

21 OCTOBER 2024

SPOTLIGHT ON THAILAND

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Indices	Index as of 18-Oct-24	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
Thailand SET	1,490	(0.3)	5.2	(3,130)
China SHCOMP	3,262	2.9	9.6	
Hong Kong HSI	20,804	3.6	22.0	
India SENSEX	81,225	0.3	12.4	2,546
Indonesia JCI	7,760	0.3	6.7	2,922
Korea KOSPI	2,594	(0.6)	(2.3)	8,769
MY FBMKLCI	1,646	0.3	13.2	
PH PCOMP	7,416	0.2	15.0	97
SG FSSTI	3,640	0.4	12.3	
Taiwan TWSE	23,487	1.9	31.0	(12,358)
VN VNINDEX	1,285	(0.1)	13.8	(2,298)
MSCI Emerging	1,155	1.8	12.8	
Nikkei 225	38,982	0.2	16.5	
FTSE 100	8,358	(0.3)	8.1	
CAC 40	7,613	0.4	0.9	
DAX	19,657	0.4	17.3	
Dow Jones	43,276	0.1	14.8	
Nasdaq	18,490	0.6	23.2	
S&P 500	5,865	0.4	23.0	
Brent	73.06	0.0	(5.1)	
Dubai	73.89	0.6	(3.4)	
WTI	69.22	0.1	(3.3)	
GOLD	2,721.46	0.1	32.0	
Trade data (THB m)	Buy (THB m)	Sell (THB m)	Net (THB m)	Share (%) (THB m)
Foreign	31,528	31,792	(263)	49
Retail	22,965	23,550	(585)	36
Prop Trade	5,267	5,184	84	8
Local Institution	4,890	4,125	765	7
Total Trade	64,650	64,650	0	100
Rates	Last close 18/10/2024	1M ago 18/09/2024	End last yr 29/12/2023	1yr ago 18/10/2023
THB/USD	33.16	33.27	34.14	36.28
Inflation *	0.61	0.35	(0.83)	0.30
MLR **	7.12	7.12	7.12	7.12
1Y Fixed *	1.65	1.65	1.65	1.65
Govt bond 10Y	2.41	2.50	2.68	3.32
Commodity (USD/bbl)	Last close 18/10/2024	1M ago 18/09/2024	End last yr 29/12/2023	1yr ago 18/10/2023
Brent	73.06	74.49	77.04	92.16
Dubai	73.89	72.75	76.51	93.84
WTI	69.22	71.92	71.65	88.75
Gold	2,721	2,629	2,063	1,973
Baltic Dry	1,576	1,977	2,094	2,046
(USD/ton)	18-Oct-24	11-Oct-24	25-Dec-20	20-Oct-23
Coal	149.02	151.31	84.45	140.46
% change	(1.5)	7.4	76.5	6.1

* 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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Published Reports

ICHITAN GROUP (ICHI TB) - 3Q24 profit should remain robust; Maintain BUY TP THB21.00

Expect 3Q24 core profit to remain healthy

We expect a 3Q24 net profit of THB370m (-2.3% q-q, +12.8% y-y). Excluding gain from the sale of machinery in 2Q24, its core profit would grow by 5% q-q and 12.8% y-y, a good profit despite seasonal challenges. This is driven primarily by estimated revenue growth of 2.2% q-q and 13.3% y-y, mainly from domestic ready-to-drink green tea revenue. It should help increase the utilization rate to 80% from 78% in 2Q24.

Expenses should decrease, supporting growth in this quarter

However, some production costs may increase slightly. We project 3Q24 gross margin at 26%, down from 26.4% in 2Q24 but still up from 25.2% in 3Q23. Operating expenses should decrease by 11% q-q due to the absence of FX losses and bonus expenses like those in 2Q24. We assume 3Q24 SG&A to sales to decline to 6.8% from 7.8% in 2Q24. Meanwhile, profit sharing from Indonesia should not recover well yet, as the unit is still in its marketing phase and entering a low season.

4Q24 net profit would benefit from a one-time gain

We anticipate the 4Q24 core profit to weaken seasonally, but ICHI may recognize a gain from the sale of land in Rojana of cTHB120m. It should help boost net profit once the buyer receives BOI privileges. ICHI expects to complete the sales process in 4Q24. Although this is a one-time event, it is a cash transaction, and there is a possibility that ICHI may consider distributing additional dividends.

Reiterate BUY call with a higher TP of THB21

Given a better-than-expected 2H24 profit outlook, we have raised our 2024E-25E core profit by 5-6% to THB1.42b (+29% y-y) and THB1.5b (+5.6% y-y). We roll forward our TP to 2025 at THB21, based on a PE ratio of 18x. The current share price trades at a 2025E P/E of only 13.6x, below historical averages and the sector. Additionally, we expect a high dividend yield of 8% (anticipating an interim dividend announcement after the 3Q24 results in November, similar to last year).

Exhibit 1: ICHI – 3Q24 earnings preview

	3Q23	4Q23	1Q24	2Q24	3Q24E	----- Change -----		9M24E	Change	2024E	Change	% 9M24E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(y-y%)	(THB m)	(y-y%)	to 2024E
Sales	2,077	2,111	2,140	2,304	2,354	2.2	13.3	6,798	14.5	9,034	12.2	75.2
Cost of sales	1,554	1,594	1,582	1,695	1,742	2.8	12.1	5,019	9.8	6,685	8.5	75.1
Gross profit	523	517	558	609	612	0.4	17.1	1,779	29.9	2,349	24.5	75.8
SG&A	119	152	131	180	160	(11.2)	34.5	471	18.6	623	13.4	75.6
Operating profit	409	374	441	438	462	5.5	13.0	1,341	34.3	1,763	28.5	76.0
Interest expense	0.5	0.4	0.4	0.4	0.4	(0.3)	(15.8)	1	(14.0)	1.7	(6.1)	69.6
Tax expense	82	71	88	93	93	(0.2)	12.9	273	34.5	355	29.4	76.9
Profit (loss) sharing	2	(8)	12	1	1	(19.4)	(39.3)	14	13.5	16	240.7	87.5
Reported net profit	328	295	364	379	370	(2.3)	12.8	1,113	38.2	1,574	43.1	70.7
Core profit	328	295	364	353	370	5.0	12.8	1,086	34.9	1,422	29.2	76.4
Key Ratios (%)						(ppt)	(ppt)				(ppt)	
Gross margin	25.2	24.5	26.1	26.4	26.0	(0.4)	0.8	26.2	3.1	26.0	20.3	
SG&A to sales	5.7	7.2	6.1	7.8	6.8	(1.0)	1.1	6.9	0.2	6.9	(0.2)	
Operating margin	19.7	17.7	20.6	19.0	19.6	0.6	(0.1)	19.7	2.9	19.5	14.1	
Net margin	15.8	14.0	17.0	16.4	15.7	(0.7)	(0.1)	16.4	2.8	17.4	10.9	
Core margin	15.8	14.0	17.0	15.3	15.7	0.4	(0.1)	16.0	2.4	15.7	11.2	
Operating statistics (THB m)												
Domestic	1,913	1,962	1,992	2,160	2,200	1.8	15.0	6,351	17.2	8,440	14.3	75.3
Overseas	164	149	149	144	154	7.2	(6.0)	447	(13.8)	654	6.6	68.3
Utilisation rate (%)	79.0	73.0	77.0	78.0	80.0			78.3		78.5		

