

24 JANUARY 2024

SPOTLIGHT ON THAILAND

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- Central bank chief says economy not in crisis
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- GDP growth projection downgraded to 2.8%
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- FTI says wage hike will hit small firms
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Corporate News

- Banks see profit hike amid higher interest income
- Minor planning to add 250 hotels
- SEC to prohibit Thais from investing in NVDRs
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Indices	Index as of 23-Jan-24	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
Thailand SET	1,357	(1.0)	(4.2)	(657)
China SHCOMP	2,771	0.5	(6.9)	
Hong Kong HSI	15,354	2.6	(9.9)	
India SENSEX	70,371	(1.5)	(2.6)	(2,250)
Indonesia JCI	7,256	0.1	(0.2)	349
Korea KOSPI	2,479	0.6	(6.7)	1,643
MY FBMKLCI	1,496	0.3	2.8	
PH PCOMP	6,622	0.6	2.7	57
SG FSSTI	3,135	(0.4)	(3.2)	
Taiwan TWSE	17,875	0.3	(0.3)	211
VN VNINDEX	1,178	(0.5)	4.2	41
MSCI Emerging	970	0.6	(5.3)	
Nikkei 225	36,518	(0.1)	9.1	
FTSE 100	7,486	(0.0)	(3.2)	
CAC 40	7,388	(0.3)	(2.1)	
DAX	16,627	(0.3)	(0.7)	
Dow Jones	37,905	(0.3)	0.6	
Nasdaq	15,426	0.4	2.8	
S&P 500	4,865	0.3	2.0	
Brent	79.55	(0.6)	3.3	
Dubai	79.44	1.5	3.8	
WTI	74.37	0.1	3.9	
GOLD	2,029.28	(0.1)	(1.7)	

Trade data (THB m)	Buy (THB m)	Sell (THB m)	Net (THB m)	Share (%) (THB m)
Foreign	25,612	27,645	(2,033)	55
Retail	15,494	13,155	2,339	29
Prop Trade	3,226	3,733	(507)	7
Local Institution	4,306	4,105	200	9
Total Trade	48,638	48,638	(0)	100

Rates	Last close 23/1/2024	1M ago 25/12/2023	End last yr 29/12/2023	1yr ago 23/1/2023
THB/USD	35.69	34.61	34.14	32.74
Inflation *	(0.83)	(0.44)	5.89	5.89
MLR **	7.12	7.12	7.12	6.23
1Y Fixed *	1.65	1.65	1.65	0.99
Govt bond 10Y	2.72	2.73	2.68	2.48

Commodity (USD/bbl)	Last close 23/1/2024	1M ago 22/12/2023	End last yr 29/12/2023	1yr ago 23/1/2023
Brent	79.55	79.07	77.04	88.19
Dubai	79.44	79.54	76.51	84.48
WTI	74.37	73.56	71.65	80.13
Gold	2,030	2,053	2,063	1,937
Baltic Dry	1,518	2,094	2,094	721
(USD/ton)	19-Jan-24	12-Jan-24	25-Dec-20	20-Jan-23
Coal	129.77	135.95	84.45	367.23
% change	(4.5)	(20.0)	53.7	(64.7)

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

Sources: Bloomberg, except coal from BANPU

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Thailand Equity Sales:

Thailand Equity Trading:

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Published Reports

THAI UNION GROUP (TU TB) - A new round of growth after divesting Red Lobster; Maintain BUY TP THB19.00

Loss recognition from Red Lobster would end from 1Q24 onwards

We have a bullish view of the divestment of RL. Although TU would book a substantial impairment expense of THB18.5b in 4Q23, it would be a one-time non-cash item. Also, the equity would decrease from the impairment, resulting in a higher net D/E ratio of 0.84x (from 0.65x at end-3Q23). However, it is still much lower than the debt covenant of less than 2x, while other financial ratios may temporarily decrease before improving in 2024. TU would cease to realize loss sharing from RL from 1Q24 onwards, which would benefit the 2024 profit, helping it increase by about THB450-500m.

The rising container freight outlook is temporary

The Red Sea crisis, which started on December 15, hit export sales to Europe in 4Q23. Also, it may linger into 1Q24 due to a longer transit time of 10-15 days. Meanwhile, container freights from Thailand to Europe jumped by over 200% m-m to its 16-month peak, while the freights from Thailand to the U.S. and Thailand to China surged by 40-50% and 78%, respectively. We view that they may have a short-term impact on TU since the trade term for some of its shipments is CIF. Based on historical data from the covid outbreak in 2022, when container freights hit a new high and were nearly 3x higher than the current ones, the freight cost soared to 32.4% from 21-22%. Note that the impact of the Red Sea crisis may last shorter than during the covid outbreak when container freights remained high for 23 months.

Raise profit estimates; RL divestment should fully offset higher freights

We have increased our 2024-25E net profit by 5.5% and 2.1% to THB5.5b (+11.2% y-y) and THB6b (+8.8% y-y), respectively. In particular, we have decreased our revenue assumption and increased our freight cost forecast, resulting in a higher SG&A-to-sales estimate of 20bps. It reflects the rising container freight outlook in 1H24 before an anticipated improvement in 2H24. However, an absence of the loss sharing from RL would fully offset the negative impact of higher container freights.

Maintain our BUY call after increasing our TP to THB19

Following our upward revision, we have raised our end-2024 TP to THB19 from THB18 (SoTP), implying a 2024 PE of 17x. Although the financial ratios may experience a hiccup in 4Q23, it would be temporary. The operating performance and financial ratios should resume their normalized level in 2024. Besides, if TU successfully obtains a waiver from bondholders and banks, we expect a 2H23 DPS of THB0.3, implying a dividend yield of 2% for the period. Hence, we retain our BUY rating on TU.

