

2 AUGUST 2024

SPOTLIGHT ON THAILAND

Published Reports

- CHAYO GROUP (CHAYO TB) - Another one-time ECL in 2Q24; Maintain HOLD TP THB3.00
- SC ASSET CORPORATION (SC TB) - 2Q24E profit helped by extra gain; Maintain HOLD TP THB3.00
- AIRPORTS OF THAILAND (AOT TB) - Overhang removed, ready to take off; Maintain BUY TP THB65.00

Economics

- Bol launches Matching Fund to support startups
- Power tariff set to fall by early 2025
- Bank of England cuts rates for first time since 2020
- Central bank reassessing consumer lending rules
- Baht set to further strengthen this year despite headwinds
- Chinese influx puts factories at risk

Corporate News

- KTB poised to hit 2024 lending target
- AIS, Oracle Alloy push hyperscale cloud
- Thai AirAsia eyeing uptick in passengers
- BEM Advances Orange Line Construction with CK Partnership
- Thai Oil refutes claims of B567m wage settlement

Indices	Index as of 1-Aug-24	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
Thailand SET	1,323	0.1	(6.6)	(3,284)
China SHCOMP	2,932	(0.2)	(1.4)	
Hong Kong HSI	17,305	(0.2)	1.5	
India SENSEX	81,868	0.2	13.3	3,697
Indonesia JCI	7,326	1.0	0.7	39
Korea KOSPI	2,778	0.3	4.6	18,714
MY FBMKLCI	1,624	(0.1)	11.7	
PH PCOMP	6,694	1.1	3.8	(468)
SG FSSTI	3,420	(1.0)	5.5	
Taiwan TWSE	22,642	2.0	26.3	(6,285)
VN VNINDEX	1,227	(2.0)	8.6	(1,998)
MSCI Emerging	1,088	0.3	6.3	

Nikkei 225	38,126	(2.5)	13.9	
FTSE 100	8,283	(1.0)	7.1	
CAC 40	7,370	(2.1)	(2.3)	
DAX	18,083	(2.3)	7.9	
Dow Jones	40,348	(1.2)	7.1	
Nasdaq	17,194	(2.3)	14.5	
S&P 500	5,447	(1.4)	14.2	
Brent	79.52	(1.6)	3.2	
Dubai	80.69	1.5	5.5	
WTI	76.31	0.6	7.2	
GOLD	2,446.26	(0.0)	18.5	

Trade data (THB m)	Buy (THB m)	Sell (THB m)	Net (THB m)	Share (%) (THB m)
Foreign	17,473	17,680	(207)	48
Retail	12,461	12,814	(353)	34
Prop Trade	2,482	2,341	141	7
Local Institution	4,419	4,001	419	11
Total Trade	36,836	36,836	0	100

Rates	Last close 01/08/2024	1M ago 02/07/2024	End last yr 29/12/2023	1yr ago 02/08/2023
THB/USD	35.61	36.86	34.14	34.27
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 (USD/bbl)	Last close 01/08/2024	1M ago 01/07/2024	End last yr 29/12/2023	1yr ago 01/08/2023
Brent	79.52	86.60	77.04	84.91
Dubai	80.69	85.01	76.51	85.77
WTI	76.31	82.81	71.65	79.49
Gold	2,446	2,329	2,063	1,934
Baltic Dry (USD/ton)	1,708	2,179	2,094	1,123
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

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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

CHAYO GROUP (CHAYO TB) - Another one-time ECL in 2Q24; Maintain HOLD TP THB3.00

Additional ECL surprise to the upside in 2Q24

We expect CHAYO to deliver a disappointing 2Q24 net profit of THB83m, exhibiting extraordinary q-q growth due to the low base in 1Q24, but declining 9.2% y-y. Although the revenue growth in 2Q24 is on track with our estimate, we expect it to encounter an additional ECL of THB20m. This issue arose from a secured portfolio where the debtor agreed to a repayment amount that is lower than the book value (cost plus accrued interest income) by this amount. Regarding its core operations, we estimate the 2Q24 NPL cash collection to remain solid at THB135m. While we expect cash collection to contract 8.2% q-q due to seasonal influences, the figure should grow by 47.6% y-y, supported by the aggressive acquisitions of unsecured portfolios during 2H23. Corporate lending loans (CCAP) could expand moderately by 4.0% q-q, 62.9% y-y, and 6.1% YTD, behind our 2024 estimate of 35% y-y growth due to stricter lending approval fueled by economic concerns. Our 1H24E net profit contracts by 55.8% y-y, accounting for 30% of our 2024E profit.

Maintain strategic move to unsecured NPLs

CHAYO reported its outstanding amount of 2Q24 NPL acquisitions at THB2.3b (from a mere THB29m in 1Q24). We expect CHAYO to continue focusing on acquisitions of short-overdue unsecured NPLs (credit card/personal loans), for which the expected cost-to-OS ratio is costly at 8% or THB190m in purchased amount. However, we think the strategy positively aids CHAYO's cash collection streams, visible within 4Q24.

Maintain 2024-26 forecast

We maintain our 2024-26 net profit forecast with 2024E earnings diving by 25.7% y-y, largely due to extra ECLs in 1H24, before expanding at a 35% CAGR in 2025-26. In 3Q24, CHAYO enters the high season of the AMC business, when cash collection is likely to accelerate. CHAYO disclosed that it has collected from a medium-sized NPA, which we expect to result in a cTHB10m NPA gain, leading us to expect net profit growth on both a q-q and y-y basis in 3Q24.

Maintain HOLD rating at a lower TP of THB3.00

We maintain our HOLD call for CHAYO over weaker macroeconomics. Our GGM-based TP is lowered to THB3.00 (from THB4.20), implying a P/BV of 0.87x (from 1.20x), to reflect the rising economic uncertainty with a higher COE of 9.9% (from 9.4%), while LT ROE is maintained at 9.6%.

