

1 AUGUST 2024

SPOTLIGHT ON THAILAND

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Economics

- Real estate woes hit electrical appliances
- TAT widens net in bid to capture more of the Chinese market
- June current account surplus improves to \$2bn
- Restaurant sector anticipates further risks in second half
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- B40bn in savings bonds to be sold in August
- Thai rice exports jump 25% in first half of 2024
- Central bank reassessing consumer lending rules

Corporate News

- Sena adopts cautious investment strategy
- Court accepts class-action suit against Stark auditors

Indices	Index as of 31-Jul-24	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
Thailand SET	1,321	1.0	(6.7)	(3,278)
China SHCOMP	2,939	2.1	(1.2)	
Hong Kong HSI	17,345	2.0	1.7	
India SENSEX	81,741	0.4	13.2	4,038
Indonesia JCI	7,256	0.2	(0.2)	(16)
Korea KOSPI	2,771	1.2	4.3	18,367
MY FBMKLCI	1,626	0.8	11.7	
PH PCOMP	6,619	0.2	2.6	(467)
SG FSSTI	3,456	0.4	6.7	
Taiwan TWSE	22,199	(0.1)	23.8	(7,180)
VN VNINDEX	1,252	0.5	10.8	(2,001)
MSCI Emerging	1,085	1.2	6.0	
Nikkei 225	39,102	1.5	16.8	
FTSE 100	8,368	1.1	8.2	
CAC 40	7,531	0.8	(0.2)	
DAX	18,509	0.5	10.5	
Dow Jones	40,843	0.2	8.4	
Nasdaq	17,599	2.6	17.2	
S&P 500	5,522	1.6	15.8	
Brent	80.72	3.5	4.9	
Dubai	79.53	2.1	3.9	
WTI	77.91	0.7	9.5	
GOLD	2,447.60	(0.0)	18.6	
Trade data	Buy	Sell	Net	Share (%)
(THB m)	(THB m)	(THB m)	(THB m)	(THB m)
Foreign	23,552	23,251	301	55
Retail	11,759	11,697	62	27
Prop Trade	2,176	2,200	(25)	5
Local Institution	5,165	5,503	(339)	13
Total Trade	42,651	42,651	(0)	100
Rates	Last close	1M ago	End last yr	1yr ago
	31/07/2024	01/07/2024	29/12/2023	01/08/2023
THB/USD	35.65	36.72	34.14	34.22
Inflation *	0.62	1.54	(0.83)	0.23
MLR **	7.12	7.12	7.12	6.87
1Y Fixed *	1.65	1.65	1.65	1.41
Govt bond 10Y	2.58	2.67	2.68	2.60
Commodity	Last close	1M ago	End last yr	1yr ago
(USD/bbl)	31/07/2024	28/06/2024	29/12/2023	31/07/2023
Brent	80.84	86.41	77.04	85.56
Dubai	79.53	84.90	76.51	85.59
WTI	77.91	83.38	71.65	81.37
Gold	2,448	2,332	2,063	1,944
Baltic Dry	1,762	2,158	2,094	1,150
(USD/ton)	26-Jul-24	19-Jul-24	25-Dec-20	28-Jul-23
Coal	136.34	137.34	84.45	135.21
% change	(0.7)	0.8	61.4	0.8

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

Sources: Bloomberg, except coal from BANPU

FSSIA Thailand Research

Jitra Amornthum, Head of Research
 Songklod Wongchai, Strategy | +66 2646 9970 | songklod.won@fssia.com
 Veeravat Virochpoka, Strategy | +66 2646 9965 | veeravat.v@fssia.com
 Usanee Liuruti, Banks & Finance | +66 2646 9967 | usanee.l@fssia.com
 Sureeporn Teewasuwet, Foods & Beverage | +66 2646 9972 | sureeporn.t@fssia.com
 Thanyatorn Songwutti, Property | +66 2646 9963 | thanyatorn.s@fssia.com
 Teerapol Udomvej, Healthcare, Tourism & Aviation | +66 2646 9969 | teerapol.u@fssia.com
 Thada Jiracharoenyong, RA | +66 2646 9964 | thada.j@fssia.com
 Maeta Cherdasitirakul, RA | +66 2646 9971 | maeta.c@fssia.com
 Manida Sithiseree | +66 2611 3590/91 | manida.s@fnsyrus.com
 Chaiyon Rerkkriengkrai | +66 2611 3592/93 | chaiyon.r@fnsyrus.com
 Napaporn Klongvanitchakij | +66 2611 3582/83 | napaporn.k@fnsyrus.com
 Rattana Detphattharakoson | +66 2611 3580/71 | rattana.d@fnsyrus.com
 Siriluk Kiatkosolkul | +66 2611 3584/85 | siriluk.k@fnsyrus.com

Thailand Equity Sales:

Thailand Equity Trading:

The Chairman of The Audit Committee and Independent Director of Finansia Syrus Securities PCL is also AOT's Chairman of Board of Directors

Published Reports

Thailand Market Strategy - Focus on Thai politics and 2Q24 earnings

Market fully priced in at least two rate cuts from the Fed this year

Recently, the market received a positive batch of economic data in June 2024, prompting the street to revise up the probability of the Fed making c2.5 cuts by end-2024. This sent the bond yield lower, while the 10Y-2Y inverted yield gap has narrowed to c0.2%. The US economy remains resilient but has some uncertainty issues, especially from the upcoming US general election, as there is a possibility that Donald Trump might return as the president, which could add concerns over his unpredictable trade and foreign policies that could intensify and affect global trade and economic outlooks.

Thai political court case decisions in focus

In August 2024, Thailand's Constitutional Court is scheduled to make decisions on the Move Forward Party's dissolution and the removal of PM Srettha Thavisin on ethical grounds. Our focus is on the 14 August PM court case. We think the market will react negatively in the short term if the court decides to remove Mr. Srettha from the position. The worst-case scenario is if the government has to dissolve the parliament, which could delay the 2025 fiscal budget approval and hit the economy again. On the other hand, if the decision is favorable for Mr. Srettha, we expect the SET index to rebound and the street should turn to focus on fundamentals and upward economic and earnings growth in 2H24.