Exhibit 1: 4Q23 earnings preview

	4Q22	1Q23	2Q23	3Q23	4Q23E	Change		2022	2023E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
Sales in THB m	39,613	32,652	34,057	33,915	35,422	4.4	(10.6)	155,586	136,047	(12.6)
Cost of sales	32,744	27,735	28,310	27,682	29,046	4.9	(11.3)	128,380	112,773	(12.2)
Gross profit	6,868	4,917	5,748	6,233	6,376	2.3	(7.2)	27,206	23,273	(14.5)
SG&A	4,484	4,121	3,975	4,044	4,251	5.1	(5.2)	19,156	16,391	(14.4)
Operating profit	2,668	993	2,011	2,447	2,385	(2.5)	(10.6)	9,024	7,836	(13.2)
Profit sharing	(313)	231	(137)	(234)	(300)	nm	nm	(1,030)	(440)	nm
Sharing from Red Lobster	(344)	121	(94)	(395)	(350)	nm	nm	(1,207)	(718)	nm
Interest expense	571	532	550	589	590	0.1	3.4	1,998	2,262	13.2
Tax expense	(170)	(242)	(198)	(140)	(100)	(29.1)	3.0	(840)	(680)	(19.0)
FX gain (loss)	(468)	215	(250)	(268)	50	nm	nm	752	(253)	nm
Other gain (loss)	0	0	0	0	18,500	nm	nm	(542)	18,500	(3,513.3)
Reported net profit	985	1,022	1,029	1,206	(17,055)	nm	nm	6,885	(13,799)	(300.4)
Core profit	1,706	807	1,279	1,474	1,395	(5.3)	(18.2)	6,571	4,956	(24.6)
Key ratios (%)						(ppt)	(ppt)			
Gross margin	17.3	15.1	16.9	18.4	18.0	(0.4)	0.7	17.5	17.1	(0.4)
SG&A / sales	11.3	12.6	11.7	11.9	12.0	0.1	0.7	12.3	12.0	(0.3)
Operating margin	6.7	3.0	5.9	7.2	6.7	(0.5)	(0.0)	5.8	5.8	(0.0)
Net margin	2.5	3.1	3.0	3.6	(48.1)	(51.7)	(50.6)	4.4	(10.1)	(14.6)
Core margin	4.3	2.5	3.8	4.3	3.9	(0.4)	(0.4)	4.2	3.6	(0.6)
Operating statistics (THB m)										
Ambient sales	17,086	15,225	17,136	15,851	16,327	3.0	(4.4)	66,510	64,539	(3.0)
Frozen, chilled seafood sales	14,453	11,684	11,493	11,593	11,941	3.0	(17.4)	56,963	46,711	(18.0)
Pet care sales	5,568	3,495	3,169	3,773	4,600	21.9	(17.4)	21,692	15,037	(30.7)
Value added, others sale	2,505	2,248	2,260	2,698	2,555	(5.3)	2.0	10,420	9,761	(6.3)
USD/THB	36.4	33.9	34.5	35.2	35.8	1.8	(1.6)	34.9	34.8	(0.0)
Tuna price (USD/tonne)	1,660	1,820	2,000	1,800	1,517	(15.7)	(8.6)	1,664	1,873	12.6
Salmon (NOK/kg)	73	104	109	83	84	1.2	15.1	80	95	18.4

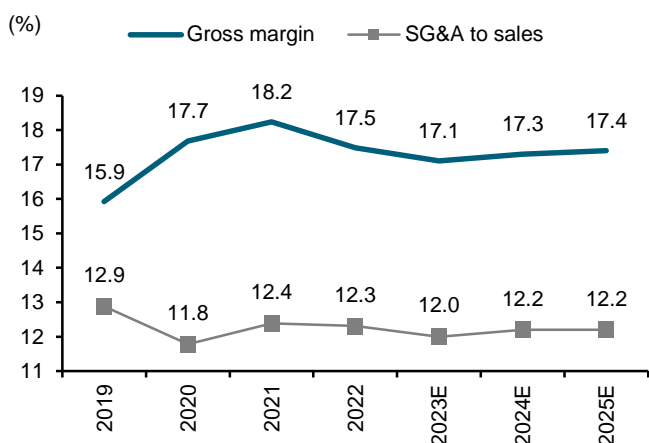
Sources: TU, FSSIA estimates

Exhibit 2: Change of key assumptions for TU

	Current			Previous			Change		
	2023E (THB m)	2024E (THB m)	2025E (THB m)	2023E (THB m)	2024E (THB m)	2025E (THB m)	2023E (%)	2024E (%)	2025E (%)
Total revenue (USD m)	3,905	4,186	4,354	4,167	4,416	4,637	(6.3)	(5.2)	(6.1)
Fx rate (THB/USD)	34.8	33.0	33.0	33.0	33.0	33.0	5.6	0.0	0.0
Total sale value (THB m)	136,047	138,143	143,669	137,495	145,744	153,032	(1.1)	(5.2)	(6.1)
Costs	112,773	114,244	118,671	114,808	120,968	126,710	(1.8)	(5.6)	(6.3)
Gross profit	23,274	23,899	24,998	22,687	24,777	26,321	2.6	(3.5)	(5.0)
SG&A expenses	16,391	16,853	17,528	16,499	17,489	18,364	(0.7)	(3.6)	(4.6)
Interest expense	2,262	2,247	2,186	1,972	1,849	1,815	14.7	21.5	20.4
Profit sharing	(440)	638	677	141	178	237	<i>nm</i>	258.4	185.7
Reported net profit	(13,797)	5,511	5,998	4,097	5,224	5,874	<i>nm</i>	5.5	2.1
Core profit	4,956	5,511	5,998	4,097	5,224	5,874	21.0	5.5	2.1
Key ratios (%)									
Total revenue growth	(12.6)	1.5	4.0	(11.6)	6.0	5.0	(0.9)	(4.5)	(1.0)
Net profit growth	<i>nm</i>	<i>nm</i>	8.8	(42.6)	27.5	12.4	<i>nm</i>	<i>nm</i>	(3.6)
Core profit growth	(24.6)	11.2	8.8	(37.6)	27.5	12.4	13.1	(16.3)	(3.6)
Gross margin	17.1	17.3	17.4	16.5	17.0	17.2	0.6	0.3	0.2
SG&A to sales	12.0	12.2	12.2	12.0	12.0	12.0	0.0	0.2	0.2
Net margin	(10.1)	4.0	4.2	3.0	3.6	3.8	(13.1)	0.4	0.3
Norm margin	3.6	4.0	4.2	3.0	3.6	3.8	0.7	0.4	0.3
Operating statistics (THB m)									
Ambient sales	64,539	63,855	65,562	63,823	65,309	67,300	1.1	(2.2)	(2.6)
Frozen, chilled sales	46,711	47,645	49,074	48,362	51,167	53,470	(3.4)	(6.9)	(8.2)
Pet care sales	15,037	16,541	18,526	15,619	18,899	21,167	(3.7)	(12.5)	(12.5)
Value added, others sales	9,761	10,103	10,507	9,691	10,369	11,095	0.7	(2.6)	(5.3)
Tuna price (USD per ton)	1,784	1,600	1,500	1,700	1,600	1,500	4.9	0.0	0.0