Exhibit 1: CHAYO – 2Q24 earnings preview

	2Q23	3Q23	4Q23	1Q24	2Q24E	----- Change -----		1H24E	Change	% of	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(y-y %)	24E	(THB m)	(y-y %)
Interest income from debt management	311	335	405	444	446	0.3	43.1	890	41.6	52	1,721	25.7
Interest income from loans	26	28	31	37	39	6.0	49.8	77	60.7	42	181	69.1
Total interest income	338	363	436	482	485	0.8	43.6	967	43.0	51	1,902	28.9
Interest expense	65	65	75	76	81	7.1	25.5	157	38.3	49	324	27.4
Net interest income	273	298	361	406	404	(0.4)	47.9	810	43.9	51	1,578	29.2
Non- interest income	28	26	71	22	21	(2.9)	(24.6)	44	(10.3)	47	92	(36.8)
Total operating income	302	324	432	428	425	(0.6)	41.1	853	39.6	51	1,670	22.2
Operating expenses	87	105	119	104	115	10.7	32.1	219	32.2	47	467	19.9
Pre-provision operating profit	214	219	313	324	310	(4.2)	44.7	634	42.3	53	1,202	23.0
Expected credit loss	84	107	133	265	161	(39.1)	92.2	426	155.4	66	641	57.6
Operating profit	130	112	180	59	149	152.9	14.2	208	(25.4)	37	561	(1.6)
Income tax expenses	28	25	39	16	30	81.1	7.7	46	(19.7)	41	112	(7.5)
Minority interest	11	11	21	39	36	(8.7)	226.1	75	195.3	47	158	174.2
Net profit	92	76	120	3	83	n/a	(9.2)	86	(55.8)	30	291	(25.7)
EPS (THB)	0.08	0.07	0.11	0.00	0.07	n/a	(11.0)	0.08	(57.4)	30	0.26	(25.7)
Key financial highlights												
Acquisition of loans to NPA	60	592	782	8	190	2,151.4	214.9	198	44.9	20	1,000	(33.8)
Cash collection	92	106	137	147	135	(8.2)	47.6	282	43.5	64	444	1.1
Accumulated cash collection to investment (%)	43	40	37	40	40			40			38	
Key financial ratios												
D/E (x)	1.07	1.07	1.17	1.28	1.30			1.30			1.09	
IBD/E (x)	1.00	1.00	1.09	1.19	1.22			1.22			1.01	
ROAA (%)	4.37	3.54	5.34	0.13	3.29			1.84			2.88	
ROAE (%)	9.11	7.32	11.33	0.30	7.55			3.38			5.44	
Cost of funds (%)	6.30	6.32	6.81	6.18	6.11			6.56			6.52	
Cost to income (%)	28.86	32.46	27.60	24.28	27.02			25.65			28.00	
Credit cost (bp)	577	673	733	1339	815			1238			764	

Sources: CHAYO; FSSIA estimates

SC ASSET CORPORATION (SC TB) - 2Q24E profit helped by extra gain; Maintain HOLD TP THB3.00

Expect 2Q24 net profit to drop 15% y-y, but jump 176% q-q

We anticipate a 2Q24 net profit of THB505m (+176% q-q, -15% y-y), higher than our previous forecast of THB350m-400m due to a one-time gain. Excluding the gain from land sales to new three JV hotel and warehouse projects worth THB160m, core profit should be THB345m (+89% q-q, -31% y-y). The q-q recovery comes from an increase in low-rise transfers as well as a decline in SG&A to sales to 21.4% (vs 23.6% in 1Q24). However, the y-y decrease is due mainly to lower condo transfers. We also assume the gross margin of property sales to be at 28.8%, down from 29% in 1Q24 and 31.3% in 2Q23, owing to lower condo transfers, the sluggish low-rise market, and intense competition.

2Q24 transfers up q-q, led by low-rise backlog realization

We estimate 2Q24 transfers totaling THB4.3b (+16% q-q, -13% y-y), comprising 95% low-rises and 5% condos. Low-rise transfers should improve by 51% q-q and 6% y-y to THB4.1b from a low base in 1Q24 and a greater realization of its 1Q24 low-rise backlog of THB6b. This should be driven by high-end projects priced over THB20m, i.e., Grand Bangkok Boulevard and Bangkok Boulevard Signature brands. However, condo transfers might plummet 78% q-q and 81% y-y due to lower inventory and aggressive transfers of SCOPE Langsuan condo in 4Q23-1Q24.

A likely dull 3Q24 profit before accelerating in 4Q24

If our 2Q24E is in line, the 1H24 net profit would be THB687m (-39% y-y), accounting for 34% of our full-year estimate. The 3Q24 earnings look lackluster due to fewer new launches and no extra gain. However, we project 4Q24 profit to rise q-q to be the peak of this year, led by the completion of two new condos: SCOPE Thonglor (THB2.5b, 60% sold) and a JV project, Reference Sathorn-Wongwianyai (THB4b, 54% sold).

Maintain our HOLD call with a TP of THB3

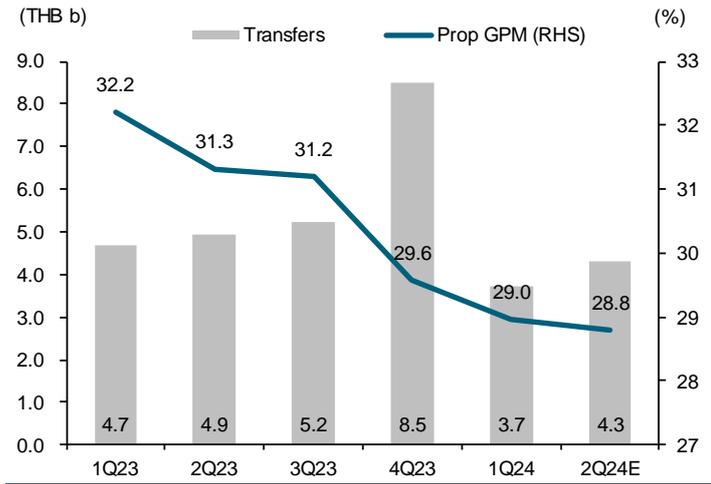
We reaffirm HOLD and our TP of THB3 on an anticipated 1H24 DPS of THB0.05, implying a 1.9% yield. SC lacks fresh short-term catalysts due to the unimpressive 2Q-3Q24 outlook. Meanwhile, our 2024E net profit of THB2b (-19% y-y) is challenging, as low-rise transfers may recover more slowly than expected, while SC will start to transfer new condos in late 4Q24. Also, promotional campaigns might reflect a lower gross margin.