Overall 2Q24 earnings to grow q-q and jump y-y

We expect companies' overall aggregate 2Q24 net profit to increase by 6% q-q and jump 33% y-y, in line with Thai GDP, which we expect to grow by 1% q-q and 2.1% y-y. The strong y-y growth should mainly come from the very low base last year in the energy, tourism, transportation and food sectors. We expect to see a slight drop q-q in net profit in some key sectors, i.e. energy, banking, commerce, property, finance and healthcare services, while key drivers in this quarter are from food, tourism, transportation and electronics. If 2Q24 is in line, 1H24 earnings would account for 51% of our 2024E net profit.

Maintain SET target and selective strategy on strong earnings plays

We maintain our 2024 SET target of 1,470, as our 2024E EPS of THB91.50 still has limited downward revisions. However, we will closely watch the upcoming 2Q24 earnings announcements to determine whether they will affect the overall earnings forecasts or not. We continue to see the current valuation as attractive for long-term investment, as the index is trading at a 2024 PER of 14.2x with an earnings yield gap of 4.4%. We reaffirm our selective strategy, focusing on stocks expected to report strong 2Q24 profits and that have attractive valuations compared to the pre-Covid period. Our 2024 favorites are AOT, CHG, CPALL, CPN, GPSC, KCG, SHR, SJWD, TIDLOR, and TU.

Noted: The Chairman of The Audit Committee and Independent Director of Finansia Syrus Securities PCL is also AOT's Chairman of Board of Directors

Exhibit 1: 2Q24 earnings summary of Thai banks under coverage

	2Q24 (THB m)	1Q24 (THB m)	Change (q-q%)	2Q23 (THB m)	Change (y-y%)	2023 (THB m)	2024E (THB m)
BBL	11,807	10,524	12.2	11,293	4.6	41,635	42,037
KBANK	12,653	13,486	(6.2)	10,994	15.1	42,405	47,020
KTB	11,195	11,078	1.1	10,156	10.2	36,616	37,621
SCB	10,014	11,281	(11.2)	11,868	(15.6)	43,521	41,170
TTB	5,356	5,335	0.4	4,566	17.3	18,463	19,192
KKP	769	1,506	(49.0)	1,408	(45.4)	5,418	4,271
TISCO	1,749	1,733	0.9	1,854	(5.7)	7,301	6,935
Coverage	53,543	54,943	(2.5)	52,140	2.7	195,359	198,247

Sources: Company data; FSSIA estimates

Exhibit 2: NPL ratio, 3Q22-2Q24

	3Q22 (%)	4Q22 (%)	1Q23 (%)	2Q23 (%)	3Q23 (%)	4Q23 (%)	1Q24 (%)	2Q24 (%)	2024E (%)	Banks' target 2024E
BBL	3.83	3.62	3.73	3.46	3.48	3.22	3.43	3.64	3.45	±3.0
KBANK	3.59	3.74	3.60	3.83	3.58	3.70	3.72	3.64	3.76	< 3.25
KTB	4.01	3.90	3.97	3.83	3.74	3.86	3.77	3.85	3.80	< 3.25
SCB	3.92	4.01	3.97	3.84	3.89	3.99	3.89	3.90	4.06	n/a
TTB	3.01	3.03	3.09	2.99	2.96	3.09	3.02	3.09	3.15	≤ 2.9
KKP	3.29	3.45	3.56	3.74	3.69	3.31	3.94	4.11	4.10	3.90 – 4.10
TISCO	2.08	2.09	2.13	2.20	2.25	2.22	2.27	2.44	2.63	2.50 - 2.75
Coverage	3.70	3.68	3.69	3.62	3.56	3.58	3.61	3.67	3.68	

Sources: Company data; FSSIA estimates

Exhibit 3: 2Q24 earnings forecasts by sector

Sector	2Q24E	1Q24	2Q23	Change		1H24E	2024E	% to 2024E
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(%)
Energy	65,204	71,077	44,031	(8)	48	136,281	260,087	52%
Bank	54,911	56,704	53,918	(3)	2	111,615	204,659	55%
Commerce	14,506	15,237	12,044	(5)	20	29,744	63,387	47%
Tourism	13,908	2,552	3,215	445	333	16,460	11,129	148%
Property	13,213	12,833	14,839	3	(11)	26,046	64,498	40%
Food	12,480	6,855	3,187	82	292	19,335	37,879	51%
ICT	12,314	11,506	8,351	7	47	23,820	46,008	52%
Transportation	10,676	10,312	4,328	4	147	20,988	35,654	59%
Financial	7,531	7,971	7,358	(6)	2	15,502	33,438	46%
Healthcare	5,890	6,877	5,422	(14)	9	12,767	30,091	42%
Electronics	5,748	5,136	5,680	12	1	10,884	23,383	47%
Cons. Mat	5,674	3,648	9,873	56	(43)	9,321	27,122	34%
Packaging	1,669	1,987	1,712	(16)	(3)	3,656	6,456	57%
Petro	1,230	(606)	(5,591)	303	122	624	16,651	4%
Auto	886	1,010	948	(12)	(7)	1,896	4,897	39%
Construction	815	133	640	513	27	948	2,671	35%
Agri	534	466	349	15	53	1,000	1,478	68%
Media	424	373	393	14	8	796	1,283	62%
Professional	262	267	207	(2)	26	529	891	59%
Grand Total	227,874	214,338	170,904	6	33	442,211	871,662	51%
Excl. Energy & Petro	161,440	143,866	132,464	12	22	305,306	594,925	51%
Excl. Banking	172,963	157,634	116,986	10	48	330,596	667,003	50%
Excl. Energy & Petro and Banking	106,529	87,163	78,546	22	36	193,691	390,266	50%

Source: Bloomberg, FSSIA estimates, and SETSMART

CENTRAL PATTANA (CPN TB) - Another record profit in 2Q24E; Maintain BUY TP THB83.00

No new property opened in 2Q24 except one condo

During the quarter, there were no new properties opened except the new ESCENT Bangna condo, launched in June. At the end of 2Q24, CPN had 42 shopping malls (including two new malls opened in 1Q24), 17 community malls, 10 office buildings, nine hotels, and 37 residential projects. For 2H24, CPN plans to add one hotel in Rayong, six residential projects, and one luxury hotel from the Dusit Central Park JV project. In addition, the company unveiled that the Central Krabi shopping mall will be opened in 1H25, with the offices, residences, and retail space at the Dusit Central Park project opening in 2Q-4Q25. For the company's owned-brand residences, CPN has managed to grow the unit's revenue by 10% every year.