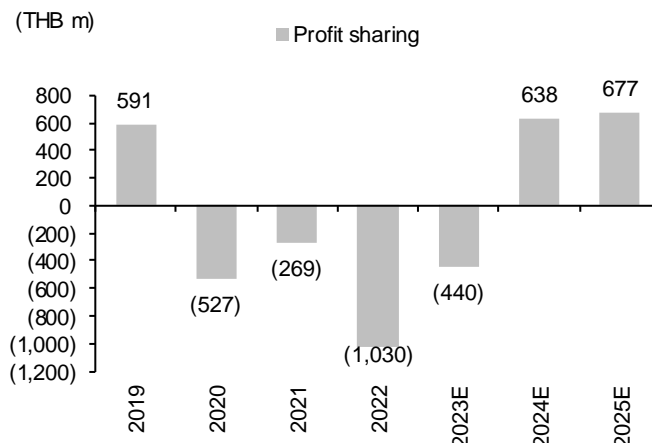
Source: FSSIA estimates

Exhibit 3: Gross margin and SG&A to sales



Sources: TU; FSSIA estimates

Exhibit 4: Yearly profit sharing



Sources: TU; FSSIA estimates

KIATNAKIN BANK (KKP TB) - Another difficult year in 2024; Maintain HOLD TP THB50.60

Disappointing results continued in 4Q23

KKP reported a 4Q23 net profit of THB670m, the lowest since 1Q15, declining 47.7% q-q and 53.2% y-y, exceeding our estimate by 25% but 38% below the BBG consensus. The critical drag was a lower gain from the SAM business of THB76m compared to THB635m in 3Q23. 4Q23 PPOP was THB2.37b, slightly higher than expected, decreasing 25.0% q-q and 38.4% y-y, pressured by 1) a reduction in net interest income (lower income from the SAM business); 2) decreasing non-NII; and 3) higher losses from sales of repossessed cars totaling THB1.41b, which rose by 3.3% q-q and significantly increased by 90% y-y (from decreasing used car prices with lower car volumes). The 4Q23 cost-to-income ratio spiked to 65.9% from 57.5% in 3Q23.

Slight improvement in asset quality

Although NPLs were under control, KKP proactively managed the quality of its loan portfolios through debt restructuring, write-offs, foreclosing assets – mainly in the real estate segment (cTHB900m in 4Q23) – and various assistance measures. There was a positive development in both NPL and coverage ratios. The 4Q23 NPL ratio (FSSIA's calculation) continued decreasing to 3.31% from 3.69% in 3Q23 despite one corporate loan reclassified (THB2b) to NPL during the quarter, while the coverage ratio increased to 156% from 139% in 3Q23. 4Q23 credit costs, including losses from sales of repossessed cars, were reduced to 284bp from 304bp in 3Q23. Excluding this item, the credit costs were reduced to 143bp from 168bp in 3Q23. However, we are concerned that its stage 2 loans continued growing by 5.6% q-q and 19.8% y-y.

Revised down 2024-25E earnings to reflect the cautious outlook

We have a less negative view of KKP's 2024 outlook regarding the improvement of its asset quality. However, potential downside risks come from the prospect of a significantly high loss from sales of repossessed assets. We have, therefore, cut our 2024-25E net profit by 15-17% to reflect the 2024 guidance with prolonged asset quality management and unfavorable market conditions.

Maintain HOLD, cut 2024 TP to THB50.60

We reiterate our HOLD call for KKP. Our 2024 GGM-based TP decreases to THB50.60 (from THB55), implying a P/BV of 0.67x (from 0.71x).

Exhibit 5: 2024-26E earnings revisions

	Current			Previous			Change		
	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Net profit (THB m)	5,798	6,165	6,620	6,779	7,452	8,180	(14.5)	(17.3)	(19.1)
EPS (THB)	6.85	7.28	7.82	8.01	8.80	9.66	(14.5)	(17.3)	(19.1)
Net interest income (THB m)	22,735	23,362	24,098	23,888	25,847	28,073	(4.8)	(9.6)	(14.2)
Non-interest income (THB m)	6,472	6,904	7,300	7,663	8,032	8,419	(15.5)	(14.0)	(13.3)
ECL (THB m)	5,670	5,841	6,016	6,470	7,117	7,828	(12.4)	(17.9)	(23.2)
Net profit growth (%)	6.5	6.3	7.4	14.0	9.9	9.8			
Loan growth (%)	3.0	3.0	3.0	10.0	10.0	10.0			
Fee growth (%)	(0.5)	6.5	6.5	7.0	5.4	5.4			
Non-NII growth (%)	0.0	6.7	5.7	6.0	4.8	4.8			
Interest spread	5.13	5.13	5.15	5.10	5.10	5.00			
Credit cost (bp) – including lossess from sales of repossessed cars	260	248	233	231	213	207			
NPL ratio (%)	3.30	3.28	3.28	3.46	3.46	3.46			
LLR/NPL (%)	161	164	166	142	142	141			

Source: FSSIA estimates

Exhibit 6: 2024 key financial guidance vs FSSIA estimates

Key financial guidance	KKP	KKP*	FSSIA**
	2023	2024E	2024E
ROE	9.16%	~10-11%	9.3%
Loan growth	0.053	~3.0%	3.0%
Loan spread	0.052	~5.0%	5.1%
NPL ratio (gross) 1	0.032	~3.5-3.7%	3.3%
Credit cost (bp) (inc. GR) 2	301	~ 250-270	260

Note: *ROE comprehensive income;

