

1 FEBRUARY 2024

# SPOTLIGHT ON THAILAND

## Published Reports

- AP (THAILAND) (AP TB) - A y-y higher 4Q23 profit would support 2024 to hit a new high; Maintain BUY TP THB14.40
- SUPALAI (SPALI TB) - Aggressive plan to drive 2024 growth; Maintain BUY TP THB24.00
- THAI FOODS GROUP (TFG TB) - Bet on a profit turnaround in 1Q24; Maintain HOLD TP THB4.00

## Economics

- Industrial product exports to drive MPI
- Chinese censors target economic 'doomsayers'
- Current account surplus returns in December
- Cheap imports dent steel sector
- Dec factory output drops 6.27% y/y, more than forecast
- Headwinds blow on Thai lenders amid interest rate row

## Corporate News

- MTC targets 20% portfolio expansion
- CPN unveils Central in Nakhon Sawan
- KKP anticipates marginal loan growth

Indices	Index as of 31-Jan-24	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
Thailand SET	1,365	(0.6)	(3.6)	(870)
China SHCOMP	2,789	(1.5)	(6.3)	
Hong Kong HSI	15,485	(1.4)	(9.2)	
India SENSEX	71,752	0.9	(0.7)	(3,350)
Indonesia JCI	7,208	0.2	(0.9)	534
Korea KOSPI	2,497	(0.1)	(6.0)	2,254
MY FBMKLCI	1,513	0.0	4.0	
PH PCOMP	6,646	0.4	3.0	80
SG FSSTI	3,153	0.1	(2.7)	
Taiwan TWSE	17,890	(0.8)	(0.2)	1,416
VN VNINDEX	1,164	(1.3)	3.0	53
MSCI Emerging	976	(0.5)	(4.7)	
Nikkei 225	36,287	0.6	8.4	
FTSE 100	7,631	(0.5)	(1.3)	
CAC 40	7,657	(0.3)	1.5	
DAX	16,904	(0.4)	0.9	
Dow Jones	38,150	(0.8)	1.2	
Nasdaq	15,164	(2.2)	1.0	
S&P 500	4,846	(1.6)	1.6	
Brent	81.71	(2.4)	4.6	
Dubai	81.22	(0.0)	6.2	
WTI	75.85	0.3	6.2	
GOLD	2,039.52	0.1	(1.1)	

Trade data (THB m)	Buy (THB m)	Sell (THB m)	Net (THB m)	Share (%) (THB m)
Foreign	28,083	29,044	(961)	58
Retail	13,890	12,515	1,375	27
Prop Trade	3,151	3,278	(127)	7
Local Institution	3,801	4,087	(286)	8
Total Trade	48,924	48,924	(0)	100

Rates	Last close 31/1/2024	1M ago 1/1/2024	End last yr 29/12/2023	1yr ago 1/2/2023
THB/USD	35.47	34.14	34.14	32.84
Inflation *	(0.83)	(0.44)	5.89	5.89
MLR **	7.12	7.12	7.12	6.38
1Y Fixed *	1.65	1.65	1.65	1.10
Govt bond 10Y	2.64	2.68	2.68	2.54

Commodity (USD/bbl)	Last close 31/1/2024	1M ago 29/12/2023	End last yr 29/12/2023	1yr ago 31/1/2023
Brent	80.55	77.04	77.04	84.49
Dubai	81.22	76.51	76.51	79.32
WTI	75.85	71.65	71.65	76.41
Gold	2,040	2,063	2,063	1,951
Baltic Dry	1,397	2,094	2,094	668
(USD/ton)	26-Jan-24	19-Jan-24	25-Dec-20	27-Jan-23
Coal	128.00	129.77	84.45	301.47
% change	(1.4)	(15.2)	51.6	(57.5)

\* 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

### AP (THAILAND) (AP TB) - A y-y higher 4Q23 profit would support 2024 to hit a new high; Maintain BUY TP THB14.40

#### Potentially flat 4Q23 low-rise but q-q lower condo transfers after no new projects

We expect 4Q23 transfers of THB9b, up by 5% y-y but down by 8% q-q due to a high base of condos. Of the THB9b, THB8.4b (-2% q-q, +2% y-y) would be low-rises (94%), driven by the realization of its end-3Q23 backlog of THB22b. THB551m would be condos, down 50% q-q since AP did not complete any new project but up by 98% y-y due to the continued realization from Aspire Pinklao-Arunamarin (THB1.2b, 89% presales) after the transfers of 59% in 3Q23. The JV should record a lower transfer from 3Q23 when it aggressively realized a new project, i.e., The Address Siam-Ratchathewi. Also, it did not have much inventory left. Hence, we anticipate a profit sharing from the JV at THB220m (-31% q-q, -22% y-y).

#### 4Q23 profit should increase by 14% y-y but decrease 23% q-q

In 4Q23, transfers should come mainly from detached houses, especially The City and Centro in Bangna and Pinklao, which have a positive response and higher margins than usual. Thus, we expect property sales' gross margin to remain strong at 35%, up from 34.2% in 3Q23 and 33.7% in 4Q22. However, SG&A expenses would jump in line with aggressive new launches. We project a 4Q23 net profit of THB1.3b (-23% q-q, +14% y-y). If 4Q23 matches our estimate, the 2023 net profit will equal THB6b (+3% y-y), its fourth straight new high.

#### Maintain solid 2024E profit, driven by high backlog and inventory sales

We retain our 2024E profit of THB6.4b (+3% y-y), driven by the end-2023 backlog, which AP would realize THB16b as revenue this year. It would be enough to secure 37% of our transfer estimate. Moreover, AP would complete three new condos in 1H24. Initially, we anticipate lower 2024 new launches of THB50-60b (from THB76b in 2023). However, AP would also focus on aggressive inventory sales, particularly from low-rise launches of THB52-65b p.a. in 2022-2023. It would disclose a business plan on February 20.

#### Retain our BUY call at a TP of THB14.40, supported by an expected dividend yield of 6.4%

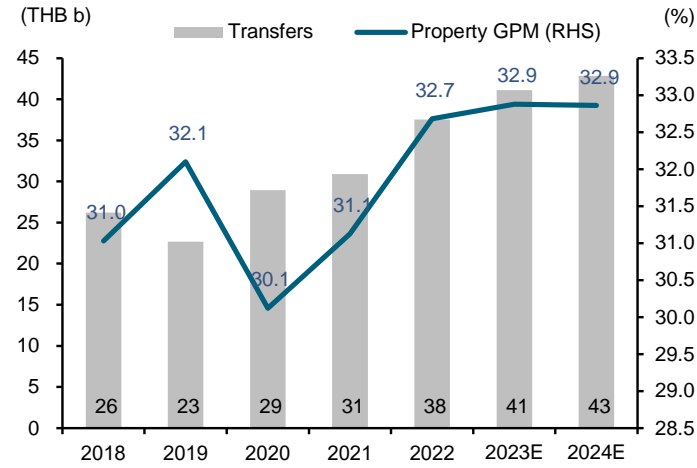
We reaffirm our TP of THB14.40 and our BUY rating. Despite a 2024 single-digit growth and an unfavorable property market, the profit base and market share are high. Meanwhile, the stock traded on a 2024 PE of only 5.3x. Also, it has a catalyst from an expected 2023 DPS of THB0.70, implying a dividend yield of 6.4% (paid annually). Based on historical data in the past three years, AP saw an average increase of 10% from February to early May before its XD