Another record profit in 2Q24E, driven by almost all businesses

We project CPN's core profit to reach a new record high at THB4.3b in 2Q24 (+4.2% q-q, +19.7% y-y), driven by almost all businesses. The residential business should have the strongest revenue growth, which we estimate at 50% q-q, mainly from the transfer of condos in Chonburi, Chachoengsao, and Phuket. Rental revenue from malls has continued increasing, thanks to the additional NLA from Central Nakhon Sawan and Central Nakhon Pathom, opened in January and March 2024, respectively. The hotel business should be the only unit to see a q-q decline in revenue, owing to seasonality.

Solid financial position amid rising interest costs

The overall costs and expenses should be well managed, in our view. Only financial costs are expected to increase as a result of the higher market rates. The company has maintained its solid financial status with an estimated IBD/E of below 0.5x and an interest coverage ratio of 19x in 2Q24.

Maintain our BUY call and TP of THB83

The projected 1H24 profit accounts for 54% of our full-year forecast. The outlook remains promising. We reiterate our BUY call and DCF-based TP of THB83 (WACC 7.4%, LTG 2%) implying 23.5x 2024E P/E, while CPN trades at only 15.4x 2024E P/E.

Exhibit 4: CPN – 2Q24 earnings preview

Year to Dec 31	2Q23	3Q23	4Q23	1Q24	2Q24E	----- Change -----		1H23	1H24E	Change	2024E	Change	% of
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)	(y-y %)	2024E
Total operating revenue	10,865	11,918	12,849	11,705	12,739	8.8	17.3	20,846	24,443	17.3	48,320	5.9	50.6
Cost of services	(5,275)	(5,764)	(5,715)	(5,308)	(5,965)	12.4	13.1	(10,030)	(11,273)	12.4	(23,378)	8.7	48.2
Gross profit	5,590	6,154	7,134	6,396	6,774	5.9	21.2	10,816	13,171	21.8	24,942	3.5	52.8
Operating costs	(1,716)	(1,754)	(2,501)	(1,998)	(2,013)	0.7	17.3	(3,471)	(4,011)	15.5	(8,214)	6.3	48.8
Operating profit	3,874	4,400	4,633	4,398	4,762	8.3	22.9	7,345	9,160	24.7	16,728	2.1	54.8
Operating EBITDA	6,035	6,466	6,910	6,619	7,045	6.4	16.7	11,548	13,664	18.3	26,015	4.4	52.5
Other income	269	359	240	529	429	(19.0)	59.7	577	958	65.9	1,118	(5.0)	85.7
Interest expense	(663)	(660)	(693)	(888)	(971)	9.3	46.3	(1,260)	(1,859)	47.6	(2,693)	3.1	69.0
Profit before tax	3,887	4,544	4,467	4,509	4,830	7.1	24.2	7,478	9,338	24.9	16,757	1.6	55.7
Tax	(769)	(908)	(986)	(899)	(966)	7.4	25.7	(1,567)	(1,865)	19.0	(3,486)	0.7	53.5
Associates	532	579	546	596	518	(13.0)	(2.5)	1,008	1,114	10.5	2,734	28.2	40.7
Minority interests	(36)	(53)	(55)	(54)	(54)	0.0	48.4	(63)	(107)	70.2	(147)	(13.7)	72.7
Reported net profit	3,678	4,161	3,977	4,154	4,220	1.6	14.7	6,924	8,374	21.0	15,858	5.3	52.8
Core profit	3,614	4,163	3,972	4,152	4,328	4.2	19.7	6,856	8,480	23.7	15,858	6.9	53.5
Reported EPS (THB)	0.82	0.93	0.89	0.93	1.93	108.0	135.0	1.55	2.85	83.6	3.53	5.1	80.7
Recurring EPS (THB)	0.81	0.93	0.89	0.93	0.96	4.2	19.7	1.53	1.89	23.7	3.53	6.9	53.5
Key ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)	(%)	(ppt)	
Gross margin	51.5	51.6	55.5	54.6	53.2	(1.5)	1.7	51.9	53.9	2.0	51.6	(1.2)	
Operating margin	35.7	36.9	36.1	37.6	37.4	(0.2)	1.7	35.2	37.5	2.2	34.6	(1.3)	
EBITDA margin	55.5	54.3	53.8	56.6	55.3	(1.2)	(0.2)	55.4	55.9	0.5	53.8	(0.8)	
Core profit margin	33.3	34.9	30.9	35.5	34.0	(1.5)	0.7	32.9	34.7	1.8	32.8	(0.0)	
SG&A / Sales	15.8	14.7	19.5	17.1	15.8	(1.3)	0.0	16.7	16.4	(0.2)	17.0	0.1	
Revenue breakdown	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)	(y-y %)	
Rental and services	9,229	9,358	9,965	9,659	10,093	4.5	9.4	17,980	19,752	9.9	39,861	6.9	
Food center services	245	229	240	249	284	14.0	15.9	452	533	17.9	985	7.0	
Hotel operations	368	384	449	491	402	(18.0)	9.4	721	893	23.8	1,697	9.2	
Residential sales	1,023	1,947	2,195	1,306	1,959	50.0	91.6	1,693	3,266	92.9	5,777	(1.0)	
Gross margin by business	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)	(%)	(ppt)	
Rental and services	52.9	54.8	59.4	56.5	56.5	(0.0)	3.5	53.2	56.5	3.3	53.6	(1.7)	
Food center services	51.4	49.3	49.6	49.4	51.1	1.7	(0.4)	49.6	50.3	0.7	48.6	(0.9)	
Hotel operations	66.0	65.2	66.9	68.3	65.5	(2.8)	(0.5)	66.3	67.0	0.8	68.0	1.8	
Residential sales	32.8	34.0	36.1	37.1	34.1	(3.0)	1.3	32.6	35.3	2.7	33.7	(0.8)	