1. NPL ratio: Excluding amount classified as Purchased or Originated Credit-Impaired (POCI) financial assets;

2. Credit cost: Expected credit loss plus loss from sale of repossessed cars excluding reversal of general provisions;

3. Excluding surplus on Land and Premises revaluation conducted during year 2022.

Sources: KKP; FSSIA estimates

Results Comments

SCG PACKAGING (SCGP TB) - Efficient cost management helped; Maintain BUY TP THB48

4Q23 core profit -7% q-q, +53% y-y in line with our estimates

Excluding a THB100m FX loss, SCGP posted a core profit of THB1.3b in 4Q23 (-7% q-q, +53% y-y), making the year core profit of THB5.2b, a contraction of 10% y-y and 2% lower than our estimates. In 4Q23, the packaging demand slowly recovered by only +1% q-q (but still -5% y-y), largely due to the improved sales volume while price pressure remained. Although we can say that SCGP's overall core operations have bottomed out in 3Q23, but we have to admit that the risen inflation and interest rates in 2023 have eaten up consumers' purchasing power to some extent. The continued intensified competition led to the selling price pressure particularly in Indonesian packaging paper industry.

Efficient cost management played essential role for 4Q23

4Q23 EBITDA, however, improved 4% q-q and 13% y-y to THB4.5b as a result of the efficient raw material and energy cost management along with the capability to diversify sources raw materials. In 2023, EBITDA shrank 8% y-y attributable to the 11% y-y revenue fall. The 10% y-y core profit contraction was because of the 38% y-y increase in interest expense. Nevertheless, the annual EBITDA margin rose 50bps to 13.7% due to its proactive cost effectiveness.

Signs of improvement in economic recovery in various areas

We maintain our profit forecast of THB6.8b (+31% y-y) in 2024 and THB7.9b (+17% y-y) in 2025. Despite China's slow recovery and the growing freight costs, our double-digit earnings growth expectation come from the signs of improvement in economy in various area supported by the declined inflation and lower energy costs. The M&Ps throughout 2023 including Duy Tan, Intan group, Deltalab, Peute, Jordan, Law Print, and Bicappa along with SCGP's organic capacity expansion should prove fruitful in the long run.

Maintain BUY call with TP of THB48

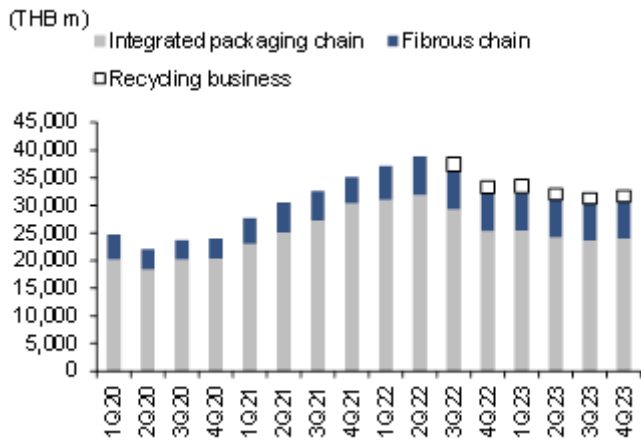
We maintain our BUY call and our DCF-based TP of THB48.0 (9.8% WACC, 3.5% LTG). SCGP's share price is trading at only 9.4x 2024E EV/EBITDA, -1.6 SD of its four-year average.

Exhibit 7: 4Q23/2023 earnings result

Year to Dec 31	4Q22	1Q23	2Q23	3Q23	4Q23	-----Change-----		2022	2023	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Sales	33,509	33,729	32,216	31,573	31,881	1.0	(4.9)	146,068	129,398	(11.4)
Cost of sales	(28,625)	(27,780)	(26,350)	(25,965)	(26,179)	0.8	(8.5)	(121,791)	(106,274)	(12.7)
Gross profit	4,884	5,948	5,866	5,608	5,702	1.7	16.8	24,277	23,124	(4.7)
Operating costs	(3,770)	(4,220)	(3,754)	(3,824)	(3,886)	1.6	3.1	(16,039)	(15,684)	(2.2)
Operating profit	1,114	1,729	2,112	1,784	1,816	1.8	63.1	8,238	7,440	(9.7)
Operating EBITDA	3,967	4,318	4,566	4,319	4,487	3.9	13.1	19,259	17,689	(8.1)
Other income	342	232	161	325	325	0.0	(5.1)	1,322	1,043	(21.1)
Interest expense	(467)	(497)	(510)	(496)	(516)	4.0	10.4	(1,468)	(2,020)	37.6
Profit before tax	989	1,464	1,762	1,612	1,625	0.8	64.4	8,091	6,464	(20.1)
Associates	(6)	(17)	6	14	35	144.3	(671.5)	55	39	(29.3)
Minority interests	103	(84)	(94)	15	(18)	(218.3)	(117.2)	(939)	(180)	(80.8)
Net profit	449	1,220	1,485	1,324	1,219	(8.0)	171.2	5,801	5,248	(9.5)
Core profit	862	1,067	1,370	1,413	1,318	(6.7)	52.8	5,768	5,169	(10.4)
Reported EPS (THB)	0.10	0.28	0.35	0.31	0.28	(8.0)	171.1	1.35	1.22	(9.5)
Core EPS (THB)	0.20	0.25	0.32	0.33	0.31	(6.7)	52.8	1.34	1.22	(9.0)
Key Ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Gross margin	14.6	17.6	18.2	17.8	17.9	0.1	3.3	16.6	17.9	1.3
Operating margin	4.3	5.8	7.1	6.7	6.7	0.0	2.4	6.5	6.6	0.0
EBITDA margin	11.8	12.8	14.2	13.7	14.1	0.4	2.2	13.2	13.7	0.5
Core profit margin	2.6	3.2	4.3	4.5	4.1	(0.3)	1.6	4.0	4.6	0.6
SG&A / Sales	11.3	12.5	11.7	12.1	12.2	0.1	0.9	11.0	12.1	1.1
Revenue breakdown	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Integrated packaging chain	25,345	25,480	24,185	23,655	24,043	1.6	(5.1)	117,219	97,044	(17.2)
Fibrous chain	6,852	6,805	6,847	6,591	6,592	0.0	(3.8)	24,273	24,894	2.6
Recycling business	1,312	1,444	1,184	1,326	1,246	(6.0)	(5.0)	4,576	7,460	63.0
EBITDA margin	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Integrated packaging chain	10.5	14.3	15.0	15.4	14.5	(0.8)	4.0	13.0	15.0	2.0
Fibrous chain	13.2	12.5	16.1	13.0	15.5	2.5	2.3	15.0	14.0	(1.0)