#### Exhibit 1: 4Q23 results preview

	4Q22	1Q23	2Q23	3Q23	4Q23E	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Total revenue	8,846	9,409	9,282	10,068	9,302	(8)	5
Gross profit	3,090	3,445	3,486	3,572	3,386	(5)	10
SG&A	(2,020)	(1,853)	(1,725)	(1,818)	(2,019)	n/a	n/a
Operating profit	1,070	1,592	1,761	1,755	1,368	(22)	28
Other income	14	33	108	22	105	374	629
Interest expense	(45)	(76)	(81)	(49)	(49)	n/a	n/a
Profit before tax	1,134	1,549	1,608	1,717	1,413	(18)	25
Tax	(267)	(309)	(353)	(338)	(322)	n/a	n/a
Associates	284	238	289	317	220	(31)	(22)
Reported net profit	1,155	1,478	1,544	1,696	1,311	(23)	14
Normalised profit	1,151	1,478	1,544	1,696	1,311	(23)	14
<b>Key ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>
Property gross margin	33.7	35.5	36.3	34.2	35.0	0.8	1.3
Gross margin	34.9	36.6	37.6	35.5	36.4	0.9	1.5
Operating margin	12.1	16.9	19.0	17.4	14.7	(2.7)	2.6
Net profit margin	13.1	15.7	16.6	16.9	14.1	(2.8)	1.0
Normalised profit margin	13.0	15.7	16.6	16.9	14.1	(2.8)	1.1
<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>
<b>Property transfers</b>	<b>8,592</b>	<b>9,144</b>	<b>9,009</b>	<b>9,765</b>	<b>9,000</b>	<b>(8)</b>	<b>5</b>
-- Low-rise	8,314	8,657	8,701	8,664	8,449	(2)	2
-- High-rise	278	487	308	1,101	551	(50)	98
<b>Presales</b>	<b>12,960</b>	<b>11,016</b>	<b>12,631</b>	<b>11,677</b>	<b>16,067</b>	<b>38</b>	<b>24</b>
-- Low-rise	10,049	8,172	8,622	8,499	8,190	(4)	(18)
-- High-rise	2,911	2,844	4,009	3,178	7,877	148	171