Sources: ICHI, FSSIA's estimates

Exhibit 2: Changes in key assumptions for ICHI

	Current			Previous			Change		
	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024E (%)	2025E (%)	2026E (%)
Sales	9,034	9,672	10,157	8,728	9,390	9,861	3.5	3.0	3.0
Cost of sales	6,685	7,206	7,546	6,546	7,090	7,395	2.1	1.6	2.0
Gross profit	2,349	2,466	2,610	2,182	2,301	2,465	7.6	7.2	5.9
SG&A	623	658	691	594	639	671	5.0	3.0	3.0
Operating profit	1,763	1,847	1,959	1,623	1,700	1,833	8.6	8.7	6.9
Interest expense	2	2	2	2	2	2	0.0	0.0	0.0
Tax expense	355	375	400	296	311	335	19.9	20.7	19.2
Profit (loss) sharing	16	31	41	24	30	32	(35.7)	3.0	28.8
Reported net profit	1,574	1,501	1,598	1,350	1,417	1,527	16.6	6.0	4.6
Core profit	1,422	1,501	1,598	1,350	1,417	1,527	5.3	6.0	4.6
Key ratios (%)									
Total revenue growth	12.2	7.1	5.0	8.4	7.6	5.0			
Net profit growth	43.1	(4.7)	6.5	22.7	5.0	7.8			
Core profit growth	29.2	5.6	6.5	22.7	5.0	7.8			
Gross margin	26.0	25.5	25.7	25.0	24.5	25.0	1.0	1.0	0.7
SG&A to sales	6.9	6.8	6.8	6.8	6.8	6.8	0.1	0.0	0.0
Net margin	17.4	15.5	15.7	15.5	15.1	15.5	2.0	0.4	0.2
Norm margin	15.7	15.5	15.7	15.5	15.1	15.5	0.3	0.4	0.2
Operating statistics (THB m)									
Domestic revenue	8,440	9,060	9,532	8,155	8,800	9,252	3.5	2.9	3.0
Overseas revenue	595	612	625	573	590	608	3.7	3.7	2.7

Source: FSSIA estimates

BANGKOK BANK (BBL TB) - 3Q24 results at first glance; Maintain BUY TP THB184.00

3Q24 profit beat our forecast; manageable asset quality

BBL's 3Q24 net profit stood at THB12.5b, surpassing our estimate and the BBG consensus by 8%, representing a growth of 5.7% q-q and 9.9% y-y. However, PPOP matched our expectation, showing a decline of 1.4% q-q but an increase of 2.7% y-y. Non-NII, including mark-to-market investment gains (FVTPL) and fee income, helped offset rising operating expenses, particularly IT-related costs, increasing income taxes, and a flat NII. Asset quality continued deteriorating, especially in the NPL ratio, but remained within guidance. The high coverage ratio also allowed BBL to significantly reduce credit costs during this period, maintaining the highest level among its peers.

The 9M24 net profit increased to THB34.8b, representing a 6.2% growth y-y and accounting for 83% of our full-year forecast. We expect the 4Q24 net profit to decline significantly due to the peak season for operating expenses—including personnel, IT, and marketing—and a lower NIM, which could offset the anticipated reduction in ECL.

We maintain our 2024-26E net profit growth at a 3.7% CAGR, based on our conservative assumptions without factoring in any positives from government stimulus packages. For 2024, we expect 1.0% y-y net profit growth with a 7.7% ROE due to a large base in 2023 following market interest rate hikes. For 2025-26, we anticipate a net profit recovery of 4.1% y-y and 6.0% y-y, respectively. We retain BBL as our top BUY and 2025 TP of THB184, implying a P/BV of 0.60x, under an expected LT-ROE of 7.7% and COE of 12.2%. BBL trades at a very cheap valuation of 0.53x P/BV, below its 5-yr average of 0.60x, combined with an attractive dividend yield of c4.6-5.1% p.a.

Highlights

(+) NII and NIM surpassed expectations. NII reached THB33.4b, up 0.7% q-q but down 2.2% y-y. NII grew slightly q-q (contrary to our expected contraction) despite a 3.0% q-q, 3.1% y-y, and 1.2% YTD loan contraction, which remains below the full-year 2024 guidance of 3-5% y-y and our target of 3% y-y. The contraction mainly stemmed from loan repayments in the business and commercial, combining with international segments. However, large corporate and retail loans showed positive growth. NIM rose by 5bps to 2.99%, exceeding our flat growth expectation due to loan yields (from lower loan base effects) increasing more than the cost of funds. Overall, the 9M24 NIM was 3.00%, consistent with its guidance and our target of 2.94%, as we expect a decline in NIM in 4Q24.

(+) Non-NII exceeded expectations. Net fee income aligned with our forecast, increasing by 1.2% q-q and 2.4% y-y, supported by improved bancassurance and mutual fund fee performance. Other non-NII, which performed better than anticipated, was driven by 1) growth in MTM investment gains (THB3.64b vs. THB2.42b in 2Q24), primarily from domestic and international equity securities, and 2) an increase in investment gains, debt securities, of THB721m compared to a loss of THB145m in 2Q24.