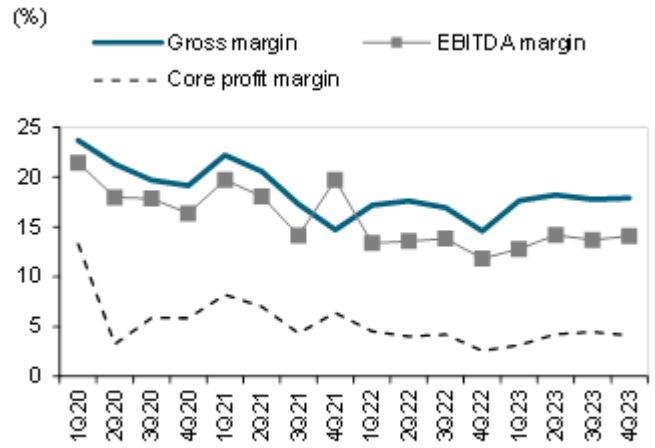
Sources: SCGP, FSSIA's compilation

Exhibit 8: Revenue breakdown by business unit



Sources: SCGP, FSSIA's compilation

Exhibit 9: Margins



Sources: SCGP, FSSIA's compilation

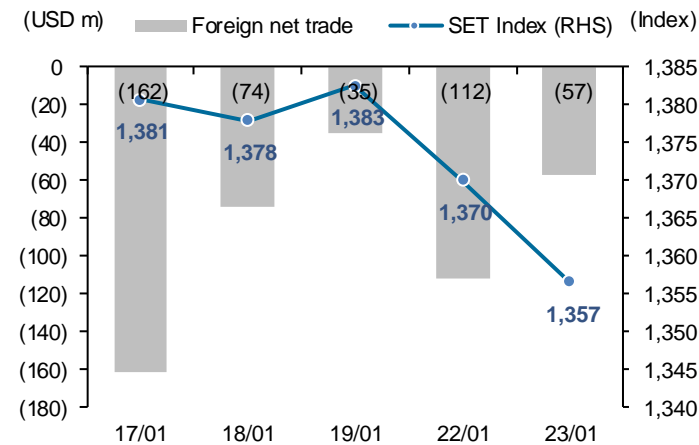
Economic news

- [Media spending on course for 4% gain this year](#) BANGKOK POST: Media spending is expected to grow by 4% this year, similar to 2023, propelled by online, TV and out-of-home media as political stability and government economic stimulus drive demand. The evolving landscape of e-commerce platforms has amplified the influence of affiliate marketing, emerging as a powerful media tool for brands amid competition between Lazada, Shopee and TikTok, said Pawat Ruangdejworachai, president and chief executive of Media Intelligence Group (MI).
- [Central bank chief says economy not in crisis](#) BANGKOK POST: Economic growth will be slower than expected this year but the current state of the Thai economy is not a “crisis”, Bank of Thailand governor Sethaput Suthiwartnarueput said on Tuesday. The government’s short-term stimulus measures will not solve the country’s economic problems as structural issues were holding back growth, Mr Sethaput told Reuters.
- [Investment giant Franklin Templeton explores Thailand expansion](#) BANGKOK POST: HONG KONG - Franklin Templeton is weighing expansion in Thailand, seeking to lure local investors of offshore products as the asset manager strengthens its Asia operations. The US\$1.5 trillion global investment manager is looking to distribute its fund products in the Southeast Asian country, though it does not have a specific time line, Asia-Pacific head Tariq Ahmad said during an interview in Hong Kong.
- [GDP growth fell in 2023, piling rate-cut pressure](#) BANGKOK POST: Thailand's economic recovery lost momentum last year and missed official forecasts, according to a government spokesman Chai Wacharonke, potentially piling pressure on the central bank to pivot to early easing. The Thai economy grew 1.8% last year, down from 2.6% in 2022, Mr Chai said on Tuesday, citing estimates from Finance Ministry's FPO due to be released Wednesday.
- [GDP growth projection downgraded to 2.8%](#) BANGKOK POST: The Thai economy is expected to grow 2.8% this year, a sharp downgrade from a previous projection of 3.2%, the Ministry of Finance said in a statement on Tuesday. The country's gross domestic product (GDP) growth last year is seen at 1.8%, down from 2.7% seen earlier.
- [Bitcoin down about 20%](#) BANGKOK POST: PORTLAND - Bitcoin has fallen almost 20% since the Jan 11 launch of the first exchange-traded funds investing directly in the token as speculators become more cautious about the potential impact of the products. The digital asset spiked to US\$49,021 on the day the ETFs from issuers including BlackRock Inc and Fidelity Investments went live. Bitcoin traded at \$39,718 as of 8.33am Tuesday in Singapore, a 19% drop from that intraday peak.
- [FTI says wage hike will hit small firms](#) BANGKOK POST: Businesses, especially small and medium-sized enterprises (SMEs), are likely to suffer from a daily minimum wage increase amid high loan interest rates as the government continues to push for the wage hike, says the Federation of Thai Industries (FTI). The tripartite wage committee, which consists of representatives from the government, employers and employees, resolved in late 2023 to increase the wage by 2.37% on average, or 2-16 baht per day.
- [Thai e-commerce rivalry set to surge](#) BANGKOK POST: Geopolitical conflict between the US and China is bringing new e-commerce players into Thailand, which is expected to heat up market competition and widen the cross-border e-commerce market. According to Thanawat Malabuppha, chief executive of Priceza and honorary president of the Thailand E-Commerce Association, the ongoing geopolitical conflict involving the US and China has resulted in Chinese brands and manufacturing companies expanding in Southeast Asia and other markets to minimise reliance on their exports to America and escape ever-intensifying domestic competition.