Exhibit 2: SC – 2Q24 results preview

	2Q23	3Q23	4Q23	1Q24	2Q24E	----- Change -----	
	(THB m)	(q-q%)	(y-y%)				
Total revenue	5,213	5,533	8,818	4,010	4,604	14.8	(11.7)
Cost of sales	3,510	3,719	6,107	2,747	3,177	15.7	(9.5)
Gross profit	1,704	1,814	2,712	1,263	1,427	13.0	(16.2)
SG&A	1,009	1,103	1,424	948	984	3.7	(2.5)
Operating profit	694	711	1,288	315	444	40.7	(36.1)
Interest expense	96	92	100	97	99	2.4	3.4
Tax	138	147	231	68	73	6.5	(47.0)
Associates	19	3	3	26	60	130.8	209.2
Reported net profit	593	503	851	183	505	176.3	(14.9)
Normalized profit	497	503	968	183	345	88.7	(30.6)
Key ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Property gross margin	31.3	31.2	29.6	29.0	28.8	(0.2)	(2.5)
Gross margin	32.7	32.8	30.8	31.5	31.0	(0.5)	(1.7)
SG&A to sales	19.4	19.9	16.1	23.6	21.4	(2.3)	2.0
Operating margin	13.3	12.9	14.6	7.9	9.6	1.8	(3.7)
Net profit margin	11.4	9.1	9.7	4.6	11.0	6.4	(0.4)
Normalized profit margin	9.5	9.1	11.0	4.6	7.5	2.9	(2.0)
Operating statistics	(THB m)	(q-q%)	(y-y%)				
Property transfers	4,948	5,235	8,513	3,704	4,300	16.1	(13.1)
-- Low-rise	3,838	4,260	5,809	2,711	4,085	50.7	6.4
-- High-rise	1,110	976	2,704	993	215	(78.4)	(80.6)