Sources: CPN, FSSIA estimates

SCGJWD LOGISTICS (SJWD TB) - 2Q24E profit helped by associates; Maintain BUY TP THB23.00

The overall economy grew more slowly than it should in 2Q24

The overall Thai economic situation in 2Q24 continued to recover slowly, mainly driven by domestic demand for the consumer staples sector and tourism. The local automotive demand, including for EVs, has dropped sharply since the beginning of the year due to lower purchasing power coupled with rising household debt. This affected SJWD's former star of last year, the automotive service unit, which we expect to account for only 4% of total revenue but 10% of the group's gross profit in 2Q24. In addition, the country's better-than-expected chicken meat exports during 2Q24 should cause the cold storage occupancy rate to temporarily decrease.

Higher equity income should help 2Q24 earnings

From the abovementioned reasons, together with the low season in 2Q, we expect SJWD's 2Q24 revenue to slightly fall 3.3% q-q and 1.4% y-y to THB6.0b, dragged by its automotive service, cold chain storage, and cement transportation. However, we estimate the share of profits from associates to rise significantly, (+58.9% q-q, +56.6% y-y), helped by the freight unit from the Vietnam-based JV Transimex Corp (TMS VN – SJWD holds 23.47%) and the full-quarter profit recognition from Asia Network International (ANI TB – SJWD holds 20.12%) and Swift Haulage (SWIFT MK – SJWD holds 20.44%). We expect SJWD's 2Q24 core profit to be at THB165m (+2.9% q-q, +31.6% y-y).

Unexciting earnings in 1H24, improving profit expected in 2H24

Without a broad-based economic recovery, SJWD's earnings look less promising than previously expected. Its 1H24E core profit accounts for only 28% of our full-year forecast, which may lead to a projection revision after the earnings call. Nonetheless, several of the company's business units have a high season in 2H. We believe its earnings are improving.

Maintain our BUY call on undemanding valuations

We retain our BUY call and TP of THB23 (DCF, WACC 9.2%, LTG 3%). Should we pessimistically cut our 2024E earnings by 30%, SJWD's share price could have an undemanding P/E of 30x in 2024E and 20x in 2025E, and EV/EBITDA of 10x in 2024-25E, below its five-year averages.

Exhibit 5: SJWD – 2Q24 earnings preview

Year to Dec 31	2Q23	3Q23	4Q23	1Q24	2Q24E	----- Change -----		1H23	1H24E	Change	2024E	Change	% of
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)	(y-y %)	2024E
Sales	6,131	6,417	6,300	6,252	6,045	(3.3)	(1.4)	11,016	12,297	11.6	26,583	12.0	46.3
Cost of sales	(5,395)	(5,610)	(5,376)	(5,453)	(5,287)	(3.1)	(2.0)	(9,573)	(10,740)	12.2	(23,051)	12.1	46.6
Gross profit	736	806	924	799	758	(5.1)	3.0	1,443	1,557	7.9	3,532	11.3	44.1
Operating costs	(526)	(563)	(581)	(509)	(499)	(2.0)	(5.3)	(1,005)	(1,008)	0.3	(2,172)	1.0	46.4
Operating profit	210	243	343	290	259	(10.4)	23.8	438	549	25.5	1,361	32.9	40.4
Operating EBITDA	575	646	1,057	726	698	(3.9)	21.3	1,144	1,423	24.4	3,220	13.1	44.2
Other income	55	57	87	32	33	3.0	(39.3)	86	66	(23.8)	234	1.7	28.1
Interest expense	(117)	(120)	(134)	(146)	(145)	(0.7)	23.7	(216)	(291)	34.5	(518)	9.9	56.2
Profit before tax	147	180	295	176	148	(15.9)	0.3	307	324	5.3	1,077	37.5	30.1
Associates	42	42	43	41	65	58.9	56.6	127	106	(16.3)	428	102.4	24.7
Reported net profit	129	140	261	164	165	0.6	27.6	361	329	(8.7)	1,179	54.8	27.9
Core profit	125	251	268	160	165	2.9	31.6	357	326	(8.7)	1,179	27.6	27.6
Reported EPS (THB)	0.08	0.08	0.14	0.09	0.09	0.6	14.1	0.24	0.18	(24.9)	0.65	54.8	27.9
Recurring EPS (THB)	0.07	0.14	0.15	0.09	0.09	2.9	31.6	0.20	0.18	(8.7)	0.65	27.6	27.6
Key Ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)	(%)	(ppt)	
Gross margin	12.0	12.6	14.7	12.8	12.5	(0.2)	0.5	13.1	12.7	(0.4)	13.3	(0.1)	
Operating margin	4.3	4.7	6.8	5.2	4.8	(0.3)	0.5	4.8	5.0	0.2	6.0	0.7	
EBITDA margin	9.4	10.1	16.8	11.6	11.5	(0.1)	2.2	10.4	11.6	1.2	12.1	0.1	
Recurring net margin	2.0	3.9	4.3	2.6	2.7	0.2	0.7	3.2	2.6	(0.6)	4.4	0.5	
SG&A / Sales	8.6	7.3	9.2	8.1	8.3	0.1	(0.3)	9.1	8.2	(0.9)	8.2	(0.9)	
Revenue breakdown	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)	(y-y %)	
Warehouse & yard mgmt.	844	1,025	1,033	925	863	(6.7)	2.2	1,662	1,788	7.6	4,284	15.2	
Transportation & distribution	3,221	3,102	2,955	3,170	2,945	(7.1)	(8.6)	5,699	6,115	7.3	13,485	14.7	
Other logistics	633	726	663	558	571	2.3	(9.9)	1,136	1,128	(0.7)	2,493	(0.4)	
Overseas	747	765	751	807	866	7.3	15.8	1,243	1,673	34.6	3,117	13.0	
Other business	707	799	898	793	800	1.0	13.2	1,297	1,593	22.8	3,204	7.0	
Gross margin by BU	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)	(%)		
Warehouse & yard mgmt.	27.2	34.7	34.6	31.5	32.0	0.6	4.8	31.9	31.8	(0.2)	33.1		
Transportation & distribution	8.2	6.6	6.5	8.5	8.2	(0.3)	(0.0)	8.5	8.3	(0.1)	7.5		
Other logistics	24.8	20.3	21.8	18.8	18.9	0.0	(6.0)	23.8	18.8	(5.0)	21.5		
Overseas	7.1	8.4	10.5	13.1	13.6	0.4	6.5	6.8	13.4	6.6	8.2		
Other business	6.4	4.2	6.3	1.9	2.0	0.1	(4.4)	6.0	2.0	(4.1)	5.6		

