	SET	05/01/2024	195
PTTEP41P2312A	07/08/2023	PTTEP	JPM	Put	SET	14/12/2023	138
SABUY19C2312A	07/08/2023	SABUY	YUANTA	Call	SET	15/12/2023	10.1
SCB13P2312A	07/08/2023	SCB	KGI	Put	SET	20/12/2023	78.25
SCGP13P2312A	07/08/2023	SCGP	KGI	Put	SET	13/12/2023	28
SET5027C2312A	07/08/2023	SET50	RHBS	Call	SET	05/01/2024	1,125.00
SET5027P2312A	07/08/2023	SET50	RHBS	Put	SET	05/01/2024	800
SET5041C2312B	07/08/2023	SET50	JPM	Call	SET	05/01/2024	1,100.00
SET5041P2312B	07/08/2023	SET50	JPM	Put	SET	05/01/2024	850
STGT13P2312A	07/08/2023	STGT	KGI	Put	SET	15/12/2023	5
SUNNY41C2312A	07/08/2023	SUNNY	JPM	Call	SET	05/01/2024	85
TIDLOR13P2312A	07/08/2023	TIDLOR	KGI	Put	SET	15/12/2023	15.6
VGI13P2312A	07/08/2023	VGI	KGI	Put	SET	15/12/2023	2
XIAOMI41C2312A	07/08/2023	XIAOMI	JPM	Call	SET	05/01/2024	14

Source: SET