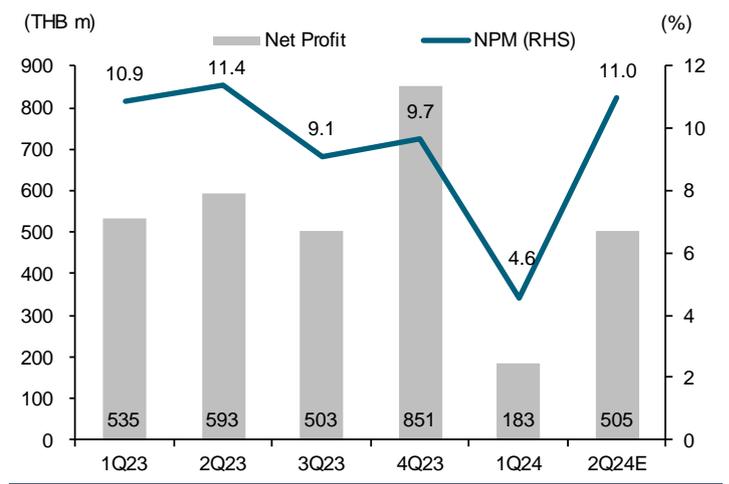
Sources: SC; FSSIA estimates

Exhibit 3: Quarterly transfers and GPM



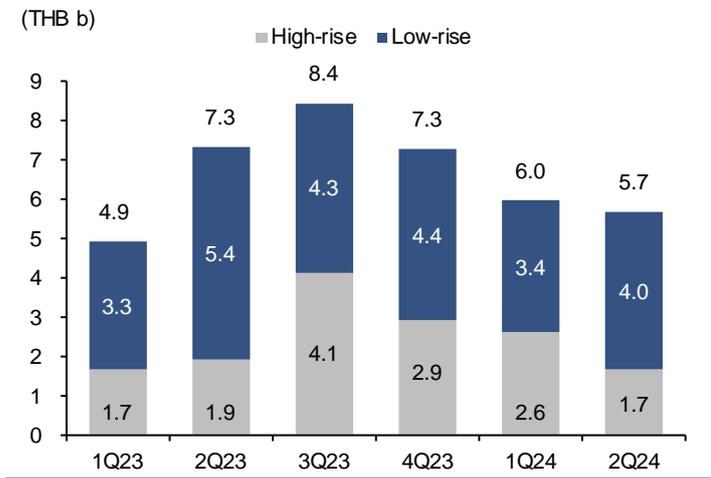
Sources: SC; FSSIA estimates

Exhibit 4: Quarterly net profit and NPM



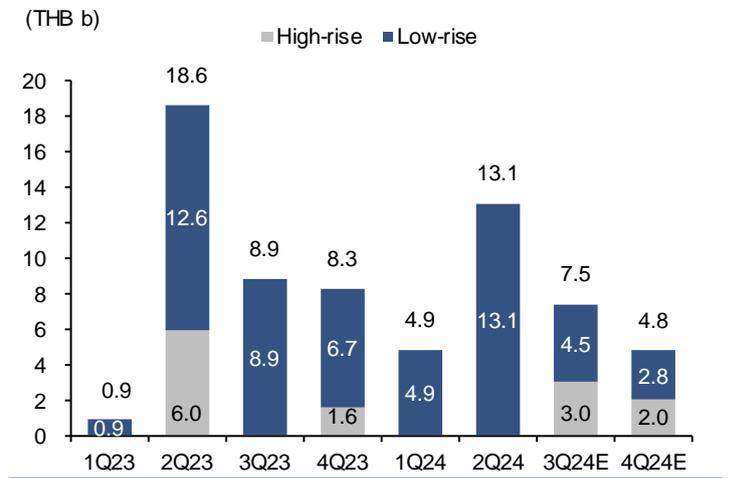
Sources: SC; FSSIA estimates

Exhibit 5: Quarterly presales



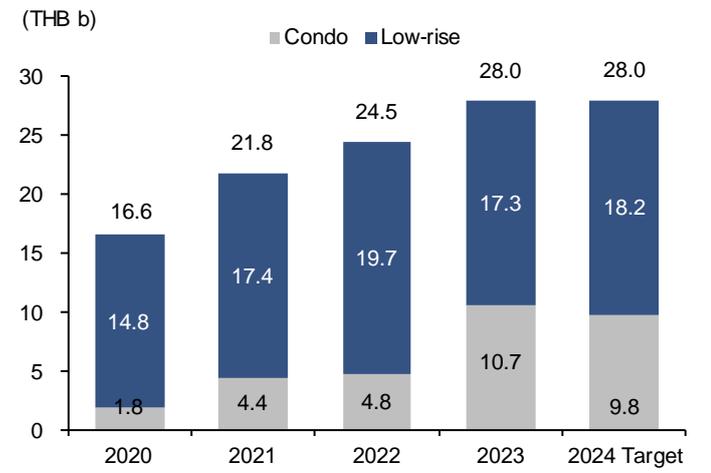
Sources: SC; FSSIA's compilation

Exhibit 6: Quarterly new launches



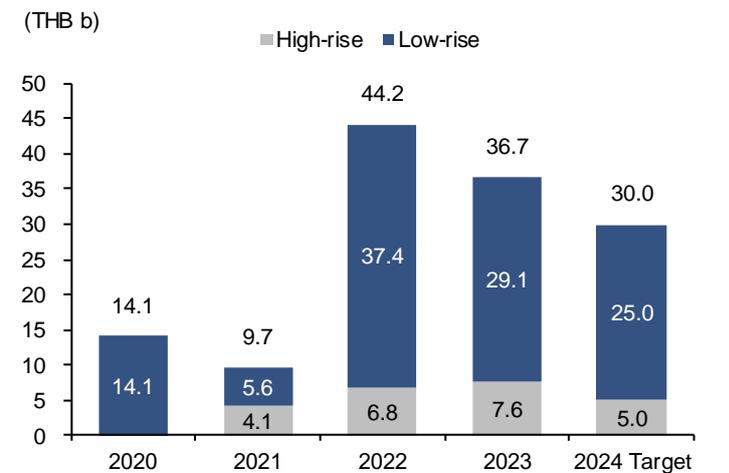
Sources: SC; FSSIA's compilation

Exhibit 7: Yearly presales



Sources: SC; FSSIA's compilation

Exhibit 8: Yearly new launches



Sources: SC; FSSIA's compilation

AIRPORTS OF THAILAND (AOT TB) - Overhang removed, ready to take off; Maintain BUY TP THB65.00

Inbound duty-free shop area to be reclaimed by AOT

According to the Cabinet resolution to revoke tax exemptions for duty-free items purchased by inbound travelers, AOT recently announced the cessation of inbound duty-free shops at six airports. As a result, the inbound duty-free shop areas, altogether comprising 2,251 sqm at six airports, are to be reclaimed by AOT effective from 1 Aug 2024. The reclaimed areas will be developed to improve airport service quality. As a result, the rental fee and minimum guarantee (MG) of King Power's concessionaire contracts should decrease by THB1.7b in FY25. Thus, we revise down our FY25 core profit assumption by 6% to THB25.2b.

3QFY24 international passengers recovered to 90% of pre-Covid

Passenger volume grew by 16% y-y in 3QFY24 (Apr-Jun), driven by a 28% y-y higher international passenger volume (accounting for 90% of pre-Covid). We estimate passenger service charge (PSC) revenue to grow by 33% y-y in 3QFY24 thanks to the strong international passenger volume and the increase in PSC by THB30 per passenger. Concession revenue should jump by 35-40% y-y in the quarter and exceed pre-Covid by 30-35% due to the MG from King Power's contracts. Overall, we expect revenue to increase by 27% y-y and expenses to increase by 21% y-y, leading core profit to surge by 44% y-y to THB4.7b in 3QFY24.

Expect FY25 core profit to grow by 31% to THB25.2b

Despite the lower MG from King Power of THB2.8b in FY25 from AOT's last two resolutions (the reclamation of commercial areas and the cessation of inbound duty-free shops), we still expect AOT to deliver strong core profit growth of 31% y-y to THB25.2b in FY25, driven by a 15% higher passenger volume (142m in 2025E vs 123m in 2024E).

Revising down profit; all overhangs are removed

We trim FY25-26E core profit by 6-7% to reflect the cessation of inbound duty-free shops, and derive a new FY24 DCF-TP of THB65/shr. AOT trades at an attractive valuation of 32x FY25E P/E. We believe the share price has reflected all the negative news, and key catalysts are PSC collection for transit/transfer passengers and more concession contracts such as third operators of ground handling cargo at Suvarnabhumi Airport.