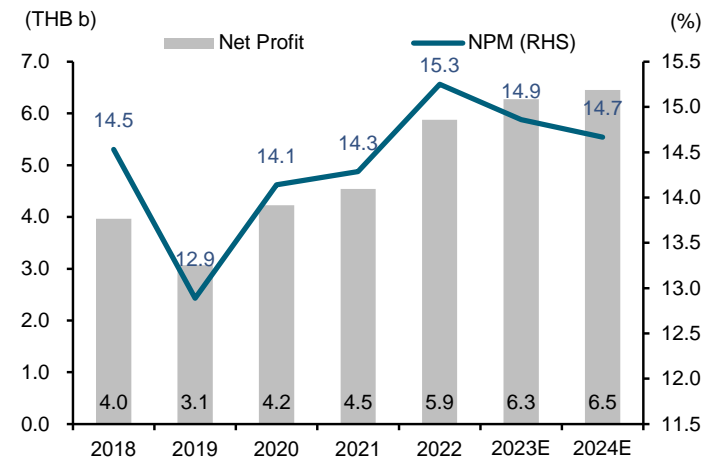
Sources: AP; FSSIA estimates

**Exhibit 2: Yearly transfers and GPM**



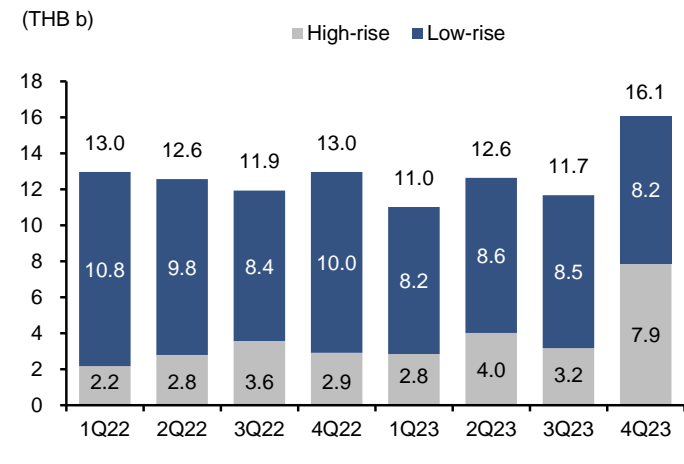
Sources: AP; FSSIA estimates

**Exhibit 3: Yearly net profit and NPM**



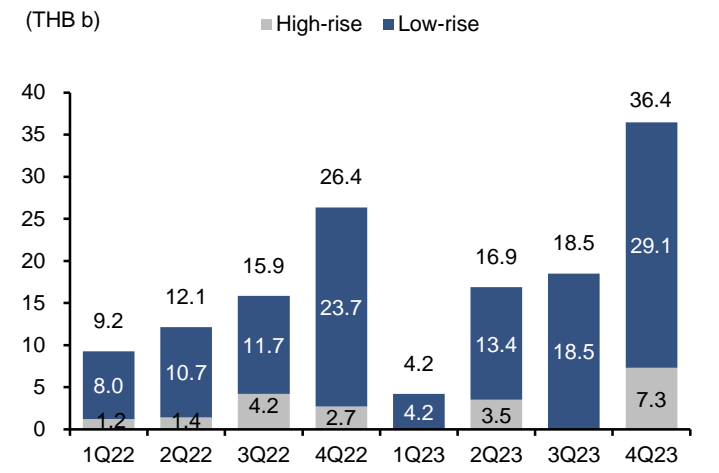
Sources: AP; FSSIA estimates

**Exhibit 4: Quarterly presales**



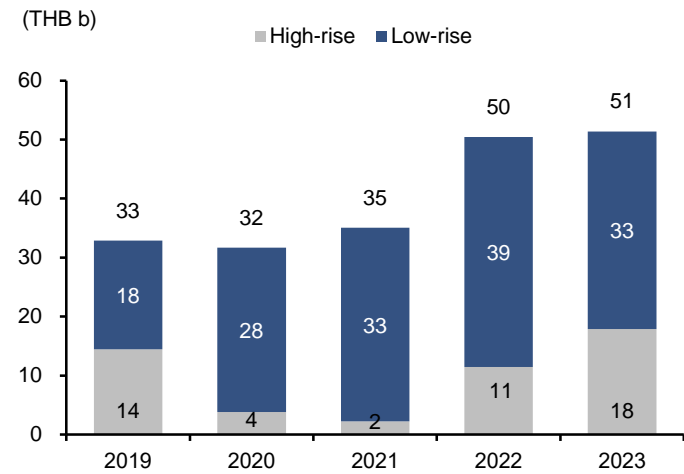
Sources: AP; FSSIA's compilations

**Exhibit 5: Quarterly new launches**



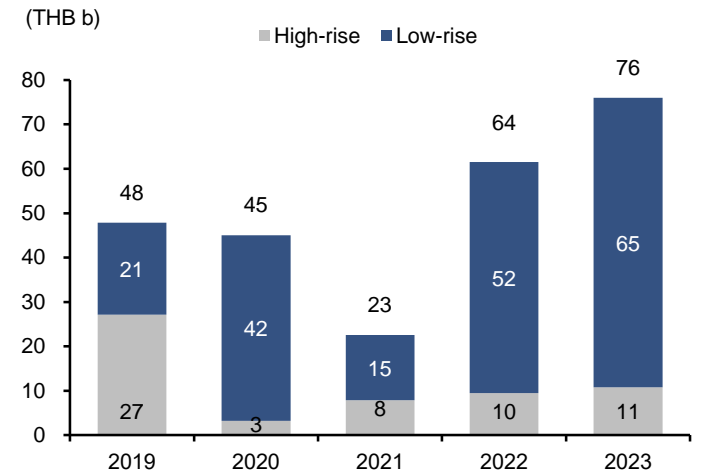
Sources: AP; FSSIA's compilations

**Exhibit 6: Yearly presales**



Sources: AP; FSSIA's compilations

**Exhibit 7: Yearly new launches**



Sources: AP; FSSIA's compilations

## SUPALAI (SPALI TB) - Aggressive plan to drive 2024 growth; Maintain BUY TP THB24.00

### Record-high new launch plan

SPALI unveiled an aggressive 2024 business plan, aiming for a new high in all aspects. Specifically, it planned to introduce 42 new projects with a combined value of THB50b (+69% y-y), including delayed projects of THB9b from 4Q23. Meanwhile, project timing improves, with over 50% in 1H24 to realize within this year. Based on this plan, SPALI would launch 38 low-rise projects with a total value of THB43.5b (+86% y-y). Of that, 22 would be in other provinces and 16 in Bangkok, focusing mainly on the mid-end market with prices of THB4-8m and the high-end one priced at over THB10m (10-15%). Also, it would introduce four new condos with a combined value of THB6.5b, two in Bangkok and two in other provinces, to boost its 2025-26 backlog.

### Presales and transfer growth from new projects and inventory sales

SPALI would aggressively introduce several new projects. Also, it would focus on inventory sales. In particular, five newly built condos in 2024 have a total value of THB18b and average presales of 27%. They would help drive the presales target of THB36b (+25% y-y); THB27b of which (+39% y-y) would be low-rises, 76% of the target, while THB8.6b (-6% y-y) would be condos. Also, SPALI set a transfer target of THB36b (low-rises 70% and condos 30%), a recovery from our THB30b estimate in 2023. Meanwhile, SPALI would begin realizing from the new investment of 12 new projects in Australia (in which it owns a 49.9% stake) from 2Q24, which would result in higher profit-sharing from JVs.

### Expect 4Q23 profit to jump by 51% q-q but drop by 17% y-y, lower than our previous estimate

We now anticipate a 4Q23 profit of THB1.8b (+51% q-q, -17% y-y), lower than our previous forecast, due to potentially lower-than-expected transfers of THB9.7b (+35% q-q, flat y-y), in line with sluggish presales. The expected q-q loss comes mainly from property sales' gross margin. It should decrease to 36% (-55bps q-q, -156bps y-y), in line with increased transfers of lower-margin projects in Australia than in Thailand. Also, the profit-sharing from Australian JVs should decrease. Hence, we have cut our 2023E profit by 9% to THB5.8b (-29% y-y).

A projected recovery in 2024; Maintain BUY rating at a TP of THB24

We view the 2024 guidance as challenging due to the uncertain property market landscape, high competition, and banks' strict credit approval policy. Therefore, we retain our transfer estimate at THB34b, 7% lower than the guidance. Meanwhile, SPALI has a backlog of THB13.5b, already securing 40% of our revenue estimate. Hence, we reaffirm our 2024E profit of THB6.6b (+14% y-y). Also, we retain our BUY rating at our TP of THB24 on an anticipated 2H23 DPS of THB0.60, implying a dividend yield of 3%.

### Exhibit 8: 4Q23 results preview

	4Q22	1Q23	2Q23	3Q23	4Q23E	----- Change -----	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Total revenue	9,723	5,734	8,165	7,166	9,677	35	(0)
Cost of sales	6,071	3,638	5,306	4,546	6,193	36	2
Gross profit	3,652	2,096	2,859	2,620	3,485	33	(5)
SG&A	1,248	815	957	982	1,259	28	1
Operating profit	4,900	2,911	3,816	3,602	4,744	32	(3)
Other income	323	168	279	26	200	670	(38)
Interest expense	81	96	103	137	140	2	72
Profit before tax	2,646	1,353	2,078	1,527	2,286	50	(14)
Tax	596	318	483	327	503	54	(16)
Associates	165	66	127	4	30	668	(82)
Reported net profit	2,171	1,080	1,701	1,191	1,800	51	(17)
Normalised profit	2,171	1,080	1,701	1,191	1,800	51	(17)
<b>Key ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>
Property gross margin	37.6	36.4	35.0	36.6	36.0	(0.6)	(1.6)
Gross margin	37.6	36.6	35.0	36.6	36.0	(0.5)	(1.6)
Operating margin	50.4	50.8	46.7	50.3	49.0	(1.2)	(1.4)
Net profit margin	22.3	18.8	20.8	16.6	18.6	2.0	(3.7)
Normalised profit margin	22.3	18.8	20.8	16.6	18.6	2.0	(3.7)
<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>
<b>Property transfers</b>	<b>9,646</b>	<b>5,641</b>	<b>8,089</b>	<b>7,089</b>	<b>9,600</b>	<b>35</b>	<b>(0)</b>
-- Low-rise	5,795	3,893	5,015	4,395	6,720	53	16
-- High-rise	3,851	1,749	3,074	2,694	2,880	7	(25)
<b>Presales</b>	<b>7,408</b>	<b>9,029</b>	<b>8,256</b>	<b>6,227</b>	<b>5,352</b>	<b>(14)</b>	<b>(28)</b>
-- Low-rise	4,787	6,411	4,998	4,359	3,861	(11)	(19)
-- High-rise	2,621	2,618	3,258	1,868	1,491	(20)	(43)