(-) OPEX and the cost-to-income ratio were significantly higher than expected. BBL saw a notable increase in OPEX due to IT-related and marketing expenses. As a result, the 3Q24 cost-to-income ratio reached 47.7%, exceeding our forecast of 45.6% and up from 44.1% in 2Q24. The 9M24 cost-to-income ratio was 46.3%, which is still in line with its 2024 guidance of high-40s% and our forecast of 48.9%, as we expect rising OPEX in 4Q24 due to seasonal factors.

(-) Asset quality has worsened more than anticipated but is less of a concern, as it aligns with the 2024 guidance. The NPL ratio increased to 3.94%, up from 3.64% in 2Q24. This rise was mainly due to three factors: 1) the expiration of debt forbearance at the end of 2023, causing the NPL ratio to revert to pre-Covid levels (3.40-3.90% during 2017-19); 2) a relapse of restructured loans rather than new formations, which remained low and were mainly in the manufacturing and commercial segments; and 3) its policy of focusing on debt restructuring instead of write-offs and sales. However, the credit cost dropped sharply to 122bps from 153bps in 2Q24, aligning with its guidance of a downward trend in 2H24. As a result, the 3Q24 coverage ratio stood at 267%, down from 283% in 2Q24, maintaining its position as the strongest in the industry.

Exhibit 3: BBL – 3Q24 operations summary

Year end Dec 31	3Q23	4Q23	1Q24	2Q24	3Q24	---- Change ----		9M24	Change	% of	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(y-y %)	2024E	(THB m)	(y-y %)
Net interest income	34,130	35,165	33,422	33,134	33,367	0.7	(2.2)	99,923	4.4	74	134,594	2.9
Non-interest income	8,443	7,013	8,260	10,404	12,460	19.8	47.6	31,124	5.1	83	37,643	2.8
Fee income - net	6,773	6,768	6,927	6,850	6,935	1.2	2.4	20,711	1.2	75	27,513	1.0
Total operating income	42,573	42,178	41,682	43,538	45,827	5.3	7.6	131,047	4.6	76	172,237	2.8
Total operating expenses	19,208	23,607	19,618	19,208	21,839	13.7	13.7	60,665	4.3	72	84,143	2.9
PPOP before tax	23,365	18,572	22,064	24,330	23,988	(1.4)	2.7	70,382	4.8	80	88,094	2.8
Expected credit loss	8,969	7,343	8,582	10,425	8,197	(21.4)	(8.6)	27,204	3.3	78	35,000	4.0
Income tax	2,938	2,281	2,849	1,993	3,208	61.0	9.2	8,050	4.4	76	10,619	6.3
Non-controlling interest	108	84	109	105	106	1.8	(1.9)	320	(3.8)	73	438	5.0
Net profit	11,350	8,863	10,524	11,807	12,477	5.7	9.9	34,807	6.2	83	42,037	1.0
EPS (THB)	5.95	4.64	5.51	6.19	6.54	5.7	9.9	18.23	6.2	83	22.02	1.0
Key ratios	3Q23	4Q23	1Q24	2Q24	3Q24	---- Change ----		9M24	Change		2024E	Change
Asset quality ratio	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(y-y %)		(%)	(y-y %)
Gross NPLs (THB m)	94,884	85,955	93,949	99,140	103,996	4.9	9.6	103,996	9.6		94,955	10.5
% from prior period	1.7	(9.4)	9.3	5.5	4.9			9.6			10.5	
NPL ratio (%)*	3.48	3.22	3.43	3.64	3.94			3.94			3.45	
Coverage ratio (%)*	283	315	292	283	267			267			298	
NPL ratios (%) - reported	3.00	2.72	2.98	3.20	3.40			3.40				
Coverage ratio (%) - reported	283	315	292	283	267			267				
Credit cost (bp)	132	109	127	153	122			137			129	
Profitability ratio	(%)	(%)	(%)	(%)	(%)			(%)			(%)	
Cost to income ratio	45.1	56.0	47.1	44.1	47.7			46.3			48.9	
Average yield (%)	4.51	4.70	4.59	4.59	4.69			4.67			4.43	
Cost of funds (%)	1.74	1.87	1.96	1.99	2.06			2.01			1.80	
NIM (%)*	3.06	3.14	2.97	2.94	2.99			3.00			2.94	
NIM (%) - reported	3.11	3.19	3.06	3.03	3.05			3.05				
Non-NII /total inc. (%)	19.8	16.6	19.8	23.9	27.2			23.8			21.9	
Loan growth	(%)	(%)	(%)	(%)	(%)						(%)	
q-q	0.9	(1.9)	2.4	(0.6)	(3.0)							
y-y	(2.6)	(0.4)	3.6	0.8	(3.1)			(3.1)			3.0	
Year-to-date	1.5	(0.4)	2.4	1.8	(1.2)			(1.2)				

Sources: BBL; FSSIA estimates

Results Comments

KTC - 3Q24 results beat estimates for a lower credit cost

3Q24 results beat estimates for a lower credit cost

KTC reported a 3Q24 net profit of THB1.92b, implying an increase of 5.1% q-q and 3.4% y-y, beating our estimate and the consensus by 3% due to a lower-than-expected credit cost. 3Q24 PPOP totaled THB3.95b, showing stable q-q movements over a muted loan growth situation, but rose by 5.2% y-y, thanks to its strong non-NII growth. The overall view on asset quality showed and improvement, leading to a lower-than-expected credit cost and NPL ratio. 9M24 net profit accounts for 74% of our 2024E.

With 9M24 on the trajectory of our full-year forecast, we maintain our 2024-26 net profit forecast. We expect 4Q24 to represent a high season with loan expected to grow c2% q-q and solid card spending momentum of customer to prolong further. With improvements in 3Q24 asset quality, we expect short-term upward movement in the share price. However, our GGM-based TP of THB44, implying a P/BV of 2.57x, currently offers no upside. Therefore, we maintain our HOLD recommendation for KTC.