Corporate news

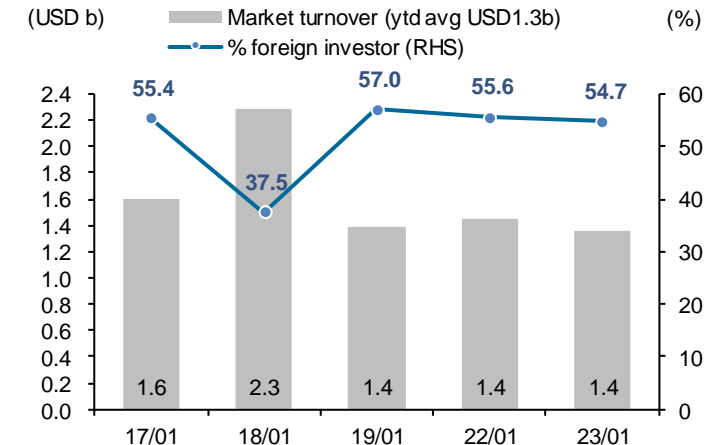
- [Banks see profit hike amid higher interest income](#) BANGKOK POST: Ten SET-listed commercial banks reported consolidated net profit in 2023 of 232 billion baht, a 15.6% year-on-year increase from around 201 billion baht in 2022, attributed to rising interest income as a result of policy rate hikes. Regarding rising interest rates, the banking sector recorded total net interest income (NII) of around 727 billion baht in 2023, up by 17.8% year-on-year from 617 billion baht in 2022.
- [Minor planning to add 250 hotels](#) BANGKOK POST: Minor International Plc, one of Asia’s largest hospitality groups, aims to add 250 properties to its global hotel portfolio over the next three years, as the revival of outbound Chinese travellers underpins the strong recovery of global tourism. The expansion, most of which will take place after this year, comes as chairman Bill Heinecke said he expects “extraordinary” 2023 results for the Bangkok-based company that he founded in 1967, and an even better performance this year.
- [SEC to prohibit Thais from investing in NVDRs](#) BANGKOK POST: The Securities and Exchange Commission (SEC) plans to restrict Thais from investing in non-voting depository receipts (NVDRs) and is holding a public hearing to prohibit securities companies from providing such services. The regulator said in a statement the public hearing is on prohibiting securities companies from providing any services that allow Thai investors to acquire more securities in the form of depository receipts for benefits arising from Thai underlying securities or NVDRs.
- [SET awaits report on trading programs](#) BANGKOK POST: The Stock Exchange of Thailand (SET) expects an international consultant to conclude its report early next month regarding Thailand's trading programs and possible naked shorts, after examinations into four cases found no wrongdoing. SET president Pakorn Peetathawatchai said the bourse has cooperated with Oliver Wyman, a leading international management consulting firm, to study securities trading programs that were appropriate for the Thai market and how to prevent naked short selling.

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			21%	10%	9%	9%	5%	6%	3%	8%	2%	
Current	1,356.54	(1.0)	(0.7)	(0.1)	(0.3)	(1.5)	(1.6)	(1.0)	(1.6)	(1.3)	(0.8)	
-5D	1,401.72	(3.2)	(2.2)	(2.5)	(1.3)	(6.6)	(3.0)	(3.6)	(5.0)	(5.4)	(6.7)	
-1M	1,405.09	(3.5)	(3.1)	(2.8)	0.4	(6.4)	(3.2)	(2.8)	(6.4)	(2.0)	(11.3)	
-3M	1,399.35	(3.1)	(1.4)	(5.8)	(2.6)	(6.5)	1.9	(1.0)	(4.2)	(7.7)	0.6	
-6M	1,529.25	(11.3)	(9.2)	(9.1)	(6.0)	(17.6)	(4.8)	(8.3)	(14.4)	(15.5)	(19.1)	
-1Y	1,684.04	(19.4)	(19.8)	(6.9)	(12.1)	(26.5)	(17.0)	(17.0)	(24.6)	(22.1)	(36.4)	
WTD	1,382.51	(1.9)	(1.8)	(1.9)	(1.2)	(3.3)	(2.5)	(1.4)	(1.8)	(2.0)	(1.3)	
MTD	1,415.85	(4.2)	(3.5)	(5.1)	(0.3)	(7.1)	(5.0)	(4.7)	(8.5)	(2.0)	(11.4)	
QTD	1,415.85	(4.2)	(3.5)	(5.1)	(0.3)	(7.1)	(5.0)	(4.7)	(8.5)	(2.0)	(11.4)	
End of 2022	1,415.85	(4.2)	(3.5)	(5.1)	(0.3)	(7.1)	(5.0)	(4.7)	(8.5)	(2.0)	(11.4)	

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)	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
2023	1,415.85	(15.2)	34.81	51,072	1,467	(5,507)	3,348	(146)	2,305	318
2024YTD	1,356.54	(4.2)	35.06	45,154	1,288	(5,507)	3,348	(146)	2,305	319
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)
3Q23	1,471.43	(7.4)	35.17	49,809	1,416	(1,420)	825	261	333	(716)
4Q23	1,415.85	(15.2)	35.64	42,734	1,199	(981)	336	(204)	849	601
1Q24	1,356.54	(15.7)	35.06	62,067	1,770	(2,164)	758	8	(108)	19
Jul-23	1,556.06	(1.3)	34.61	44,682	1,291	(361)	100	81	181	958
Aug-23	1,565.94	(4.5)	35.04	56,846	1,622	(443)	48	114	280	(1,057)
Sep-23	1,471.43	(7.4)	35.85	47,900	1,336	(616)	677	66	(128)	(618)
Oct-23	1,381.83	(14.1)	36.51	45,582	1,249	(431)	254	(134)	312	458
Nov-23	1,380.18	(15.6)	35.47	44,524	1,255	(548)	300	10	238	474
Dec-23	1,415.85	(15.2)	34.95	38,095	1,090	(2)	(218)	(80)	299	(331)
Jan-24	1,356.54	(18.8)	35.06	62,067	1,770	(562)	758	8	(108)	19
2024YTD	1,356.54	(4.2)	35.06	45,154	1,288	(6,202)	758	8	(108)	19
17/01/2024	1,380.65		35.50	56,708	1,597	(162)	174	(15)	3	(32)
18/01/2024	1,377.93		35.60	50,985	1,432	(74)	68	2	5	9
19/01/2024	1,382.51		35.52	49,266	1,387	(35)	64	(13)	(16)	7
22/01/2024	1,369.92		35.67	51,506	1,444	(112)	129	2	(19)	(25)
23/01/2024	1,356.54		35.69	48,638	1,363	(57)	66	(14)	6	