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

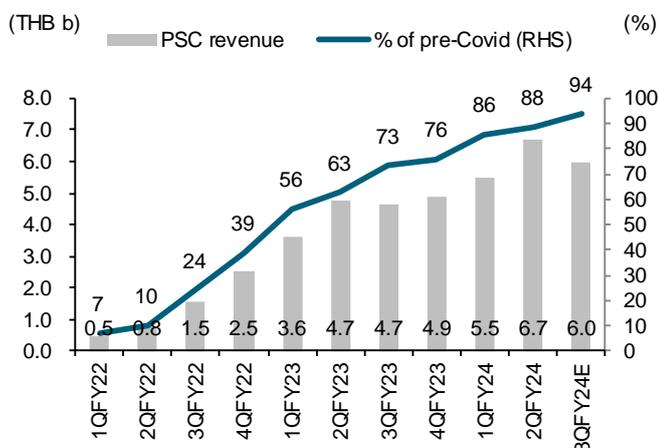
Exhibit 9: Forecast revisions

	Previous			Current			Change (%)		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
International pax (m)	71.3	84.0	90.8	71.3	84.0	90.8	0.0	0.0	0.0
Domestic pax (m)	51.7	57.8	61.3	51.7	57.8	61.3	0.0	0.0	0.0
Total pax (m)	123.0	141.9	152.1	123.0	141.9	152.1	0.0	0.0	0.0
Revenue (THB b)	64.5	74.5	83.3	65.6	74.2	82.5	1.6	(0.4)	(0.9)
Operating profit margin (%)	40.6	47.5	52.2	39.8	44.9	49.2	(0.8)	(2.6)	(3.0)
Core profit (THB b)	19.3	26.8	33.1	19.2	25.2	30.8	(0.3)	(6.2)	(7.0)

Note: Change of items in percentage terms are represented in ppt change

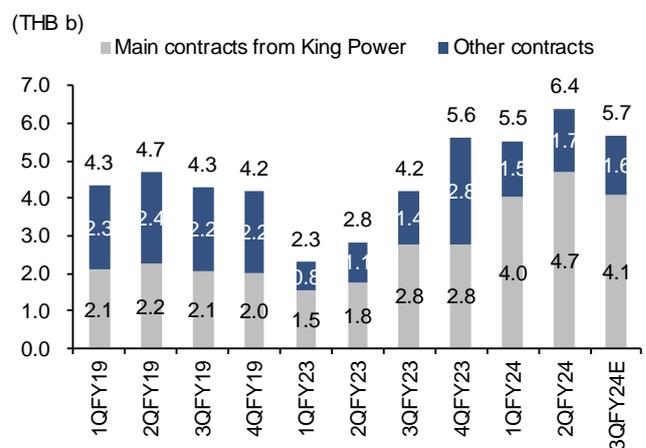
Source: FSSIA estimates

Exhibit 10: Passenger service charge (PSC) revenue



Sources: AOT; FSSIA estimates

Exhibit 11: Concession revenue



Note: Main contracts from King Power include duty-free and commercial activities at Suvarnabhumi Airport and duty-free at regional airports.

Sources: AOT; FSSIA estimates

Exhibit 12: AOT – 3QFY24 results preview

	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24E	----- Change -----		FY24E	Change
	(THB m)	(q-q %)	(y-y %)	(THB m)	(y-y %)				
Sales	12,954	15,362	15,708	18,234	16,437	(10)	27	65,584	36
Expense (incl. depreciation)	(8,107)	(10,214)	(9,165)	(10,066)	(9,777)	(3)	21	(39,449)	17
Operating profit	4,847	5,148	6,543	8,168	6,660	(18)	37	26,135	82
Net other income	90	69	48	97	97	0	7	433	60
Interest income	7	7	15	12	12	0	62	38	60
Interest expense	(719)	(720)	(692)	(710)	(710)	0	(1)	(2,817)	(3)
Pretax profit	4,226	4,503	5,913	7,567	6,058	(20)	43	23,788	102
Income tax	(822)	(865)	(1,148)	(1,504)	(1,212)	(19)	47	(4,282)	92
Associates	(0)	(0)	(0)	(0)	0			(0)	
Minority interest	(151)	0	(119)	(188)	(166)	(12)	10	(314)	12
Core profit	3,253	3,639	4,645	5,875	4,681	(20)	44	19,192	108
Extraordinaries	(141)	(161)	(81)	(62)	0				
Forex gain/(loss)	99	(100)	(14)	(84)	0				
Derivative gain/(loss)	(55)	54	13	56	0				
Reported net profit	3,156	3,432	4,563	5,785	4,681	(19)	48	19,192	118
Shares (end Q, m)	14,286	14,286	14,286	14,286	14,286	0	0	14,286	0
Core EPS (THB)	0.23	0.25	0.33	0.41	0.33	(20)	44	1.34	108
EPS (THB)	0.22	0.24	0.32	0.40	0.33	(19)	48	1.34	118
Expenses (excl. depreciation)	(5,937)	(7,903)	(6,346)	(7,256)	(6,938)	(4)	17	(27,899)	12
Depreciation	(2,170)	(2,311)	(2,819)	(2,810)	(2,838)	1	31	(11,550)	30
EBITDA	7,017	7,459	9,361	10,979	9,498	(13)	35	37,685	62
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)
Operating profit margin	37	34	42	45	41	(4)	3	40	10
EBITDA margin	54	49	60	60	58	(2)	4	57	9
Net profit margin	24	22	29	32	28	(3)	4	29	11
Operating stats	(y-y %)								
International pax growth	243	102	54	43	28				
Domestic pax growth	17	7	(0)	(0)	1				
Total pax growth	85	48	25	22	16				