Following the recent MPC's rate cut on October 16th, our scenario analysis (Exhibit 2) indicates that for every 25bp reduction in both prospective debenture issues and bank loan yields would provide an upside of 0.4-0.6% in our 2025-26 net profit forecast. As of 3Q24, KTC's debt structure is financed 72% through debentures and 27% via loan borrowings, with 24% of total IBD due for repayment within 1 year.

Highlights

(+) Asset quality: The overview for KTC's 3Q24 asset quality was better than expected. Thanks to its aggressive write-off policy since 1Q24, the NPL ratio finished at 1.93% from 1.97% in 2Q24 and aligned with its below 2.00% guidance. Moreover, the 3Q24 credit costs were 612bp lower than our expectation of 634bp as its prudent lending policy bared fruit into a lower LGD of its overall portfolio. The coverage ratio resulted higher at 373% from 363% in 2Q24.

(0) NII: 3Q24 Net interest income was THB3.62b. The figure rose by 1.7% q-q over a higher loan yield of 15.47% from 15.26% in 2Q24, owing to seasonality, but remained stable y-y as its loan portfolio had continued under the pressure of a higher write-off volume as expected (loans: +0.3% q-q, -0.5% y-y, and -5.5% YTD far under a guidance of 6-7% growth). With 3Q24 cost of funds stable at 2.95%, loan spread ticked up to 12.52% from 12.33% in 2Q24.

(+) Non-NII: 3Q24 non-interest income was THB2.82b (up 1.4% q-q, 18.4% y-y). The meaningful expansion on the y-y basis was due to the increase in bad debt recovery income, which totaled THB1.0b (compared to THB700-800m per quarter in 2023), benefitting from a larger pile of written-off debts in 2024. Meanwhile, fee revenue from card spending also increased along with spending volume that grew 10% y-y, in-line with expectation. Accordingly, OPEX increased 4.3% q-q and 9.2% y-y to support servicing costs from a higher transaction volume and marketing expenses to promote purchases. The 3Q24 CIR was 38.2% (higher than our expectation of 37.3%).

Exhibit 4: KTC – 3Q24 operations summary

KTC	3Q23	4Q23	1Q24	2Q24	3Q24	— Change —		9M24	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	4,096	4,149	4,008	4,004	4,074	1.7	(0.5)	12,086	1.8	73	16,446	2.7
Interest expense	441	456	451	448	453	1.1	2.6	1,352	8.4	75	1,792	5.2
Net interest income	3,655	3,693	3,557	3,556	3,621	1.8	(0.9)	10,734	1.0	73	14,654	2.4
Non-interest income	2,376	2,532	2,755	2,777	2,815	1.4	18.4	8,347	20.7	76	10,945	15.9
Operating income	6,031	6,225	6,312	6,333	6,436	1.6	6.7	19,081	8.8	75	25,599	7.7
Operating expenses	2,252	2,429	2,369	2,359	2,460	4.3	9.2	7,187	12.8	75	9,541	8.4
PPOP	3,779	3,795	3,943	3,975	3,976	0.0	5.2	11,894	6.5	74	16,058	7.3
Expected credit loss	1,477	1,612	1,683	1,690	1,611	(4.7)	9.1	4,985	16.4	73	6,789	15.2
Profit before tax	2,302	2,184	2,260	2,284	2,365	3.5	2.7	6,909	0.4	75	9,268	2.2
Income tax expense	464	439	467	469	470	0.3	1.3	1,406	1.9	76	1,854	1.9
Net profit	1,856	1,761	1,803	1,826	1,919	5.1	3.4	5,549	0.3	74	7,465	2.3
EPS (THB)	0.72	0.68	0.70	0.71	0.74	5.1	3.4	2.15	0.2	74	2.90	2.3
Key balance sheet highlights												
Loan - gross	106,027	111,623	104,690	105,154	105,511	0.3	(0.5)	105,511	(0.5)		108,319	(3.0)
Interest bearing debt	63,213	66,918	59,814	62,392	60,519	(3.0)	(4.3)	60,519	(4.3)		60,111	(10.2)
Earnings assets	108,924	117,130	108,351	109,468	107,832	(1.5)	(1.0)	107,832	(1.0)		113,202	(3.4)
Leverage ratio	(x)	(x)	(x)	(x)	(x)			(x)			(x)	
IBD/E (x)	1.85	1.87	1.59	1.73	1.59			1.59			1.51	
D/E (x)	2.07	2.15	1.83	1.98	1.78			1.78			1.77	
Asset quality ratio	(%)	(%)	(%)	(%)	(%)			(%)	(%)		(%)	(%)
Gross NPLs (THB m)	2,481	2,439	2,091	2,071	2,039	(1.5)	(17.8)	2,039	(17.8)		2,266	(7.1)
NPL ratio	2.34	2.19	2.00	1.97	1.93			1.93			2.09	
Coverage ratio - LLR/ NPLs	382	400	354	363	373			373			370	
Credit cost (bp)	560	593	623	644	612			628			617	
LLR/TL	8.93	8.75	7.07	7.16	7.21			7.21			7.74	
Profitability ratios	(%)	(%)	(%)	(%)	(%)			(%)	(%)		(%)	
Cost-to-income ratio	37.34	39.03	37.53	37.24	38.22			37.67			37.27	
Yield on loans	15.53	15.25	14.82	15.26	15.47			15.24			14.95	
Cost of funds	2.79	2.80	2.85	2.93	2.95			2.91			2.82	
Spreads	12.74	12.45	11.97	12.33	12.52			12.32			12.13	
Net interest margin (NIM)	13.55	13.07	12.62	13.06	13.33			13.21			12.72	
ROE	22.28	20.05	19.60	19.75	20.73			20.50			19.78	
ROA	7.10	6.42	6.54	6.79	7.20			7.04			6.69	
Loan growth	(%)	(%)	(%)	(%)	(%)			(%)			(%)	
q-q	1.1	5.3	(6.2)	0.4	0.3							
y-y	10.0	7.8	2.0	0.2	(0.5)			(0.5)			(3.0)	
YTD	2.4	7.8	(6.2)	(5.8)	(5.5)			(5.5)				

Source: KTC

KKP - Lower ECLs to boost 3Q24 profit; asset quality remains fragile

- **KKP's 3Q24 net profit surged to THB1.31b, surpassing our forecast and the BBG consensus by 42%**, with a q-q growth of 69.7% and a y-y increase of 1.9%. The main driver was a reduction in ECL and credit costs. However, losses from the sales of repossessed vehicles significantly rose to THB1.22b vs. THB1.07b in 1Q24 due to the higher number of repossessed cars sold. PPOP declined by 16.9% q-q and 27.9% y-y to THB2.28b, primarily because of higher operating expenses linked to the increased losses on vehicle sales. This led to a rise in the cost-to-income ratio to 65.5% (or 47.1% excluding losses on repossessed vehicles, compared to 41.8% in 2Q24). Both NII and non-NII operating income exceeded expectations, showing both q-q and y-y growth. The higher-than-anticipated loan spread resulted from an increase in loan yield, influenced by the loan denominator effects, while the cost of funds remained stable.