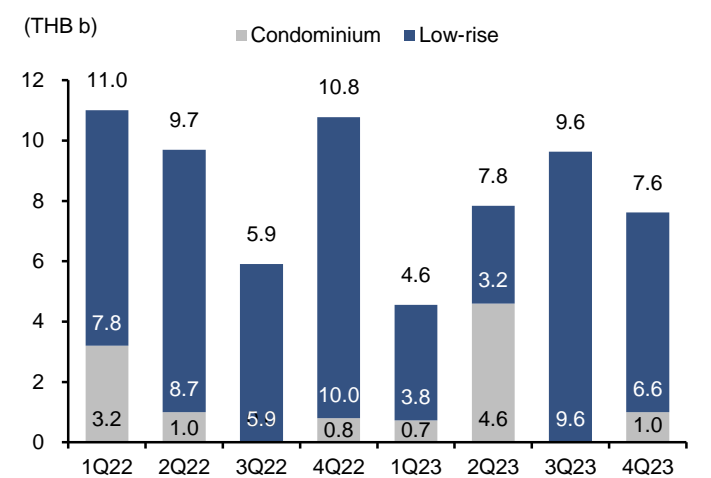
Sources: SPALI; FSSIA estimates

**Exhibit 9: Key assumptions for SPALI**

	Current			Previous			Change		
	2023E (THB m)	2024E (THB m)	2025E (THB m)	2023E (THB m)	2024E (THB m)	2025E (THB m)	2023E (%)	2024E (%)	2025E (%)
Revenue	30,753	33,865	32,357	32,565	33,865	32,357	(6)	0	0
- Transfers	30,485	33,583	32,061	32,297	33,583	32,061	(6)	0	0
- Management fees	268	282	296	268	282	296	0	0	0
Property gross margin (%)	36.0	36.3	36.1	36.3	36.3	36.0	(0.3)	0.0	0.1
Gross margin (%)	36.1	36.4	36.2	36.4	36.3	36.0	(0.3)	0.0	0.1
SG&A to revenue (%)	13.0	12.8	13.4	12.7	12.0	12.3	0.3	0.8	1.1
Equity income	300	300	300	300	300	300	0	0	0
Core profit	5,776	6,612	6,195	6,332	6,612	6,173	(9)	(0)	0
Net profit	5,776	6,612	6,195	6,332	6,612	6,173	(9)	(0)	0

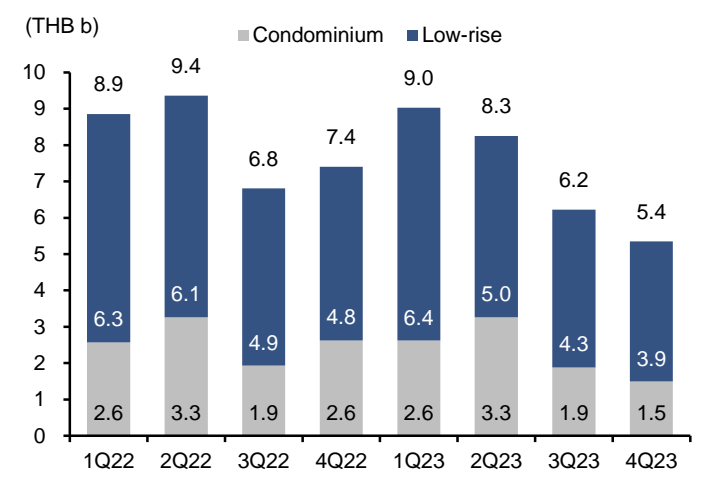
Source : FSSIA estimates

**Exhibit 10: Quarterly new launches**



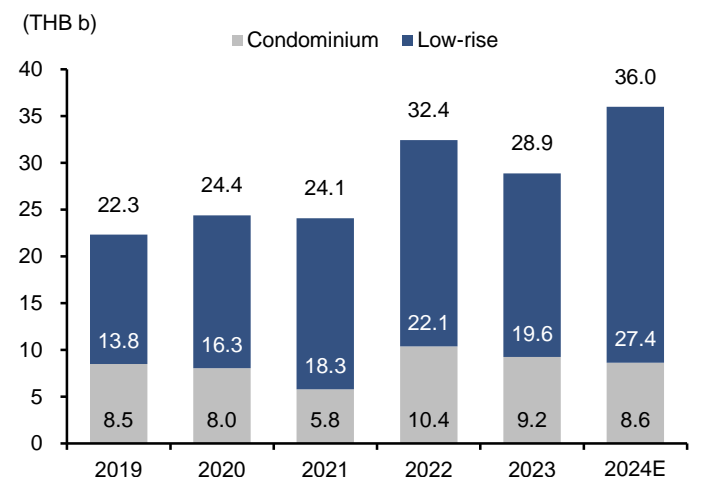
Sources: SPALI; FSSIA's compilations

**Exhibit 11: Quarterly presales**



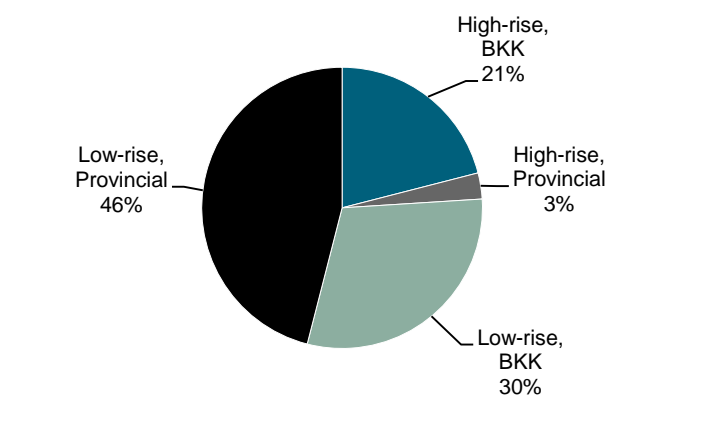
Sources: SPALI; FSSIA's compilations

**Exhibit 12: Yearly presales**



Sources: SPALI; FSSIA's compilations

**Exhibit 13: 2024E Launch plan by geography**



Sources: SPALI; FSSIA's compilations

## THAI FOODS GROUP (TFG TB) - Bet on a profit turnaround in 1Q24; Maintain HOLD TP THB4.00

### Expect a higher loss in 4Q23, the trough of 2023

We expect a 4Q23 net loss of THB522m, weakening from THB446m in 3Q23 to the bottom of 2023 due to continued decreases in meat prices. In particular, pig prices decreased by 4.2% q-q and 38.5% y-y in Thailand and 17.4% q-q and 11% y-y in Vietnam, still lower than raising costs. Although retail shops should see prolonged growth and profit, it would not be enough to offset a loss from pigs. Also, chicken would weaken q-q due to a low season. Hence, we anticipate 4Q23 revenue to ease q-q, while the gross margin would remain low at 4-5%, insufficient to offset the SG&A-to-sales ratio.