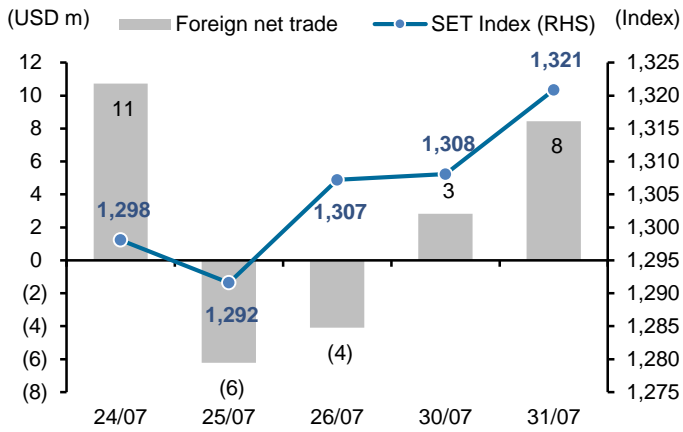
Sources: SJWD, FSSIA estimates

Economic news

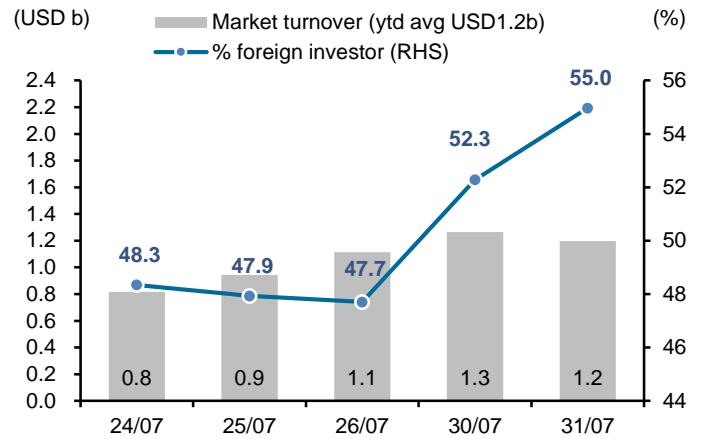
- [Real estate woes hit electrical appliances](#) BANGKOK POST: The reduced purchasing power of consumers affected the Thai real estate sector in the first half of 2024 and hit the electrical appliance sector, according to Panasonic Solutions (Thailand) Co Ltd, a business arm of Japanese multinational electronics appliance maker Panasonic. "The real estate sector is affected by the country's sluggish economy; this will impact the division's performance as sales from developer customers have dropped by around 10-15%," said Pongwut Sangprasert, director of the B2B sales division at Panasonic Solutions (Thailand). According to the Real Estate Information Center, new residential sales amounted to 15,000 units worth 90 billion baht in the first quarter of 2024, down by 26.6% compared to the same period last year.
- [TAT widens net in bid to capture more of the Chinese market](#) BANGKOK POST: With 8 million Chinese tourist arrivals projected for 2024, the Tourism Authority of Thailand (TAT) is diversifying its target to niche markets who still have plenty of purchasing power, including young travellers, small meeting groups, and caravan tours. "Demand among Chinese is not enough to entice Chinese airlines to increase flights to Thailand," said Nonglux Yooyendee, director of the TAT's Shanghai office. Ms Nonglux said China is facing a high rate of unemployment and a real estate slump affecting the massive middle-class market, which accounts for over a third of the country's population and has led to less travel demand.
- [June current account surplus improves to \\$2bn](#) BANGKOK POST: Thailand recorded a current account surplus of \$2 billion in June, an increase from \$700 million in May, the Bank of Thailand (BoT) said on Wednesday. Exports rose 0.3% in June from a year earlier, after a gain of 7.8% in May. Imports edged down 0.1%, producing a trade surplus of \$2.4 billion for June, the central bank said in a statement on its website. The limited export growth reflected decreases from May in shipments of some agricultural products, notably durian to china, and electronic goods. "Nevertheless, some export products increased, including commercial cars to Australia, passenger cars to Asean, and petroleum products to China, Japan and Asean," it said. While the economy expanded in the second quarter from the first, growth was uneven, driven by tourism and private consumption, the BoT said.
- [Restaurant sector anticipates further risks in second half](#) BANGKOK POST: Restaurant business operators anticipate a risk of closures in the second half of the year due to low consumer purchasing power and high costs. Sorathep Rojpotjanaruch, head of the Restaurant Business Club, said the restaurant industry enjoyed rising momentum in the first quarter of the year due to the rebound of the tourism sector. However, after the Songkran festival, the industry saw a significant decline in the number of customers as consumer spending dwindled.
- [Factory output falls more than forecast as car output slumps](#) BANGKOK POST: Restaurant business operators anticipate a risk of closures in the second half of the year due to low consumer purchasing power and high costs. Sorathep Rojpotjanaruch, head of the Restaurant Business Club, said the restaurant industry enjoyed rising momentum in the first quarter of the year due to the rebound of the tourism sector. However, after the Songkran festival, the industry saw a significant decline in the number of customers as consumer spending dwindled.
- [B40bn in savings bonds to be sold in August](#) BANGKOK POST: The Public Debt Management Office (PDMO) is selling the final tranche of its savings bonds worth 40 billion baht in August, reduced from the original plan of 60 billion baht. According to Patchara Anuntasilpa, director-general of the PDMO, for fiscal year 2024 the PDMO has already issued 40 billion baht in savings bonds from the original target of 100 billion baht. Therefore, there was an outstanding balance of bonds worth 60 billion baht still to be issued. However, due to delays in budget disbursement this year, the PDMO does not need to borrow as much as initially planned, so has reduced the savings bond issuance amount by 20 billion baht to align with the actual needs.
- [Thai rice exports jump 25% in first half of 2024](#) BANGKOK POST: Thailand expects to export 8.2 million tonnes of rice this year, up from a previous forecast of 7.5 million, helped by demand from major markets and a weakening baht, according to the Commerce Ministry. Ronnarong Phoolpipat, director-general of the Foreign Trade Department, said rice exports during the first half of the year amounted to 5.08 million tonnes worth 117.8 billion baht, up 25.1% and 55.5% year-on-year, respectively. "Rice importers want to import rice for consumption and to keep it as stock for food security," he said. Furthermore, India's rice export restrictions and the depreciation of the baht to 36-37 per dollar are helping maintain the competitiveness of the price of Thai rice.
- [Central bank reassessing consumer lending rules](#) BANGKOK POST: The Bank of Thailand is reviewing its regulations on loan-to-value (LTV) ratios for mortgage loans and minimum payments for credit cards amid the weakened debt servicing ability of individual borrowers. According to the central bank's assistant governor for corporate relations group, Chayawadee Chai-anant, it is reassessing these regulations based on a comprehensive evaluation of the current economic situation, the property and credit card markets, consumer access to new loans, debt repayment capabilities, and the potential side effects of relaxing these rules. Property developers recently asked the Finance Ministry to relax LTV measures to stimulate activity in the sector. Currently, LTV rates for first residences are set at 90-100%. Meanwhile, some credit cardholders have been affected by the central bank's increase in the minimum payment requirement from 5% to 8%.