Loan contraction was worse than expected across all segments, particularly in core lending as auto hire purchase (46%), aligning with the 23.9% y-y decline in industry car sales over 8M24. Similarly, commercial (15%, including RE and SME) and large corporate loans (13%) also contracted due to substantial repayments during this period. 9M24 loans contracted by 6.4% YTD, falling short of its guidance and our target, which anticipated only a 3% y-y contraction.

For non-NII, the increase in working days and improvements in the capital market boosted revenue from the brokerage, asset management, and investment banking businesses, which helped offset the decline in FVTPL investment gains. The 9M24 net profit decreased by 25.0% y-y, representing 84% of our full-year net profit forecast.

- **Asset quality remains fragile** after challenges in 2Q24 NPLs and credit costs. The 3Q24 NPL ratio met expectations at 4.10%, up from 4.00% in 2Q24, primarily due to the effect of a reduced loan base and the continued migration of 2021-22 vintage hire-purchase and micro SME loans to stage 3. In contrast, NPLs in commercial and corporate lending declined. Stage 2 loans increased to 7.5%, up from 7.1% in 2Q24 and 6.3% in 3Q23. However, a substantial reduction in the ECL led to a decrease in credit costs to 199bps compared to 289bps in 2Q24, while the coverage ratio remained steady at 135.5%.

Exhibit 5: KKP – 3Q24 operations summary

Year end Dec 31	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	--- Change ---		9M23	9M24	Change	%of	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	24E	(THB m)	(y-y %)
Net interest income	5,223	5,521	5,988	5,562	5,253	5,009	4,937	(1.4)	(17.5)	16,732	15,199	(9.2)	74	20,516	(8.0)
Non-interest income	1,718	1,902	1,456	1,393	1,579	1,543	1,668	8.1	14.5	5,076	4,791	(5.6)	78	6,177	(4.5)
Fee income - net	1,343	1,464	1,337	1,333	1,123	1,171	1,483	26.6	10.9	4,144	3,777	(8.8)	81	4,661	(14.9)
Total operating income	6,941	7,423	7,444	6,955	6,832	6,552	6,605	0.8	(11.3)	21,808	19,989	(8.3)	75	26,693	(7.2)
Total operating expenses	3,239	3,791	4,281	4,584	4,316	3,809	4,326	13.6	1.1	11,311	12,451	10.1	77	16,118	1.4
PPOP before tax	3,702	3,632	3,163	2,371	2,516	2,743	2,279	(16.9)	(27.9)	10,497	7,539	(28.2)	71	10,574	(17.8)
Expected credit loss	1,097	1,878	1,678	1,429	609	1,769	681	(61.5)	(59.4)	4,653	3,060	(34.2)	59	5,200	(14.5)
Income tax	517	342	201	270	400	202	282	39.4	40.0	1,060	884	(16.7)	82	1,075	(19.2)
Non-controlling interest	3	3	4	2	1	3	12	261.6	213.6	10	16	53.9	87	18	43.5
Net profit	2,085	1,408	1,281	670	1,506	769	1,305	69.7	1.9	4,774	3,580	(25.0)	84	4,281	(21.3)
EPS (THB)	2.46	1.66	1.51	0.79	1.83	0.93	1.58	69.7	4.6	5.64	4.34	(23.0)	84	5.19	(19.2)
Key ratios	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	--- Change ---		9M23	9M24	Change		2024E	
Asset quality ratio	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)		(%)	
Gross NPLs (THB m)	13,660	14,248	14,170	12,630	15,019	15,540	15,464	(0.5)	9.1	14,170	15,464	9.1		15,870	25.7
Change (% from prior period)	4.8	4.3	(0.5)	(10.9)	18.9	3.5	(0.5)			19.9	9.1			25.7	
NPL ratios (%) - reported	3.30	3.60	3.50	3.20	3.80	4.00	4.10			3.50	4.10				
NPL ratio (%)*	3.30	3.60	3.50	3.20	3.80	4.00	4.10			3.50	4.10			4.10	
Coverage ratio (%) - reported	151.6	143.1	145.3	164.6	137.3	136.5	135.9			145.3	135.9				
Coverage ratio (%)*	142.8	142.6	144.8	164.0	136.5	135.8	135.5			144.8	135.5			134.6	
Credit cost (bp) - incl loss from repossessed car	231	290	304	284	207	289	199			282	234			285	
Profitability ratio	(%)	(%)	(%)	(%)	(%)	(%)	(%)							(%)	
Cost to income ratio	46.7	51.1	57.5	65.9	63.2	58.1	65.5			51.9	62.3			60.4	
Average loan yield (%)	6.76	6.99	7.00	7.32	7.21	7.12	7.28			6.15	6.31			7.18	
Cost of funds (%)	1.68	1.82	2.00	2.21	2.36	2.48	2.57			1.83	2.50			2.49	
Loan spread	5.08	5.18	5.00	5.11	4.85	4.64	4.71			5.76	5.60			4.69	
NIM (%)*	4.33	4.51	4.80	4.36	4.16	4.04	4.08			4.54	4.13			4.08	
Non-int inc/total income (%)	24.7	25.6	19.6	20.0	23.1	23.6	25.2			23.3	24.0			23.1	
Loan growth	(%)	(%)	(%)	(%)	(%)	(%)	(%)							(%)	
q-q	2.7	2.8	0.3	(0.7)	(0.7)	(1.0)	(4.8)								
y-y	17.0	16.9	9.7	5.3	1.7	(2.1)	(7.1)			9.7	(7.1)			(2.9)	
Year-to-date	2.7	5.6	6.0	5.3	(0.7)	(1.7)	(6.4)			6.0	(6.4)				