Sources: AOT; FSSIA estimates

Economic news

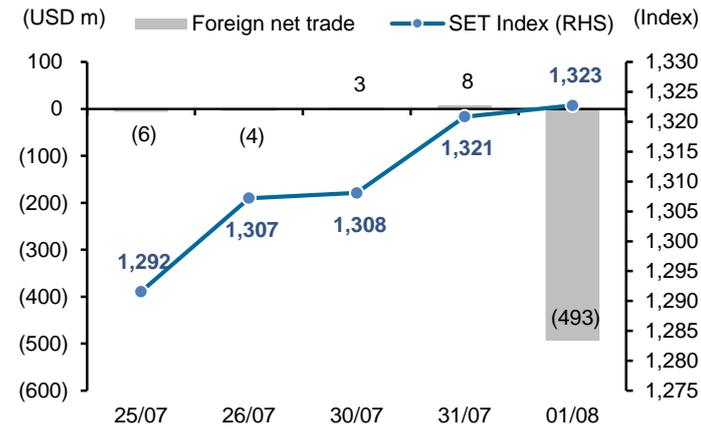
- [Bol launches Matching Fund to support startups](#) BANGKOK POST: Startups with high growth potential in targeted industries will be given financial support, worth up to 50 million baht each, under a new fund recently launched by the Board of Investment (Bol). The fund, named the "Matching Fund", comes under another fund managed by the competitiveness enhancement board, chaired by Finance Minister Pichai Chunhavajira. The Matching Fund will work together with venture capital, which is also aimed at supporting startups, said Narit Therdsteeerasukdi, secretary-general of the Bol. The board wants to further improve the capability of startups specialising in businesses that use high technology. They are new-generation cars, including electric vehicles (EVs), smart electronics, biotechnology, agriculture, food and medicine.
- [Power tariff set to fall by early 2025](#) BANGKOK POST: The power tariff, which will be capped at 4.18 baht per kilowatt-hour (unit) to maintain electricity prices until the end of this year, is likely to decrease early next year, as global demand for liquefied natural gas (LNG) is thought to be decreasing, which would result in lower gas prices. The demand and supply of LNG plays a key role in determining the tariff rate, which is used to calculate power bills. Gas, from domestic sources and LNG imports, makes up 60% of the fuels used to generate power in Thailand, followed by coal (20%), renewable energy, both locally produced and imported (15%), and oil (5%). Seasonal global demand for LNG tends to decrease at the beginning of the year and early this year the decline coincided with the Energy Regulatory Commission's imposition of the power tariff for the January-April period, said Poonpat Leesombatpiboon, secretary-general of the ERC.
- [Bank of England cuts rates for first time since 2020](#) BANGKOK POST: LONDON - The Bank of England cut interest rates from a 16-year high on Thursday after a tight vote by policymakers who were split over whether inflation pressures had eased sufficiently. Governor Andrew Bailey led the 5-4 decision to reduce rates by a quarter percentage point to 5%, but said the BoE would move cautiously going forward. It was the central bank's first cut since March 2020, at the start of the Covid-19 pandemic, giving Britain's new government a boost as it seeks to speed up the pace of economic growth.
- [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%.
- [Baht set to further strengthen this year despite headwinds](#) BANGKOK POST: The baht could appreciate further to 35.30 to the US dollar in the short term, after hitting a four-month high of 35.72 early Wednesday, but political instability and deteriorating fiscal positions as a result of the government's populist policies could limit the Thai currency's rebound. The baht and other Asian currencies soared after the Bank of Japan (BoJ) lifted its rates to around 0.25% and unveiled a plan to taper its huge bond-buying programme. The yen rallied as much as 0.8% to a more than three-month high of 151.58 per dollar immediately after the BoJ announcement, though reversed those gains shortly after to 153.25. The Thai currency was trading at 35.72 baht to the greenback around noon Wednesday, compared to Tuesday's close of 35.99, said Kanjana Chockpisansin, head of the research, banking and financial sector at Kasikorn Research Center.
- [Chinese influx puts factories at risk](#) BANGKOK POST: Thai manufacturers may succumb to a new flood of cheap products from China if the government fails to launch measures to deal with the entry of Chinese online retailer Temu, says the Federation of Thai Industries (FTI). With Temu planning to give discounts of up to 90% on products sold on its platform, the prospect of many more factories shutting down becomes even more likely as their products are less competitive than those of their Chinese rival, according to the federation. Temu will attract customers with low-cost products because operating costs in China, including energy prices and wages, are lower than in Thailand, said Apichit Prasoprat, vice-chairman of the FTI.

Corporate news

- [KTB poised to hit 2024 lending target](#) BANGKOK POST: Krungthai Bank (KTB) expects to achieve its loan growth target for this year despite experiencing a lending contraction in the first six months. Despite the uneven recovery of the Thai economy in the first half of the year and ongoing pressure from various uncertainties in the second half, the bank aims to achieve a total loan growth of 3% throughout 2024, said Payong Srivanich, KTB's president. According to Mr Payong, there is positive loan demand from certain customer groups, including both business and commercial individual segments. However, the bank remains focused on maintaining asset quality amid an uneven economic rebound, he said. As of June 2024, KTB's total loans outstanding stood at 2.56 trillion baht, down from 2.61 trillion baht as of March 31, 2024, and against 2.58 trillion baht as of Dec 31 last year.
- [AIS, Oracle Alloy push hyperscale cloud](#) BANGKOK POST: Advanced Info Service (AIS) has partnered with the Oracle Alloy cloud infrastructure platform in a plan to offer Thailand's first locally-owned and operated hyperscale cloud infrastructure services. The services are expected to be available in the first quarter of 2025. The exclusive partnership will see a joint investment of up to 8 billion baht between now and 2030. The deal represents a significant collaboration to elevate Thailand's cloud and artificial intelligence (AI) landscape which is worth around 100 billion baht.