### 1Q24 may turn profitable sooner than swine peers

In the swine sector, we view that TFG may turn profitable in 1Q24, sooner than its peers, since it has a pig unit in Thailand and Vietnam, where prices are recovering due to an easing illegal pork problem, helping pig prices in Thailand to climb to THB70/kg. (+12% q-q, -17% y-y). Although TFG still guided a bullish outlook, in line with CPF and BTG, viewing that pig prices will continue rising during the Chinese New Year. Also, supply is yet to recover to its pre-ASF. Specifically, TFG anticipated that swine volume would increase, close to 20m in 2H24 (from 18m at end-2023), while Vietnam pig prices have climbed to 50,000-52,000 dong/kg. (+6-10% q-q), a profitable level.

### Cut our 2023 estimate but maintain our 2024 forecast

Given a potentially higher-than-expected loss in 4Q23, we have slashed our 2023 estimate to a higher net loss of THB473m, while the normalized earnings should remain positive at about THB101m, down from THB5.3b in 2022. However, we retain our 2024E net profit of THB2b. We do not see any downside to our estimate since TFG has international business only in Vietnam. Also, the meat price recovery is solid.

### Potential upside to re-rate valuation

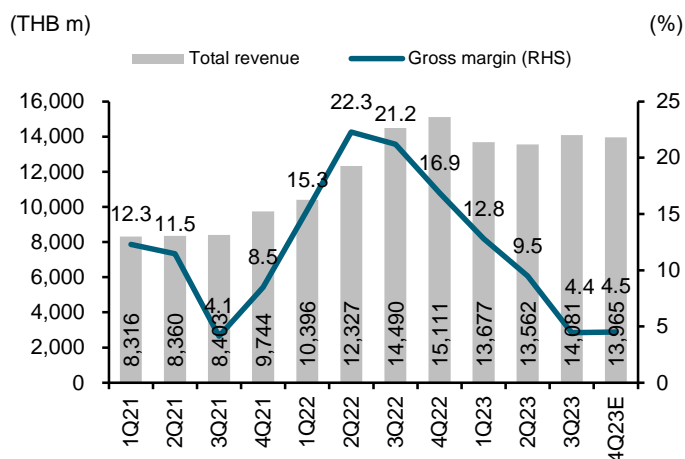
We reaffirm our 2024 TP of THB4, assuming a PE of 12x (-0.5 SD). We retain our HOLD rating and recommend investors bet on TFG, in line with meat price recovery. However, we start seeing an upside to re-rate valuation in the future, should the 1Q24 operating performance turn into a profit sooner than peers. Also, international business has fewer downside risks than others. TFG traded on a 2024E PE of 11x, lower than CPF's (25x) and BTG's (21x).

### Exhibit 14: 4Q23 earnings preview

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23E	----- Change -----	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Sales	10,396	12,327	14,490	15,111	13,677	13,562	14,081	13,965	(0.8)	(7.6)
Cost of sales	8,804	9,581	11,420	12,562	11,925	12,276	13,457	13,336	(0.9)	6.2
Gross profit	1,592	2,746	3,070	2,548	1,751	1,286	624	628	0.7	(75.3)
SG&A	727	854	770	892	861	853	782	838	7.2	(6.1)
Operating profit	866	1,892	2,300	1,656	890	434	(157)	-209	nm	(112.6)
Interest expense	163	179	221	281	286	335	322	320	(0.5)	13.8
Tax expense	154	304	325	62	223	(18)	(112)	(58)	nm	nm
Other gain (loss)	(1)	(284)	(106)	(266)	(86)	(160)	(178)	(150)	nm	nm
Reported net profit	619	1,238	1,734	1,131	425	69	(446)	(522)	nm	nm
Core profit	620	1,522	1,840	1,397	511	229	(268)	(372)	nm	nm
<b>Key ratios (%)</b>									<b>(ppt)</b>	<b>(ppt)</b>
Gross margin	15.3	22.3	21.2	16.9	12.8	9.5	4.4	4.5	0.1	(12.4)
SG&A to sales	7.0	6.9	5.3	5.9	6.3	6.3	5.6	6.0	0.4	0.1
Operating margin	8.3	15.3	15.9	11.0	6.5	3.2	(1.1)	(1.5)	(0.4)	(12.5)
Net margin	5.9	10.0	12.0	7.5	3.1	0.5	(3.2)	(3.7)	(0.6)	(11.2)
Core margin	6.0	12.3	12.7	9.2	3.7	1.7	(1.9)	(2.7)	(0.8)	(11.9)
<b>Operating Statistics (THB/kg)</b>										
Domestic chicken price - TFG	52.6	59.1	66.1	67.0	59.7	59.6	54.6	55.0	0.7	(17.9)
Domestic swine price - TFG	89.3	99.8	104.6	97.5	81.2	69.6	59.5	65.0	9.2	(33.3)
Vietnam swine price (VND/kg)	52,809	55,387	62,760	52,819	50,400	55,095	57,023	47,082	(17.4)	(10.9)
Corn price	11.4	13.1	12.1	12.6	13.5	12.9	12.2	11.6	(5.3)	(8.3)
Soybean meal price	21.4	23.1	23.1	23.3	23.9	23.1	22.3	21.5	(3.6)	(7.7)
Poultry sales (THB m)	5,032	5,792	6,220	6,254	4,623	4,352	4,340	4,254	(2.0)	(32.0)
Swine sales (THB m)	2,597	3,017	3,470	3,372	3,116	2,822	2,626	2,495	(5.0)	(26.0)
Feed sales (THB m)	1,702	1,956	2,452	2,423	2,432	2,408	2,414	2,426	0.5	0.1
Retail shop sale value (THB m)	1,016	1,562	2,348	2,876	3,459	3,930	4,642	4,735	2.0	64.6

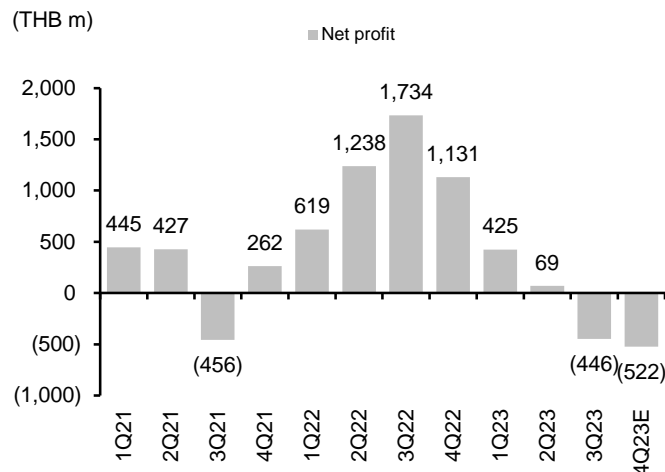
Sources: TFG, FSSIA estimates

Exhibit 15: Total revenue and gross margin



Sources: TFG, FSSIA estimates

Exhibit 16: Quarterly net profit/loss (-)