Source: KKP

TTB - 3Q24 results were broadly in line; well-contained asset quality

Results at first glance

- **The 3Q24 net profit came in at THB5.23b**, c2% below both our and the BBG consensus, marking a slight decline of 2.4% q-q but a growth of 10.4% y-y. PPOP was slightly lower than expected at THB9.93b, down 2.3% q-q and 2.9% y-y, impacted by higher-than-expected operating expenses, mainly due to increased IT and marketing costs. Consequently, the cost-to-income ratio rose to 42.4% from 41.5% in 2Q24. Following a decline in 3Q24 ECLs, TTB reported a lower reverse of income tax expenses of THB64m in 3Q24, compared to the average of THB350m-470m in 1H24, with the remaining tax benefit at the end of 3Q24 amounting to THB11.7b.
- **The core business remained sluggish**, particularly with NII amid a significant loan contraction. The core loan segments experienced contractions, including auto hire purchases (30%), housing (26%), corporate (29%), and SME loans (8%). Although there was growth in the high-yield loan segment (6%), more was needed to drive overall loan growth. NIM improved by 4bp, better than expected, due to a slight increase in loan yields, driven by the shrinking loan base, while funding costs decreased slightly. Non-NII declined somewhat as expected but received some support from net fee growth from mutual fund and bancassurance fees.
- **Asset quality remains manageable**, even though the NPL ratio rose to 3.21%, higher than anticipated, mainly due to the shrinking loan base. However, gross NPLs remained stable as expected. Credit costs decreased to 149bp from 162bp in 2Q24, with the bank noting an additional management overlay of THB154m in 3Q24, bringing the normalized credit costs down to 144bp. Overall, credit costs for 9M24 stood at 154bp, higher than the 2024 guidance of c125-135bp but still in line with our 2024 estimate of 160bp. The coverage ratio decreased to 149% compared to 152% in 2Q24.

Key takeaways from the analyst meeting

The critical information from the analyst meeting held on 18 October includes 1) TTB's perspective on managing the cost of funds and the impact of the downward trend in interest rates, 2) an overview of asset quality and the outlook for credit costs, and 3) the loan situation and the adjustment of business strategies to align with the current environment as follows:

- 1) **The impact of the downward trend in interest rates and the approach to managing the cost of funds:** TTB guided the possibility of reducing the cost of funds. However, it also acknowledged the short-term effects on NIM due to declining interest rates, as the yield on earning assets decreased immediately following the reduction in the RP rate. This is mainly due to the excess liquidity (with an LDR of 96.6% and LDBR of 87.6% as of the end of 3Q24) the bank invests in the money market.

On the deposit side, TTB cannot immediately adjust rates, especially for CASA deposits (which account for 36%), while term deposits must mature before adjusting to lower interest rates. In its management strategy, the bank has gradually shortened the duration of term deposits, reducing the proportion of long-term term deposits to 22% at the end of 3Q24 from 28% at the end of 2023. Approximately one-third of these deposits are expected to mature within a year, which will positively impact the cost of deposits, allowing for a quicker reduction.

Regarding borrowings, TTB has reduced the rollover size by half of the high cost of sub-debts (Tier-2) and Hybrid Tier-1 instruments, further helping to reduce interest expenses gradually. Regarding medium- to long-term management plans, TTB disclosed that raising the CASA ratio to levels comparable to large banks (over 70%) remains challenging. Instead, the bank plans to increase the proportion of deposits from large corporate clients to provide payroll services for their employees, offering additional benefits to attract and retain these deposit customers.

- 2) **An overview of asset quality and the outlook for credit costs:** The overall asset quality in 3Q24 showed positive signs, with a slowdown in the rate of new NPL formation. This improvement resulted from the bank's tightened credit quality controls and more selective customer screening, leading to a continued decline in PD (as per the ECL model). This trend is evident from the reduction in the management overlay provision, which decreased to THB154m in 3Q24 vs. THB1.09b in 2Q24. The key reasons are 1) the hire-purchase loan segment, where the bank had previously set aside reserves anticipating a decline in the value of repossessed vehicles.

Although this decline persists, the rate has slowed; and 2) the home loan segment, particularly for condominiums in provincial areas, where the difficulty in selling repossessed properties (due to reduced demand and purchasing power) led to an increase in LGD. This situation previously required a higher management overlay, but it has now begun to decline. As a result, the 9M24 credit costs increased to 154bp, with normalized credit costs at 137bp, slightly above the 2024 guidance range of 125-135bp.

- 3) **The loan situation and the adjustment of business strategies to align with the current environment:** TTB emphasizes its stance amidst the current economic situation and weak loan landscape, stating that it will not use its liquidity to accelerate short-term growth at the cost of increased long-term risk. Additionally, its business approach moving forward must differ from the current model, as the strategy of reducing interest expenses during stagnant loan growth has reached its limit. While efforts to reduce operating costs will continue, the bank has a medium-term plan to lower the cost-to-income ratio below 40.0%, down from 42.2% in 9M24. Key drivers to achieve this C/I target will shift from HR and branch optimization to a digital-first business model, aiming to reduce the physical cost structure and lower the cost per transaction in the long term.

Meanwhile, the strategy to drive loan growth will require transforming the business model. Although the bank has not disclosed a detailed plan, it has hinted at revising loan products using RBP (risk-based pricing) criteria, offering more tailored products that better serve good-quality customer needs.