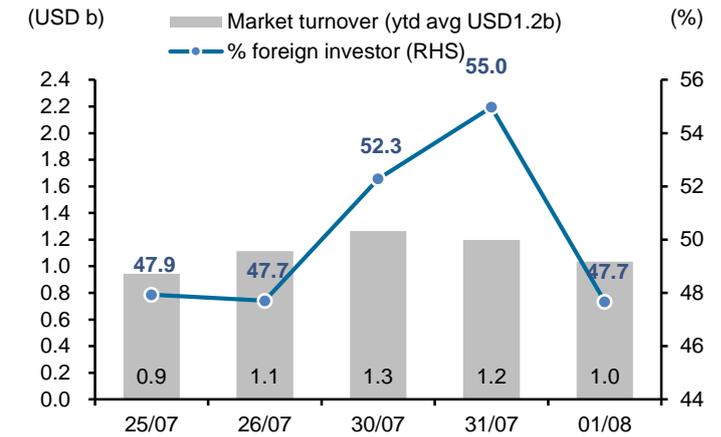
- [Thai AirAsia eyeing uptick in passengers](#) BANGKOK POST: With Thai AirAsia aiming to secure 25 Airbus A321neo aircraft from an order placed by AirAsia Aviation Group for 100 of the aircraft over the next five years, the airline plans to strengthen its domestic and international route networks, particularly in destinations facing constraints in terms of slots. Santisuk Klongchaiya, chief executive of Thai AirAsia, said that since tourism and aviation has now recovered, Thai AirAsia is prioritising an increase in its capacity to cater to increasing demand and respond to the government's aviation hub policy. Thai AirAsia received two new Airbus A321neos last month and is expecting another one later this year, bringing the total number in its fleet to 60. The A321neo has 236 seats, 50 more than aircraft under the A320 series. The A321neo can operate flights with a duration of between 5-6 hours.
- [BEM Advances Orange Line Construction with CK Partnership](#) BANGKOK POST: BEM, entrusted by the government to undertake the Orange Line MRT from Bang Khun Non to Min Buri (Suwinthawong), has officially signed a contract with CK. This partnership focuses on the civil engineering construction of the Orange Line's western section, extending from Bang Khun Non to Thailand Cultural Centre. The project, set to commence in August, is slated for completion in six years. The eastern section, from Thailand Cultural Centre to Min Buri, is projected to be operational within three years and six months, ahead of schedule. Dr. Sombat Kitjalaksana, Managing Director of BEM, emphasized the company's readiness to proceed with the project, bolstered by CK's expertise in handling large-scale infrastructure developments. CK has already mobilized its team and equipment to ensure timely and quality completion of the construction. In addition to civil construction, BEM is in negotiations for procuring and installing the electric train system. The plan includes ordering 53 electric trains, 32 for the Orange Line and 21 additional trains for the Blue Line project. BEM prioritizes quality and safety, sourcing from manufacturers in Germany and Japan.
- [Thai Oil refutes claims of B567m wage settlement](#) BANGKOK POST: Thai Oil Public Company Ltd denies agreeing to issue a payment of 567 million baht to help settle outstanding wages owed to workers by subcontractors. The unpaid wages are reportedly owed by the Unincorporated Joint Venture (UJV) consortium, a subcontractor of Thai Oil. The consortium, made up of Petrofac South East Asia Pte Ltd, Saipem Singapore Pte Ltd and Samsung E&A (Thailand) Co Ltd, was hired by Thai Oil to build its Clean Fuel Project (CFP). More than 8,000 workers are employed by three firms -- One Turn Ten Co Ltd, EMCO LTD Co Ltd and Thai Fong Engineering and Construction Co Ltd -- which work under Sinopec, which is, in turn, the subcontractor of UJV. The workers include Vietnamese nationals. It was reported that the problem of overdue wages went unresolved for months. The subcontracting firms told the workers no money was forthcoming from UJV despite Thai Oil maintaining it made payments to the consortium on time.

Exhibit 13: Foreign fund flow and SET Index



Source: Bloomberg

Exhibit 14: Foreign participation



Source: Bloomberg

Exhibit 15: Index performance

	SET Index		Index performance (% change)									
	Index	(%chg)	Energy	Bank	Comu	Commerce	Food	Property	Construct	Transport	Petrochem	
% of SET Index			20%	11%	10%	10%	6%	5%	3%	8%	2%	
Current	1,322.75	0.1	0.8	(0.3)	(0.5)	(0.3)	(1.2)	(0.0)	(0.3)	0.1	0.8	
-5D	1,298.08	1.9	1.9	1.9	2.8	2.1	(0.8)	(0.5)	(1.1)	(1.0)	5.2	
-1M	1,299.35	1.8	(0.3)	0.9	6.8	5.0	(2.0)	(0.4)	(3.2)	(0.9)	(6.8)	
-3M	1,367.95	(3.3)	(7.3)	(3.3)	12.6	(5.3)	(1.7)	(13.4)	(12.0)	(11.2)	(20.3)	
-6M	1,367.96	(3.3)	(9.6)	(1.4)	8.9	(0.4)	1.8	(12.2)	(15.8)	(6.5)	(16.5)	
-1Y	1,556.06	(15.0)	(18.6)	(12.2)	3.5	(16.9)	(3.4)	(19.6)	(27.7)	(19.7)	(34.0)	
WTD	1,307.21	1.2	1.3	0.6	1.7	0.8	(1.1)	(0.9)	(1.8)	(1.0)	1.6	
MTD	1,320.86	0.1	0.8	(0.3)	(0.5)	(0.3)	(1.2)	(0.0)	(0.3)	0.1	0.8	
QTD	1,300.96	1.7	(0.1)	1.2	7.5	4.2	(2.4)	0.1	(2.8)	(2.0)	(6.0)	
End of last year	1,415.85	(6.6)	(11.8)	(7.2)	11.9	(5.9)	(1.9)	(15.3)	(22.1)	(6.1)	(25.1)	

Source: Bloomberg

Exhibit 16: 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	1,322.75	(6.6)	36.17	42,386	1,172	(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	1,322.75	(10.1)	36.28	36,693	1,011	(1,292)	124	(15)	(56)	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	1,322.75	(6.6)	36.17	42,386	1,172	(6,202)	3,271	(37)	47	(491)
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
1/8/2024	1,322.75		35.61	36,836	1,035	(6)	(10)	4	12	224