Sources: TFG, FSSIA estimates

Exhibit 17: Change of 2023 key assumptions for TFG

	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	55,285	58,883	60,887	55,458	58,883	60,887	(0.3)	0.0	0.0
Costs	50,995	51,993	53,581	50,800	51,993	53,581	0.4	0.0	0.0
Gross profit	4,290	6,889	7,306	4,659	6,889	7,306	(7.9)	0.0	0.0
SG&A expenses	3,334	3,533	3,653	3,344	3,533	3,653	(0.3)	0.0	0.0
Reported net profit	(473.3)	2,097	2,331	(7.8)	2,097	2,331	nm	0.0	0.0
Core profit	101	2,097	2,331	148	2,097	2,331	(31.8)	0.0	0.0
<b>Key ratios (%)</b>									
Total revenue growth (%)	5.7	6.5	3.4	6.0	6.2	3.4			
Net profit growth (%)	nm	nm	11.1	nm	nm	11.1			
Core profit growth (%)	(98.1)	1977.6	11.1	(97.2)	1316.2	11.1			
Gross margin	7.8	11.7	12.0	8.4	11.7	12.0	(0.6)	0.0	0.0
SG&A to sales	6.0	6.0	6.0	6.0	6.0	6.0	(0.0)	0.0	0.0
Net margin	(0.9)	3.6	3.8	0.0	3.6	3.8	(0.8)	0.0	0.0
Core margin	0.2	3.6	3.8	0.3	3.6	3.8	(0.1)	0.0	0.0
<b>Operating statistics (THB/kg)</b>									
TFG's chicken ASP	56.0	54.0	54.0	56.0	54.0	54.0	0.0	0.0	0.0
TFG's swine ASP	67.6	75.0	75.0	67.6	75.0	75.0	0.0	0.0	0.0
Corn	12.2	11.5	11.0	12.2	11.5	11.0	0.0	0.0	0.0
Soybean meal	22.0	21.0	20.0	22.0	21.0	20.0	0.0	0.0	0.0
Retail shop stores (no.)	350	450	550	350	450	550	0.0	0.0	0.0
Retail shop sales (THB m)	16,767	18,002	18,902	16,767	18,002	18,902	0.0	0.0	0.0

Source: FSSIA estimates



## Economic news

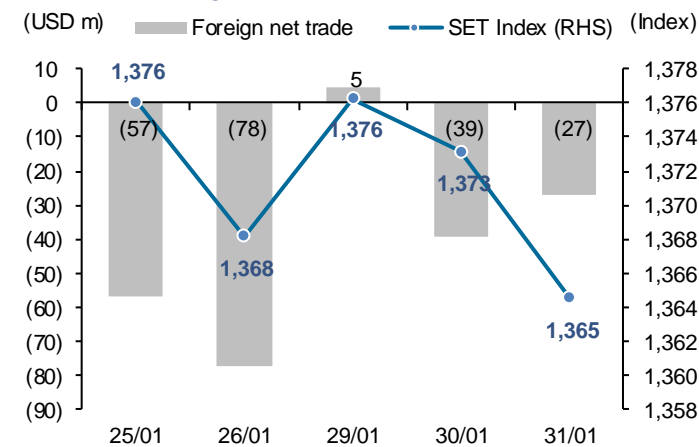
- **[Industrial product exports to drive MPI](#)** BANGKOK POST: Thailand's Manufacturing Production Index (MPI) is expected to increase this year, driven by exports, despite sluggish manufacturing expansion in 2023 due to an economic slowdown. Though the indicator contracted by 5.1% last year, following a year-on-year decrease of 6.2% in December to 87.76 points, exports of industrial products are showing a positive sign.
- **[Chinese censors target economic 'doomsayers'](#)** BANGKOK POST: China's top intelligence agency issued an ominous warning in December about an emerging threat to the country's national security: Chinese people who criticise the economy. In a series of posts on its official WeChat account, the Ministry of State Security implored citizens to grasp President Xi Jinping's economic vision and not be swayed by those who sought to "denigrate China's economy" through "false narratives".
- **[Current account surplus returns in December](#)** BANGKOK POST: Thailand recorded a current account surplus of \$2.1 billion in December, reversing a deficit of copy.2 billion in the previous month, the central bank said on Wednesday. Exports, a key driver of growth, rose 3% year-on-year in December from a year earlier, after a 3.9% gain in November, the Bank of Thailand (BoT) said in a statement posted on its website.
- **[Cheap imports dent steel sector](#)** BANGKOK POST: Thailand's capacity utilisation in the steel industry continues to decrease, following the slow economic recovery and the influx of cheap steel from China, says Tata Steel Thailand Plc (TSTH), a unit of India's largest steelmaker. A delay in the state budget planning for fiscal 2024, following the 2023 general election and the lengthy process forming a coalition government, also resulted in sluggish steel manufacturing in the country.
- **[Dec factory output drops 6.27% y/y, more than forecast](#)** BANGKOK POST: Thailand's manufacturing production index in December fell 6.27% from a year earlier as car production output declined, the Industry Ministry said on Wednesday. The figure compared with a forecast for a 3.2% year-on-year fall for December in a Reuters poll, and followed November's 4.71% decrease.
- **[Headwinds blow on Thai lenders amid interest rate row](#)** BANGKOK POST: The escalating tug-of-war between politicians and central bankers over interest-rate levels is clouding the outlook for local banks, setting the stage for a further exodus by foreign investors. Prime Minister Srettha Thavisin and his top aides are ramping up pressure on the Bank of Thailand (BoT) to cut rates to help jump-start an economy the premier says is in a "crisis." The central bank has signalled it's in no hurry to unwind a tightening cycle of eight straight quarter-point hikes to the highest level since 2013. The clash is hitting the equity prices of lenders such as Krung Thai Bank, Kasikornbank and Bangkok Bank, whose bottom lines are already being hit by rising non-performing loans.

## Corporate news

- **[MTC targets 20% portfolio expansion](#)** BANGKOK POST: Muangthai Capital Plc (MTC), the SET-listed provider of vehicle and personal loans, aims to grow its lending portfolio by 20% this year to 170 billion baht and curb non-performing loans (NPLs) at 3.2% of the total portfolio. Deputy managing director Parithad Petampai said the company targets improving consumer access to financial resources through MTC's 7,600 branches nationwide and developing service innovations through generative artificial intelligence (AI) to attract more customers.
- **[CPN unveils Central in Nakhon Sawan](#)** BANGKOK POST: Retail and property developer Central Pattana Plc (CPN) has launched Central Nakhon Sawan as a new northern hub with a mixed-use development model worth 5.8 billion baht, targeting daily foot traffic of more than 25,000, strengthened by domestic consumption. Nattakit Tangpoonsinthana, chief marketing officer of CPN, said the new mixed-use project has been developed under a concept that aims to elevate Nakhon Sawan as the new rising economic city of Thailand.
- **[KKP anticipates marginal loan growth](#)** BANGKOK POST: Kiatnakin Phatra Financial Group (KKP) expects to book marginal loan growth this year as it closely monitors the automotive industry. The bank's loan expansion in 2024 is expected to be marginal after booking 5% growth last year, declining from double-digit growth over the past several years.