Exhibit 6: TTB – 3Q24 operations summary

Year end Dec 31	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	---- Change ----		9M23	9M24	Change	%of	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	24E	(THB m)	(y-y %)
Net interest income	14,093	14,665	14,948	14,397	14,185	14,061	(0.9)	(4.1)	42,260	42,643	0.9	75	57,140	(0.1)
Non-interest income	3,668	3,335	3,384	3,273	3,187	3,163	(0.8)	(5.2)	10,370	9,623	(7.2)	74	13,072	(5.0)
<i>Fee income - net</i>	2,659	2,505	2,638	2,454	2,209	2,242	1.5	(10.5)	7,724	6,906	(10.6)	72	9,578	(7.6)
Total operating income	17,760	18,000	18,332	17,671	17,372	17,224	(0.9)	(4.3)	52,630	52,267	(0.7)	74	70,212	(1.1)
Total operating expenses	7,863	7,777	8,336	7,570	7,210	7,295	1.2	(6.2)	22,944	22,075	(3.8)	73	30,221	(3.4)
PPOP before tax	9,897	10,223	9,996	10,100	10,162	9,929	(2.3)	(2.9)	29,686	30,191	1.7	75	39,990	0.8
Expected credit loss	4,244	4,354	9,326	5,117	5,281	4,764	(9.8)	9.4	12,874	15,162	17.8	74	20,610	(7.2)
Income tax	1,087	1,133	(4,197)	(351)	(474)	(64)	(86.5)	NA	3,217	(890)	NA	45	(1,956)	N/A
Net profit	4,566	4,735	4,867	5,335	5,356	5,230	(2.4)	10.4	13,596	15,919	17.1	75	21,336	15.6
EPS (THB)	0.05	0.05	0.05	0.06	0.06	0.05	(2.4)	10.4	0.14	0.16	17.1	75	0.22	15.6
Key ratios	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	---- Change ----		9M23	9M24	Change		2024E	Change
Asset quality ratio	(%)	(%)	(%)	(%)	(%)	(%)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)		(%)	
Gross NPLs (THB m)	40,719	40,279	41,006	39,759	40,105	40,224	0.3	(0.1)	40,279	40,224	(0.1)		40,600	(1.0)
<i>Change (% from prior period)</i>	(3.1)	(1.1)	1.8	(3.0)	0.9	0.3			(4)	(0)			(1.0)	
NPL ratios (%) - reported	2.63	2.67	2.62	2.56	2.64	2.73			2.67					
NPL ratio (%)*	2.99	2.96	3.09	3.02	3.09	3.21			2.96	3.21			3.25	
Coverage ratio (%) - reported	144	144	155	155	152	149			144	149				
Coverage ratio (%)*	144	144	155	155	152	149			144	149			157	
Credit cost (bp)	125	128	277	155	162	149			124	154			160	
Profitability ratio	(%)	(%)	(%)	(%)	(%)	(%)							(%)	
Cost to income ratio	44.3	43.2	45.5	42.8	41.5	42.4			43.6	42.2			43.0	
Average yield (%)	4.38	4.64	4.81	4.77	4.81	4.82			4.39	4.84			4.79	
Cost of funds (%)	1.39	1.47	1.60	1.75	1.82	1.80			1.37	1.81			1.81	
NIM (%) - reported	3.18	3.34	3.39	3.28	3.26	3.26			3.21					
NIM (%)*	3.17	3.36	3.42	3.26	3.24	3.28			3.19	3.28			3.24	
Non-interest income/total income (%)	20.7	18.5	18.5	18.5	18.3	18.4			19.7	18.4			18.6	
Loan growth	(%)	(%)	(%)	(%)	(%)	(%)							(%)	
q-q	0.4	(0.1)	(2.6)	(1.0)	(1.4)	(3.4)								
y-y	(2.1)	(2.2)	(3.5)	(3.2)	(4.9)	(8.1)			(2.2)	(8.1)			(6.0)	
Year-to-date	(0.9)	(1.0)	(3.5)	(1.0)	(2.4)	(4.7)			(1.0)	(4.7)				

Source: TTB

Economic news

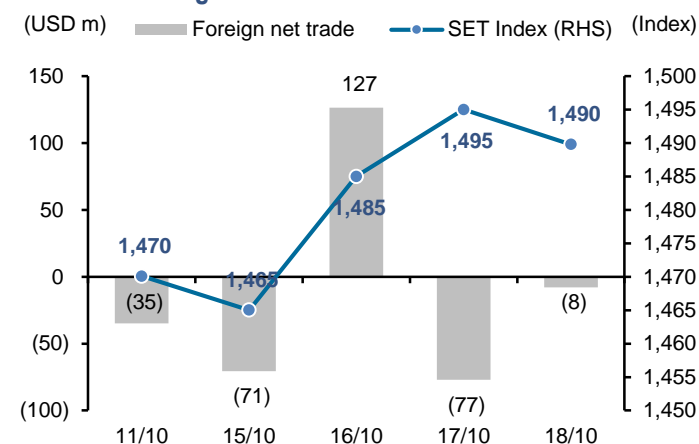
- **[Falling interest rates to benefit Thai banks](#)** BANGKOK POST: As global interest rates are clearly on a downward trend, with the Bank of Thailand expected to cut its policy rate again in December, banking stocks should benefit, according to analysts. Last Wednesday, the Monetary Policy Committee unexpectedly cut the policy rate by 25 basis points (bps) to 2.25%, the first reduction in more than four years. Indonesia and the Philippines also lowered their interest rates by 25 bps. Major economies are following the same path, with the European Central Bank slashing rates three times by 75 bps, the Bank of England once by 25 bps, and the US Federal Reserve once by 50 bps. Developed countries are expected to use easing monetary policies to lift their economies.
- **[Budget for travel subsidy may tick up](#)** BANGKOK POST: The Tourism and Sports Ministry plans to talk with the Finance Ministry about increasing the budget for the travel subsidy scheme aimed at mitigating the flood impact for tourism firms in the North. Tourism and Sports Minister Sorawong Thienthong said last week Prime Minister Paetongtarn Shinawatra held a meeting to discuss economic and tourism stimulus measures, including how to upgrade existing ones. The meeting was held after Mr Sorawong visited Chiang Mai and Chiang Rai, which were severely damaged by floods. He said during the meeting, the premier raised concerns over insufficient budget, questioning the effectiveness of the project because of the limited budget.
- **[Senior executive calls for orderly Chinese expansion in Southeast Asian market](#)** BANGKOK POST: BEIJING - Chinese companies venturing into Southeast Asia, one of the hottest destinations for overseas expansion, should refrain from flooding the market with homogeneous products and services that would lead to vicious competition, a senior Chinese bank executive has urged. Internationally competitive Chinese companies' Southeast Asian operations in the green energy and infrastructure construction sectors had subjected local companies to a great deal of pressure, said Lin Jingzhen, Bank of China's executive director and executive vice-president. Lin made the comments at the annual meeting of the Financial Street Forum on Friday, warning about potential consequences from host countries.
- **[Gold hits Thai record high amid global turbulence](#)** BANGKOK POST: Domestic gold prices are on course to surpass 43,000 baht per baht weight, after hitting a record high of 42,400 baht on Friday, while global prices could reach US\$2,800 an ounce later this year based on growing geopolitical conflicts and global interest rate cuts, says the Gold Traders Association (GTA). Despite a strong baht, local gold prices soared by 300 baht per baht weight on Friday morning to 42,400 baht, surpassing the previous high of 42,150 baht, said GTA president Jitti Tangsitpakdee. The increase tracked a global jump as tensions in the Middle East pushed bullion to trade at a record high of \$2,710 an ounce, up 0.7% from the previous session. The uncertain US election and geopolitical outlook drove the safe-haven asset to breach \$2,700 per ounce for the first time, with analysts saying gold will continue to perform well over the long term.
- **[Finance Ministry sees more than 3% growth in 2025, plans more stimulus](#)** BANGKOK POST: Thailand's economy could grow by 3% this year and by more than that in 2025, driven by the government's stimulus measures to be introduced from late this year to maintain growth momentum, a deputy finance minister said on Friday. This year, we still hope to get 3% growth, even though the latest forecast is 2.7%, but next year will definitely be more than 3%," Julapun Amornvivat told reporters. His comments came two days after the central bank unexpectedly cut its key interest rate by 25 basis points to 2.25%, following repeated calls by the government to reduce borrowing costs to help growth. The first rate reduction since 2020 is putting pressure on the government to boost Southeast Asia's second-largest economy, which expanded 2.3% year-on-year in the second quarter. Last year's growth was just 1.9%.