Source: Bloomberg

Exhibit 14: Upcoming events

Date Time	Event		Survey	Actual	Prior
01/24/2024 01:28	Customs Exports YoY	Dec	6.40%	--	4.90%
01/24/2024 01:28	Customs Imports YoY	Dec	6.85%	--	10.10%
01/24/2024 01:28	Customs Trade Balance	Dec	-\$1465m	--	-\$2400m
01/26/2024 02:30	Foreign Reserves	Jan-19	--	--	\$223.5b
01/26/2024 02:30	Forward Contracts	Jan-19	--	--	\$29.9b
01/28/2024 22:30	Car Sales	Dec	--	--	61621
01/30/2024 23:00	Mfg Production Index ISIC NSA YoY	Dec	-2.90%	--	-4.71%
01/30/2024 23:00	Capacity Utilization ISIC	Dec	--	--	57.87
01/31/2024 02:00	BoP Current Account Balance	Dec	--	--	-\$1244m
01/31/2024 02:30	BoP Overall Balance	Dec	--	--	\$1591m
01/31/2024 02:30	Exports	Dec	--	--	\$23100m
01/31/2024 02:30	Imports	Dec	--	--	\$23258m
01/31/2024 02:30	Exports YoY	Dec	--	--	3.90%
01/31/2024 02:30	Imports YoY	Dec	--	--	9.50%
01/31/2024 02:30	Trade Balance	Dec	--	--	-\$159m
01/31/2024 19:30	S&P Global Thailand PMI Mfg	Jan	--	--	45.1
02/01/2024 02:30	Business Sentiment Index	Jan	--	--	49.1
02/04/2024 22:30	CPI Core YoY	Jan	--	--	0.58%
02/04/2024 22:30	CPI NSA MoM	Jan	--	--	-0.46%
02/04/2024 22:30	CPI YoY	Jan	--	--	-0.83%
02/06/2024 02:13	Consumer Confidence Economic	Jan	--	--	56
02/06/2024 02:13	Consumer Confidence	Jan	--	--	62
02/07/2024 02:05	BoT Benchmark Interest Rate	Feb-07	--	--	2.50%
02/18/2024 21:30	GDP SA QoQ	4Q	--	--	0.80%
02/18/2024 21:30	GDP YoY	4Q	--	--	1.50%

Source: Bloomberg

Exhibit 15: Management trading

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
Syntec Construction (SYNTEC)	Jiramote Phahusutr	Common Shares	1/11/2024	400,000	1.70	Buy	0.68
Zen Corp (ZEN)	Siruwat Chatchawan	Common Shares	1/22/2024	24,000	9.00	Sell	0.22
TSTE (TSTE)	Prapas Chutimaworapan	Common Shares	1/22/2024	9,500	9.85	Buy	0.09
Triton Holding (TRITN)	Louise Taechaubol	Common Shares	1/22/2024	4,338,500	0.13	Buy	0.56
PROEN Corp (PROEN)	Somkiat Yubanphaeo	Common Shares	1/22/2024	11,200	3.34	Sell	0.04
PROEN Corp (PROEN)	Somkiat Yubanphaeo	Common Shares	1/22/2024	21,500	3.36	Sell	0.07
Precise Corporation (PCC)	Kitti Sumrit	Common Shares	1/22/2024	31,000	3.04	Buy	0.09
Millennium Group Corporation (Asia) (MGC)	Jerdnapang Thamchuanviriya	Common Shares	1/22/2024	253,700	5.07	Buy	1.29
Storage Asia (ISTORE22)	Pakdee Anivat	Common Shares	1/22/2024	165,000	1.40	Buy	0.23
Sabuy Technology (SABUY)	Saran Supaksaran	Common Shares	1/23/2024	750,000	5.00	Buy	3.75
Sabuy Technology (SABUY)	Saran Supaksaran	Common Shares	1/23/2024	1,550,000	4.99	Buy	7.73
Siamrajathanee (SO)	Kanthima Jangwansook	Common Shares	1/22/2024	200,000	7.70	Buy	1.54
Sirisoft (SRS)	Sitthikard Auschavara-Nondha	Common Shares	1/22/2024	4,000	12.40	Sell	0.05
Eastern Power Group (EP)	Yuth Chinpakkul	Common Shares	1/22/2024	53,400	2.63	Buy	0.14
Ekachai Medical Care (EKH)	Suthipong Tangsajjapoj	Common Shares	1/19/2024	10,000	7.50	Buy	0.08
AddTech Hub (ADD)	Rawin Viruchpintu	Common Shares	1/22/2024	8,000	5.75	Buy	0.05

Source: SEC

Exhibit 16: Upcoming XR

Symbol	X-Date	Announce Date	Rights for	Subscription Price	Unit	Subscription Ratio (Holding:New)	Subscription Period	Allotted Shares (Shares)
TGE	24/01/2024	13/11/2023	Warrants	-	Baht	7 : 1	-	314285715
SCN	31/01/2024	15/11/2023	Warrants	-	Baht	3 : 1	-	403056836
FSX	05/03/2024	28/11/2023	Common	2.3	Baht	1 : 1	25/03/2024 - 29/03/2024	867929461