Corporate news

- [Sena adopts cautious investment strategy](#) BANGKOK POST: Developers need to be more cautious with investments in the second half, as the financial market is concerned about corporate debenture repayments, due to the economic slowdown that affected demand in the first half. Kessara Thanyalakpark, managing director of SET-listed developer Sena Development, said the company has started to adopt a cautious approach to investment as the financial market has become increasingly concerned about expiring debentures. "In the second half of the year, developers will face double challenges that will impact their investments," she said. "Their access to funding will be limited, while homebuyers continue to struggle with securing mortgage loans."
- [Court accepts class-action suit against Stark auditors](#) BANGKOK POST: A Thai court will allow a class-action lawsuit against the local office of the accounting firm Deloitte over its audit of scandal-hit Stark Corporation, it said in a document on Wednesday. The case was brought by retail bondholders of Stark, who accuse Deloitte Touche Tohmatsu Jaiyos and another individual of "acting intentionally, negligently, or in gross negligence resulting in damages", according to a complaint seen by Reuters. The accounting and embezzlement scandal at SET-listed Stark was one of the country's largest corporate frauds in recent years, causing an estimated at 14.7 billion baht in damages.

Exhibit 6: Foreign fund flow and SET Index

Source: Bloomberg

Exhibit 7: Foreign participation

Source: Bloomberg

Exhibit 8: Index performance

	SET Index		Index performance (% change)								
	Index	(%chg)	Energy	Bank	Comu	Commerce	Food	Property	Construct	Transport	Petrochem
% of SET Index			19%	11%	10%	10%	6%	5%	3%	8%	2%
Current	1,320.86	1.0	1.1	0.4	1.2	2.1	1.0	0.8	1.0	(0.4)	1.5
-5D	1,301.54	1.5	0.5	1.4	2.8	1.6	1.4	(1.1)	(0.9)	(1.1)	4.3
-1M	1,299.35	1.7	(1.1)	1.2	7.4	5.3	(0.8)	(0.4)	(2.9)	(1.0)	(7.6)
-3M	1,367.95	(3.4)	(8.0)	(3.1)	13.2	(5.0)	(0.4)	(13.3)	(11.7)	(11.3)	(20.9)
-6M	1,367.96	(3.4)	(10.3)	(1.1)	9.5	(0.1)	3.1	(12.1)	(15.5)	(6.6)	(17.2)
-1Y	1,556.06	(15.1)	(19.3)	(11.9)	4.0	(16.6)	(2.2)	(19.6)	(27.5)	(19.7)	(34.5)
WTD	1,307.21	1.0	0.5	0.9	2.2	1.1	0.2	(0.9)	(1.5)	(1.1)	0.8
MTD	1,320.86	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
QTD	1,300.96	1.5	(0.8)	1.5	8.0	4.5	(1.2)	0.1	(2.5)	(2.1)	(6.8)
End of last year	1,415.85	(6.7)	(12.5)	(7.0)	12.5	(5.6)	(0.7)	(15.2)	(21.8)	(6.2)	(25.7)