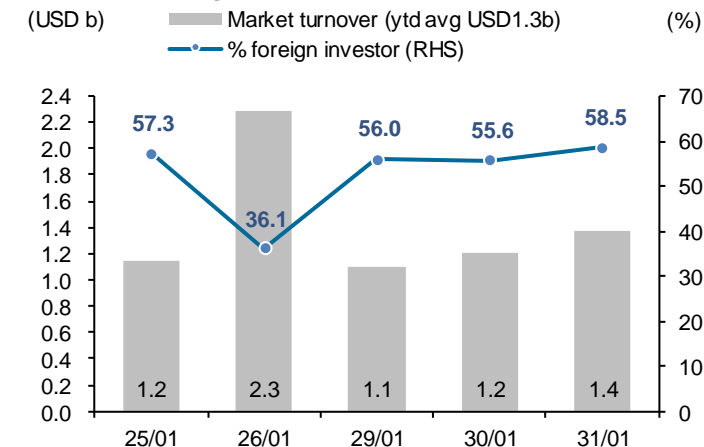


## Exhibit 18: Foreign fund flow and SET Index



Source: Bloomberg

## Exhibit 19: Foreign participation



Source: Bloomberg

## Exhibit 20: 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%	9%	9%	6%	6%	3%	8%	2%	
Current	1,364.52	(0.6)	(0.3)	(0.4)	(0.1)	(1.2)	(0.6)	(0.4)	(0.2)	(1.1)	(1.9)	
-5D	1,381.19	(1.2)	(0.4)	(1.3)	0.7	(2.4)	(0.3)	(1.1)	(0.8)	(1.3)	(3.0)	
-1M	1,415.85	(3.6)	(2.5)	(5.9)	2.4	(6.2)	(3.7)	(3.3)	(8.1)	(1.8)	(11.3)	
-3M	1,379.96	(1.1)	0.8	(4.2)	4.1	(5.0)	2.7	2.9	(4.3)	(6.8)	(1.5)	
-6M	1,556.06	(12.3)	(10.1)	(10.9)	(5.3)	(17.2)	(5.2)	(8.2)	(14.8)	(16.0)	(21.8)	
-1Y	1,685.75	(19.1)	(18.3)	(8.3)	(9.8)	(25.7)	(16.5)	(17.2)	(23.0)	(22.1)	(35.5)	
WTD	1,368.15	(0.3)	(0.0)	(0.7)	0.9	(0.3)	0.2	0.5	(0.5)	(0.4)	(2.3)	
MTD	1,364.52	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
QTD	1,415.85	(3.6)	(2.5)	(5.9)	2.4	(6.2)	(3.7)	(3.3)	(8.1)	(1.8)	(11.3)	
End of 2022	1,415.85	(3.6)	(2.5)	(5.9)	2.4	(6.2)	(3.7)	(3.3)	(8.1)	(1.8)	(11.3)	

Source: Bloomberg

## Exhibit 21: 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
<b>2024YTD</b>	<b>1,364.52</b>	<b>(3.6)</b>	<b>35.20</b>	<b>45,287</b>	<b>1,286</b>	<b>(5,507)</b>	<b>3,348</b>	<b>(146)</b>	<b>2,305</b>	<b>319</b>
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	1,364.52	(15.2)	35.20	62,067	1,763	(2,164)	888	25	(42)	(112)
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	1,364.52	(18.4)	35.20	62,067	1,763	(562)	888	25	(42)	(112)
<b>2024YTD</b>	<b>1,364.52</b>	<b>(3.6)</b>	<b>35.20</b>	<b>45,287</b>	<b>1,286</b>	<b>(6,202)</b>	<b>888</b>	<b>25</b>	<b>(42)</b>	<b>(112)</b>
25/01/2024	1,376.09		35.73	41,095	1,150	(57)	1	6	50	54
26/01/2024	1,368.15		35.63	48,278	1,355	(78)	59	7	12	49
29/01/2024	1,376.28		35.58	39,309	1,105	5	(3)	5	(6)	5
30/01/2024	1,373.14		35.37	42,492	1,201	(39)	33	13	(6)	(99)
31/01/2024	1,364.52		35.47	48,924	1,379	(27)	39	(4)	(8)	(17)

Source: Bloomberg

## Exhibit 22: Upcoming events

Date Time	Event		Survey	Actual	Prior
01/31/2024 02:00	BoP Current Account Balance	Dec	\$1061m	\$2107m	-\$1244m
01/31/2024 02:30	BoP Overall Balance	Dec	--	\$464m	\$1591m
01/31/2024 02:30	Exports	Dec	--	\$22380m	\$23100m
01/31/2024 02:30	Imports	Dec	--	\$20035m	\$23258m
01/31/2024 02:30	Exports YoY	Dec	--	3.00%	3.90%
01/31/2024 02:30	Imports YoY	Dec	--	-1.70%	9.50%
01/31/2024 02:30	Trade Balance	Dec	--	\$2346m	-\$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
02/02/2024 02:30	Foreign Reserves	Jan-26	--	--	\$221.2b
02/02/2024 02:30	Forward Contracts	Jan-26	--	--	\$30.2b
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%	--	2.50%
02/17/2024 02/24	Car Sales	Jan	--	--	68326
02/18/2024 21:30	GDP SA QoQ	4Q	--	--	0.80%
02/18/2024 21:30	GDP YoY	4Q	--	--	1.50%
02/22/2024 02/29	Customs Exports YoY	Jan	--	--	4.70%
02/22/2024 02/29	Customs Imports YoY	Jan	--	--	-3.10%
02/22/2024 02/29	Customs Trade Balance	Jan	--	--	\$973m
02/25/2024 02/29	Mfg Production Index ISIC NSA YoY	Jan	--	--	-6.27%
02/25/2024 02/29	Capacity Utilization ISIC	Jan	--	--	55.25
02/29/2024 02:00	BoP Current Account Balance	Jan	--	--	\$2107m
02/29/2024 02:30	BoP Overall Balance	Jan	--	--	\$464m
02/29/2024 02:30	Exports	Jan	--	--	\$22380m
02/29/2024 02:30	Imports	Jan	--	--	\$20035m
02/29/2024 02:30	Exports YoY	Jan	--	--	3.00%
02/29/2024 02:30	Imports YoY	Jan	--	--	-1.70%
02/29/2024 02:30	Trade Balance	Jan	--	--	\$2346m

Source: Bloomberg

## Exhibit 23: Management trading

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
CalComp Electronics (CCET)	Khongsit Choukitcharoen	Common Shares	1/31/2024	50,000	2.78	Buy	0.14
CalComp Electronics (CCET)	Khongsit Choukitcharoen	Common Shares	1/31/2024	50,000	2.78	Sell	0.14
Seafco (SEAFCO)	Narong Thasnanipan	Common Shares	1/30/2024	15,000	2.62	Buy	0.04
Triton Holding (TRITN)	Louise Taechaubol	Common Shares	1/30/2024	400,000	0.13	Buy	0.05
Sansiri (SIRI)	Apichart Jutrakul	Common Shares	1/25/2024	110,000,000	1.07	Buy	117.70
Sansiri (SIRI)	Apichart Jutrakul	Common Shares	1/25/2024	110,000,000	1.07	Sell	117.70
Eastern Power Group (EP)	Yuth Chinpakkul	Common Shares	1/30/2024	24,900	2.62	Buy	0.07