Source: Bloomberg

Exhibit 17: Upcoming events

Date Time	Event		Survey	Actual	Prior
08/01/2024 03:30	Business Sentiment Index	Jul	--	46.9	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	0.16%	--	-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
09/01/2024 20:30	S&P Global Thailand PMI Mfg	Aug	--	--	52.8

Source: Bloomberg

Exhibit 18: Upcoming XR

Symbol	X-Date	Announce Date	Rights for	Subscription Price	Unit	Subscription Ratio (Holding:New)	Subscription Period	Allotted Shares (Shares)
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 19: Upcoming XM

Symbol	X-Date	Meeting Date	Agenda	Meeting Place / Channel for Inquiry
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)
PROSPECT	13/8/2024	13/9/2024	-	Ratchaphruek Meeting Room, 2nd Floor (M Floor), Grande Center Point Ratchadamri, 153/2 Soi Mahatlek Luang 1, Ratchadamri Rd, Pathumwan District, Bangkok 10330
GCAP	20/9/2024	15/10/2024	Capital increase, Connected transaction	E-Meeting

Source: SET

Exhibit 20: Management trading

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
Kiatnakin Phatra Bank (KKP)	Suvit Mapaisansin	Common Shares	7/31/2024	50,000	38.25	Buy	1.91
Kiatnakin Phatra Bank (KKP)	Suvit Mapaisansin	Common Shares	7/31/2024	50,000	38.50	Buy	1.93
Kiatnakin Phatra Bank (KKP)	Suvit Mapaisansin	Common Shares	7/31/2024	50,000	38.75	Buy	1.94
Bless Asset Group (BLESS)	Tarin Bovonvanitkul	Common Shares	7/31/2024	26,000	0.48	Sell	0.01
Siam Wellness Group (SPA)	Phumiphan Bunjapamai	Common Shares	7/18/2024	50,000	6.30	Buy	0.32
Eason & Co (EASON)	Petcharat Eksangkul	Common Shares	7/31/2024	300,000	1.23	Buy	0.37
Eastern Power Group (EP)	Yuth Chinpakkul	Common Shares	7/31/2024	209,300	2.04	Buy	0.43
AP (Thailand) (AP)	Pornwut Sarasin	Common Shares	8/1/2024	458,700	10.90	Receive	5.00

Source: SEC

Exhibit 21: Upcoming XD

Symbol	X-Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date	Price	Div Yield	Par
SCGD	05/08/2024	0.1	Baht	01/01/2024 - 30/06/2024	NP	22/08/2024	7.25	1.4%	10
SCGP	06/08/2024	0.25	Baht	01/01/2024 - 30/06/2024	NP	21/08/2024	29.00	0.9%	1
BAREIT	07/08/2024	0.183	Baht	01/04/2024 - 30/06/2024	NP	22/08/2024	9.40	1.9%	9.816
ROCTEC	07/08/2024	0.013	Baht	01/04/2023 - 31/03/2024	NP	21/08/2024	0.96	1.4%	0.1
SCC	07/08/2024	2.5	Baht	01/01/2024 - 30/06/2024	NP	23/08/2024	220.00	1.1%	1
CPNCG	13/08/2024	0.2467	Baht	01/04/2024 - 30/06/2024	Both	02/09/2024	5.50	4.5%	9.7493
DIF	13/08/2024	0.2222	Baht	01/04/2024 - 30/06/2024	NP	05/09/2024	7.95	2.8%	10
POPF	13/08/2024	0.29	Baht	01/04/2024 - 30/06/2024	NP	02/09/2024	5.55	5.2%	9.345
PTTEP	13/08/2024	4.5	Baht	01/01/2024 - 30/06/2024	Both	28/08/2024	151.00	3.0%	1
SIRIP	13/08/2024	0.1	Baht	01/04/2024 - 30/06/2024	NP	02/09/2024	7.80	1.3%	10
MSFT80X	15/08/2024	-	Baht	-	-	09/10/2024	-	-	-
SCCC	15/08/2024	4	Baht	01/01/2024 - 30/06/2024	NP	29/08/2024	136.00	2.9%	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 22: New securities

Derivative Warrants	Trade Date	Underlying	Issuer	DW Type	Market	Maturity Date	Exercise Price (Baht)
CPN11C2412A	02/08/2024	CPN	KS	Call	SET	19/12/2024	67.96
EA13C2412C	02/08/2024	EA	KGI	Call	SET	10/12/2024	7.5
ERW19C2412B	02/08/2024	ERW	YUANTA	Call	SET	12/12/2024	4.82
GULF13C2412B	02/08/2024	GULF	KGI	Call	SET	10/12/2024	59.75
HSI28C2409E	02/08/2024	HSI	MACQ	Call	SET	03/10/2024	17,600.00
HSI28C2409F	02/08/2024	HSI	MACQ	Call	SET	03/10/2024	17,000.00
HSI28C2410F	02/08/2024	HSI	MACQ	Call	SET	05/11/2024	19,200.00
HSI28C2411B	02/08/2024	HSI	MACQ	Call	SET	04/12/2024	20,800.00
HSTECH28C2412A	02/08/2024	HSTECH	MACQ	Call	SET	07/01/2025	4,000.00
JAS19C2412A	02/08/2024	JAS	YUANTA	Call	SET	12/12/2024	3.46
KTB11C2412A	02/08/2024	KTB	KS	Call	SET	19/12/2024	22.26
MINT11C2412A	02/08/2024	MINT	KS	Call	SET	19/12/2024	34.8
OSP13C2412B	02/08/2024	OSP	KGI	Call	SET	10/12/2024	31.5
PTTGC11C2412A	02/08/2024	PTTGC	KS	Call	SET	19/12/2024	32.7
RCL19P2412A	02/08/2024	RCL	YUANTA	Put	SET	12/12/2024	16.9
SET5028C2409D	02/08/2024	SET50	MACQ	Call	SET	03/10/2024	860

Source: SET