Source: Bloomberg

Exhibit 9: 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	1,320.86	(6.7)	36.17	42,426	1,173	(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	1,377.94	(14.4)	35.67	49,376	1,384	(2,164)	2,185	(81)	(172)	(796)
2Q24	1,300.96	(13.4)	36.71	43,013	1,172	(1,748)	962	58	276	(474)
3Q24	1,320.86	(10.2)	36.28	36,693	1,011	(1,292)	134	(19)	(68)	779
Jan-24	1,364.52	(18.4)	35.20	62,067	1,763	(562)	888	25	(42)	(112)
Feb-24	1,370.67	(15.5)	35.85	44,920	1,253	(1,105)	157	(62)	(178)	(429)
Mar-24	1,377.94	(14.4)	35.95	41,142	1,144	(498)	1,140	(44)	48	(255)
Apr-24	1,367.95	(10.5)	36.78	42,530	1,156	(378)	(52)	(56)	(1)	(697)
May-24	1,345.66	(12.3)	36.64	43,600	1,190	(886)	203	92	160	511
Jun-24	1,300.96	(13.4)	36.70	42,908	1,169	(484)	811	22	117	(287)
Jul-24	1,320.86	(15.1)	36.28	36,693	1,011	(306)	134	(19)	(68)	779
2024YTD	1,320.86	(6.7)	36.17	42,426	1,173	(6,202)	3,281	(41)	35	(491)
24/7/2024	1,298.08		36.17	29,579	818	11	14	3	(27)	236
25/7/2024	1,291.58		36.15	34,128	944	(6)	21	(4)	(11)	133
26/7/2024	1,307.21		36.06	40,149	1,113	(4)	(25)	(11)	40	214
30/7/2024	1,308.09		35.99	45,528	1,265	3	(5)	18	(16)	165
31/7/2024	1,320.86		35.65	42,651	1,196	8	2	(1)	(9)	53

Source: Bloomberg

Exhibit 10: Upcoming events

Date Time	Event	Survey	Actual	Prior	Revised
07/31/2024 00:00	Mfg Production Index ISIC NSA YoY	Jun	-1.20%	-1.71%	-1.45%
07/31/2024 00:00	Capacity Utilization ISIC	Jun	--	58.41	59.5
07/31/2024 03:00	BoP Current Account Balance	Jun	\$350m	\$1950m	\$647m
07/31/2024 03:30	Exports YoY	Jun	--	0.30%	7.80%
07/31/2024 03:30	Exports	Jun	--	\$24642m	\$25930m
07/31/2024 03:30	Imports YoY	Jun	--	-0.10%	-2.30%
07/31/2024 03:30	Imports	Jun	--	\$22193m	\$23105m
07/31/2024 03:30	Trade Balance	Jun	--	\$2449m	\$2825m
07/31/2024 03:30	BoP Overall Balance	Jun	--	\$633m	\$551m
07/31/2024 20:30	S&P Global Thailand PMI Mfg	Jul	--	51.7	--
08/01/2024 03:30	Business Sentiment Index	Jul	--	48.7	--
08/02/2024 03:30	Gross International Reserves	Jul-26	--	\$227.7b	--
08/02/2024 03:30	Forward Contracts	Jul-26	--	\$27.7b	--
08/04/2024 23:30	CPI YoY	Jul	0.70%	--	0.62%
08/04/2024 23:30	CPI NSA MoM	Jul	0.20%	--	-0.31%
08/04/2024 23:30	CPI Core YoY	Jul	0.40%	--	0.36%
08/06/2024 23:30	Consumer Confidence Economic	Jul	--	52.6	--
08/06/2024 23:30	Consumer Confidence	Jul	--	58.9	--
08/17/2024 08/24	Car Sales	Jul	--	47662	--
08/18/2024 22:30	GDP YoY	2Q	--	1.50%	--
08/18/2024 22:30	GDP SA QoQ	2Q	--	1.10%	--
08/21/2024 03:00	BoT Benchmark Interest Rate	Aug-21	--	2.50%	--
08/25/2024 08/30	Mfg Production Index ISIC NSA YoY	Jul	--	-1.71%	--
08/25/2024 08/30	Capacity Utilization ISIC	Jul	--	58.41	--
08/25/2024 08/30	Customs Exports YoY	Jul	--	-0.30%	--
08/25/2024 08/30	Customs Imports YoY	Jul	--	0.30%	--
08/25/2024 08/30	Customs Trade Balance	Jul	--	\$218m	--
08/30/2024 03:00	BoP Current Account Balance	Jul	--	\$1950m	--
08/30/2024 03:30	Exports YoY	Jul	--	0.30%	--
08/30/2024 03:30	Exports	Jul	--	\$24642m	--
08/30/2024 03:30	Imports YoY	Jul	--	-0.10%	--
08/30/2024 03:30	Imports	Jul	--	\$22193m	--
08/30/2024 03:30	Trade Balance	Jul	--	\$2449m	--
08/30/2024 03:30	BoP Overall Balance	Jul	--	\$633m	--

Source: Bloomberg

Exhibit 11: Upcoming XR

Symbol	X-Date	Announce Date	Rights for	Subscription Price	Unit	Subscription Ratio (Holding:New)	Subscription Period	Allotted Shares (Shares)
KEX	1/8/2024	13/6/2024	Common	3.2	Baht	0.6196 : 1	21/08/2024 - 27/08/2024	2812500000
STPI	1/8/2024	13/6/2024	Common	3.4	Baht	12 : 1	20/08/2024 - 26/08/2024	133442549
MGI	15/8/2024	24/6/2024	Warrants	-	Baht	2.5 : 1	-	84000000
SGC	16/8/2024	2/7/2024	Common	-	Baht	1 : 1	-	3270000000
TNDT	20/8/2024	10/6/2024	Common	0.26	Baht	1 : 2	09/09/2024 - 13/09/2024	2477217746