Source: SEC

## Exhibit 24: Upcoming XR

Symbol	X-Date	Announce Date	Rights for	Subscription Price	Unit	Subscription Ratio (Holding:New)	Subscription Period	Allotted Shares (Shares)
FSX	05/03/2024	28/11/2023	Common	2.3	Baht	1 : 1	25/03/2024 - 29/03/2024	867929461

Source: SET

**Exhibit 25: Upcoming XM**

Symbol	X-Date	Meeting Date	Agenda	Venue
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 Roomm, No. 1 Soi Ramkhamhaeng 83/3 Huamark, Bang Kapi Bangkok, Thailand, 10240
SCGD	05/02/2024	25/03/2024	Cash dividend payment, The issuance of debentures, Changing The director(s)	Electronics meeting (E-Meetings)
GLOCON	06/02/2024	20/03/2024	Capital increase, Paid up capital reduction, The issuance of convertible securities	Electronic Extraordinary General Meeting (E-EGM)
SCGP	06/02/2024	26/03/2024	Cash dividend payment	Meeting via electronic means (E-Meeting)
CV	07/02/2024	01/03/2024	Capital increase, Paid up capital reduction, The issuance of convertible securities	electronic meeting
SCC	07/02/2024	27/03/2024	Cash dividend payment	Meeting via electronic means (E-Meeting)
KPNPF	12/02/2024	08/03/2024	Conversion to Reit	Jamjuree Ballroom A, M floor, Pathumwan Princess Hotel, No. 444 Phaya Thai Road, Wang Mai Sub-district, Pathum Wan District, Bangkok 10330
THG	12/02/2024	06/03/2024	The issuance of debentures	Nuntha Utayarn Samosorn, located
KWI	14/02/2024	12/03/2024	Capital increase, Connected transaction	Via electronic means
PTTEP	19/02/2024	01/04/2024	Cash dividend payment	Electronic Meeting (E-Meeting)
OHTL	08/03/2024	25/04/2024	Omitted dividend payment, Changing The director(s)	e-AGM

Source: SET

**Exhibit 26: Upcoming XD**

Symbol	X-Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date	Price	Div Yield	Par
KTIS	1/2/2024	0.1	Baht	01/10/2022 - 30/09/2023	NP	16/2/2024	3.86	2.6%	1
TSC	1/2/2024	0.8	Baht	01/10/2022 - 30/09/2023	NP	22/2/2024	16.70	4.8%	1
STI	2/2/2024	0.1	Baht	01/01/2023 - 30/09/2023	NP	23/2/2024	3.72	2.7%	0.5
ASML01	5/2/2024	-	Baht	-	-	7/3/2024	-	-	-
METCO	7/2/2024	10	Baht	01/10/2022 - 30/09/2023	NP	22/2/2024	244.00	4.1%	10
DIF	8/2/2024	0.2264	Baht	01/10/2023 - 31/12/2023	Both	4/3/2024	8.20	2.8%	10
ERWPF	8/2/2024	0.1365	Baht	01/07/2023 - 31/12/2023	NP	28/2/2024	8.55	1.6%	7.7793
IRC	8/2/2024	0.4178	Baht	01/10/2022 - 30/09/2023	NP	28/2/2024	14.00	3.0%	1
POPF	8/2/2024	0.1658	Baht	01/10/2023 - 31/12/2023	NP	28/2/2024	6.55	2.5%	9.7299
PPF	8/2/2024	0.2005	Baht	01/10/2023 - 31/12/2023	NP	28/2/2024	10.30	1.9%	10
SIRIP	8/2/2024	0.08	Baht	01/10/2023 - 31/12/2023	NP	28/2/2024	7.20	1.1%	10
RAM	13/2/2024	0.2	Baht	-	RE	29/2/2024	32.50	0.6%	0.1
MSFT80X	14/2/2024	-	Baht	-	-	11/4/2024	-	-	-
PTTEP	19/2/2024	5.25	Baht	-	RE	22/4/2024	150.00	3.5%	1
KSL	29/2/2024	0.05	Baht	01/11/2022 - 31/10/2023	NP	15/3/2024	2.50	2.0%	0.5
SCGD	1/4/2024	0.15	Baht	01/01/2023 - 31/12/2023	NP	22/4/2024	9.10	1.6%	10
SCGP	2/4/2024	0.3	Baht	01/01/2023 - 31/12/2023	NP	22/4/2024	31.50	1.0%	1
SCC	4/4/2024	3.5	Baht	01/01/2023 - 31/12/2023	NP	23/4/2024	270.00	1.3%	1

Source: SET

**Exhibit 27: New securities**

Derivative Warrants	Trade Date	Underlying	Issuer	DW Type	Market	Maturity Date	Exercise Price (Baht)
AMATA19C2407A	01/02/2024	AMATA	YUANTA	Call	SET	11/07/2024	28.5
BANPU19P2406A	01/02/2024	BANPU	YUANTA	Put	SET	13/06/2024	4.74
CHG13P2406A	01/02/2024	CHG	KGI	Put	SET	12/06/2024	2.24
CPALL13C2407A	01/02/2024	CPALL	KGI	Call	SET	10/07/2024	68
HSBC28P2407A	01/02/2024	HSBC	MACQ	Put	SET	03/08/2024	47
HSI06C2404C	01/02/2024	HSI	KKPS	Call	SET	04/05/2024	17,200.00
HSI06C2405A	01/02/2024	HSI	KKPS	Call	SET	06/06/2024	17,800.00
HSI06P2404C	01/02/2024	HSI	KKPS	Put	SET	04/05/2024	15,600.00
HSI06P2405A	01/02/2024	HSI	KKPS	Put	SET	06/06/2024	14,500.00
KBANK13C2407A	01/02/2024	KBANK	KGI	Call	SET	10/07/2024	155
KCE13C2407A	01/02/2024	KCE	KGI	Call	SET	10/07/2024	67
MINT06C2405A	01/02/2024	MINT	KKPS	Call	SET	11/05/2024	39
SCB19C2406A	01/02/2024	SCB	YUANTA	Call	SET	13/06/2024	130.5
SCGP06C2406A	01/02/2024	SCGP	KKPS	Call	SET	22/06/2024	38
SET5013C2403J	01/02/2024	SET50	KGI	Call	SET	03/04/2024	925
SET5013C2406A	01/02/2024	SET50	KGI	Call	SET	03/07/2024	975
SET5028C2403D	01/02/2024	SET50	MACQ	Call	SET	03/04/2024	895

Source: SET