Source: SET

Exhibit 17: Upcoming XM

Symbol	X-Date	Meeting Date	Agenda	Venue
ERWPF	24/01/2024	27/02/2024	Acquisition and disposition of assets / Acquisition or Disposition of Assets ,Connected transaction,Other matters (if any)	Grand Ballroom A, The Westin Grande Sukhumvit, Bangkok, Sukhumvit 19
STARK	24/01/2024	22/02/2024	Omitted dividend payment	Via electronic means only by broadcasting live at VCV 2nd Floor, Phelps dodge International (Thailand) Co., Ltd.(Subsidiary company) located at No. 159 Moo. 10, Thepharak Road, Bang Pla Sub-district, Bang Phli District, Samut Prakan Province, electronic device (E-AGM)
KSL	26/01/2024	21/02/2024	Cash dividend payment,To consider and approve the amendment of the Articles of Association of the Company	
PICO	01/02/2024	23/02/2024	Omitted dividend payment,Changing The director(s)	Crystal Design Center, CDC Ballroom 1, 888 Pradit Manutham Road, Klongjan, Bangkok, Bangkok 10240
SSS	02/02/2024	01/03/2024	Capital increase,Acquisition and disposition of assets / Acquisition or Disposition of Assets ,Connected transaction	Alexander Hotel, 5th Floor Evergreen Room, No. 1 Soi Ramkhamhaeng 83/3 Huamark, Bang Kapi Bangkok, Thailand, 10240

Source: SET

Exhibit 18: New securities

Derivative Warrants	Trade Date	Underlying	Issuer	DW Type	Market	Maturity Date	Exercise Price (Baht)
ALIHEA28C2407A	24/01/2024	ALIHEA	MACQ	Call	SET	03/08/2024	3.7
AWC41C2406A	24/01/2024	AWC	JPM	Call	SET	12/06/2024	5.1
BANPU41C2406A	24/01/2024	BANPU	JPM	Call	SET	12/06/2024	8.5
BYD13C2406A	24/01/2024	BYD	KGI	Call	SET	12/06/2024	5.9
CBG19C2406A	24/01/2024	CBG	YUANTA	Call	SET	13/06/2024	99.75
CENDEL41C2406A	24/01/2024	CENDEL	JPM	Call	SET	12/06/2024	55
CPF13C2406A	24/01/2024	CPF	KGI	Call	SET	12/06/2024	22.2
DELTA11C2406A	24/01/2024	DELTA	KS	Call	SET	20/06/2024	115
DELTA13C2405A	24/01/2024	DELTA	KGI	Call	SET	09/05/2024	122
DOHOME41C2406B	24/01/2024	DOHOME	JPM	Call	SET	12/06/2024	14.5
EA19C2406B	24/01/2024	EA	YUANTA	Call	SET	13/06/2024	47.25
EA41C2406A	24/01/2024	EA	JPM	Call	SET	12/06/2024	53.75
HANA11C2407A	24/01/2024	HANA	KS	Call	SET	20/07/2024	69
HSBC28C2406A	24/01/2024	HSBC	MACQ	Call	SET	03/07/2024	70
IVL41C2406B	24/01/2024	IVL	JPM	Call	SET	12/06/2024	31.75
JD28C2406A	24/01/2024	JD	MACQ	Call	SET	03/07/2024	110
JMT13C2406A	24/01/2024	JMT	KGI	Call	SET	12/06/2024	32.25
KBANK41C2406A	24/01/2024	KBANK	JPM	Call	SET	12/06/2024	158
KTB19C2406A	24/01/2024	KTB	YUANTA	Call	SET	13/06/2024	20.4
KTB19P2406A	24/01/2024	KTB	YUANTA	Put	SET	13/06/2024	11.7
KTB41C2406B	24/01/2024	KTB	JPM	Call	SET	12/06/2024	21
RCL11C2407A	24/01/2024	RCL	KS	Call	SET	20/07/2024	33.5
SAWAD41C2406A	24/01/2024	SAWAD	JPM	Call	SET	12/06/2024	52
SET5019C2403F	24/01/2024	SET50	YUANTA	Call	SET	03/04/2024	900
SNNP13C2406A	24/01/2024	SNNP	KGI	Call	SET	12/06/2024	23.6
TIDLOR11P2406A	24/01/2024	TIDLOR	KS	Put	SET	04/07/2024	13.6
WHA11C2407A	24/01/2024	WHA	KS	Call	SET	20/07/2024	5.95
WHA41C2406A	24/01/2024	WHA	JPM	Call	SET	12/06/2024	6.05
ZIJIN28C2407A	24/01/2024	ZIJIN	MACQ	Call	SET	03/08/2024	13.7

Source: SET

Exhibit 19: Upcoming XD

Symbol	X-Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date	Price	Div Yield	Par
LPF	25/1/2024	0.2206	Baht	01/09/2023 - 30/11/2023	NP	12/2/2024	13.40	1.6%	10.1948
1DIV	26/1/2024	0.15	Baht	-	RE	9/2/2024	9.76	1.5%	10.5049
TDEX	26/1/2024	0.2	Baht	-	RE	9/2/2024	8.19	2.4%	5.68
NOBLE	29/1/2024	0.2	Baht	01/07/2023 - 30/09/2023	Both	15/2/2024	4.02	5.0%	1
PJW	30/1/2024	0.06	Baht	-	RE	14/2/2024	3.50	1.7%	0.5
KTIS	1/2/2024	0.1	Baht	01/10/2022 - 30/09/2023	NP	16/2/2024	3.82	2.6%	1
TSC	1/2/2024	0.8	Baht	01/10/2022 - 30/09/2023	NP	22/2/2024	16.10	5.0%	1
STI	2/2/2024	0.1	Baht	01/01/2023 - 30/09/2023	NP	23/2/2024	3.66	2.7%	0.5
METCO	7/2/2024	10	Baht	01/10/2022 - 30/09/2023	NP	22/2/2024	241.00	4.1%	10
IRC	8/2/2024	0.4178	Baht	01/10/2022 - 30/09/2023	NP	28/2/2024	13.90	3.0%	1
MSFT80X	14/2/2024	-	Baht	-	-	11/4/2024	-	-	-
KSL	29/2/2024	0.05	Baht	01/11/2022 - 31/10/2023	NP	15/3/2024	2.58	1.9%	0.5
SCGD	1/4/2024	0.15	Baht	01/01/2023 - 31/12/2023	NP	22/4/2024	9.05	1.7%	10
SCGP	2/4/2024	0.3	Baht	01/01/2023 - 31/12/2023	NP	22/4/2024	31.00	1.0%	1

Source: SET