Source: SET

Exhibit 12: Upcoming XM

Symbol	X-Date	Meeting Date	Agenda	Meeting Place / Channel for Inquiry
MIT	1/8/2024	23/8/2024	Capital increase, Acquisition and disposition of assets / Acquisition or Disposition of Assets	MFC Asset Management PCL. Office, Room 2306-2307, 23rd floor, Column Tower, 199 Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok 10110
NOVA	1/8/2024	22/8/2024	Consider approving the share repurchase project for financial management	through electronic means
GULF	8/8/2024	3/10/2024	Acquisition and disposition of assets / Acquisition or Disposition of Assets	at Ballroom, The Conrad Bangkok Hotel, 87 Wireless Road, Lumpini Sub-district, Pathumwan District, Bangkok
INTUCH	8/8/2024	3/10/2024	Acquisition and disposition of assets / Acquisition or Disposition of Assets	By electronic media
CHO	13/8/2024	6/9/2024	Capital increase	Meeting via Electronic media (E-EGM)
GCAP	20/9/2024	15/10/2024	Capital increase, Connected transaction	E-Meeting

Source: SET

Exhibit 13: Management trading

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
Kiatnakin Phatra Bank (KKP)	Somkiat Jompratchaya	Common Shares	7/31/2024	40,000	39.00	Buy	1.56
Kiatnakin Phatra Bank (KKP)	Suwit Mapaisansin	Common Shares	7/30/2024	50,000	39.00	Buy	1.95
Kiatnakin Phatra Bank (KKP)	Suwit Mapaisansin	Common Shares	7/30/2024	100,000	38.75	Buy	3.88
Jakpaison Estate (JAK)	Metha Angwattanapanich	Common Shares	7/30/2024	85,000	1.15	Buy	0.10
Super Energy (SUPER)	Jormsup Lochaya	Common Shares	7/30/2024	100,000	0.26	Buy	0.03
TPI Polene (TIPL)	Orapin Leophairatana	Common Shares	7/30/2024	1,300,000	1.16	Buy	1.51
Raimon Land (RML)	Kris Narongdej	Common Shares	7/30/2024	1,700,000	0.32	Buy	0.54
Siam Wellness Group (SPA)	Wiboon Utsahajit	Common Shares	7/26/2024	10,000,000	7.00	Sell	70.00
Eastern Power Group (EP)	Yuth Chinpakkul	Common Shares	7/30/2024	21,700	2.26	Buy	0.05

Source: SEC

Exhibit 14: Upcoming XD

Symbol	X-Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date	Price	Div Yield	Par
EPG	01/08/2024	0.1	Baht	01/04/2023 - 31/03/2024	NP	21/08/2024	4.60	2.2%	1
KYE	01/08/2024	29.85	Baht	01/04/2023 - 31/03/2024	NP	22/08/2024	340.00	8.8%	10
PTL	01/08/2024	0.19	Baht	-	RE	22/08/2024	12.10	1.6%	1
SIA19	01/08/2024	-	Baht	-	-	23/08/2024	-	-	-
SINGTEL80	01/08/2024	-	Baht	-	-	12/09/2024	-	-	-
SCGD	05/08/2024	0.1	Baht	01/01/2024 - 30/06/2024	NP	22/08/2024	7.20	1.4%	10
SCGP	06/08/2024	0.25	Baht	01/01/2024 - 30/06/2024	NP	21/08/2024	28.25	0.9%	1
BAREIT	07/08/2024	0.183	Baht	01/04/2024 - 30/06/2024	NP	22/08/2024	9.35	2.0%	9.816
ROCTEC	07/08/2024	0.013	Baht	01/04/2023 - 31/03/2024	NP	21/08/2024	0.93	1.4%	0.1
SCC	07/08/2024	2.5	Baht	01/01/2024 - 30/06/2024	NP	23/08/2024	221.00	1.1%	1
PTTEP	13/08/2024	4.5	Baht	01/01/2024 - 30/06/2024	Both	28/08/2024	147.00	3.1%	1
MSFT80X	15/08/2024	-	Baht	-	-	09/10/2024	-	-	-
SCCC	15/08/2024	4	Baht	01/01/2024 - 30/06/2024	NP	29/08/2024	135.50	3.0%	10
SBUX80X	16/08/2024	-	Baht	-	-	26/09/2024	-	-	-
PEP80X	06/09/2024	-	Baht	-	-	29/10/2024	-	-	-
GOOG80X	09/09/2024	-	Baht	-	-	11/10/2024	-	-	-
KO80X	13/09/2024	-	Baht	-	-	30/10/2024	-	-	-
NINTENDO19	27/09/2024	-	Baht	-	-	30/12/2024	-	-	-
SMFG19	27/09/2024	-	Baht	-	-	30/12/2024	-	-	-

Source: SET

Exhibit 15: New securities

Derivative Warrants	Trade Date	Underlying	Issuer	DW Type	Market	Maturity Date	Exercise Price (Baht)
ADVANC19P2412A	01/08/2024	ADVANC	YUANTA	Put	SET	12/12/2024	165
BANPU13C2412A	01/08/2024	BANPU	KGI	Call	SET	10/12/2024	6.3
CBG13C2412A	01/08/2024	CBG	KGI	Call	SET	10/12/2024	86
CBG19C2412A	01/08/2024	CBG	YUANTA	Call	SET	12/12/2024	82.5
DELTA19C2412A	01/08/2024	DELTA	YUANTA	Call	SET	12/12/2024	125.5
EA19C2412C	01/08/2024	EA	YUANTA	Call	SET	12/12/2024	4.66
GULF13P2412A	01/08/2024	GULF	KGI	Put	SET	10/12/2024	33.5
HSI06C2409F	01/08/2024	HSI	KKPS	Call	SET	03/10/2024	17,000.00
HSI06C2409G	01/08/2024	HSI	KKPS	Call	SET	03/10/2024	16,000.00
HSI06C2412B	01/08/2024	HSI	KKPS	Call	SET	07/01/2025	19,800.00
HSI06P2409E	01/08/2024	HSI	KKPS	Put	SET	03/10/2024	14,400.00
OSP19C2412A	01/08/2024	OSP	YUANTA	Call	SET	12/12/2024	30.25
SET5013P2412B	01/08/2024	SET50	KGI	Put	SET	04/01/2025	700
STGT13C2412B	01/08/2024	STGT	KGI	Call	SET	10/12/2024	12.4

Source: SET