Corporate news

- **[Bangkok Bank reports profit uptick of 6.2%](#)** BANGKOK POST: Two listed banks including Bangkok Bank (BBL) have reported positive net profits for the first nine months of the year, while another two banks posted lower profits. BBL, the country's largest lender by total assets, along with its subsidiaries posted a net profit of 34.8 billion baht for the first three quarters of 2024, up 6.2% year-on-year. The bank attributed the improved performance to a 4.4% rise in net interest income, according to the bank's statement filed with the Stock Exchange of Thailand (SET). As of September 2024, BBL's net interest margin (NIM) was 3.05%, supported by effective liquidity management and improved yields on earning assets. Non-interest income benefited from higher investment income, aligning with market conditions, and fee income from bancassurance and mutual fund services, which continued to show robust growth.
- **[SET toughens penalties for brokers](#)** BANGKOK POST: The Stock Exchange of Thailand (SET) has announced a more stringent fine structure for member brokerages, including a substantial increase in the penalties for so-called naked short selling. Effective from Nov 1, the fine for a naked short-selling offence will triple to three times the illicit profits, with a new minimum penalty of 1 million baht. Previously, the penalty merely matched the profit without a baseline fine, the SET said in a statement. Naked short selling is the illegal practice of selling a security without first borrowing the asset or confirming that it can be borrowed. Legal short-sellers seek to profit from a stock's price drop by borrowing shares and selling them, then buying them back later at a lower price.
- **[Traders cautious amid mixed signals from China](#)** BANGKOK POST: RECAP: Asian stocks traded cautiously on Friday after mixed readings on the health of China's economy. The dollar traded close to an 11-week high as robust US economic data suggested the Federal Reserve need not cut interest rates too aggressively. The SET index moved in a range of 1,461.01 and 1,506.82 points this week, before closing on Friday at 1,489.82, up 1.3% from the previous week, with daily turnover averaging 66.04 billion baht. Institutional investors were net buyers of 4.99 billion baht, followed by brokerage firms at 1.83 billion. Retail investors were net sellers of 6.12 billion, followed by foreign investors at 714.19 million.

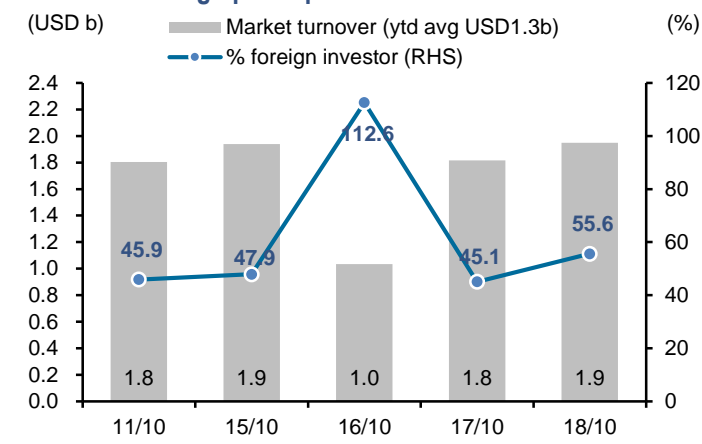
- **[Surprise rate cut sets tone for Q4](#)** BANGKOK POST: The hot issue the past week was the policy interest rate cut by the Bank of Thailand on Wednesday. The move surprised the market, with the SET index surging 20 points that afternoon. On Friday it pushed above 1,500 for the first time since August 2023. Most market participants were not expecting the Monetary Policy Committee (MPC) to make a move until its last meeting of the year in December. But the 5-2 vote in favour of a cut of 25 basis points (bps) sent a clear signal. As a consequence, rate-sensitive stocks soared across the board including finance, asset managers, property and energy plays. Easing monetary policy also caused the baht to weaken after steep appreciation earlier. We expect the index this week to move sideways up, capped by psychological resistance at 1,500 points (plus or minus 15 points). Following the recent blue chip-driven rally, technical signals are tightening while second-, third- and fourth-tier stocks will likely gain more trading interest.
- **[Home purchasing power takes a hit](#)** BANGKOK POST: A mismatch between the growth of housing prices and income, actual housing costs including transport expenses, and high household debt is denting home purchasing power, according to SET-listed residential developer Sena Development. Managing director Kessara Thanyalakpark said risks from a fluctuating economy continue to affect purchasing power in the property sector, particularly a massive amount of household debt. "Although housing is one of the essential needs and remains in high demand, many prospective buyers are unable to purchase due to rising development costs, while consumer incomes haven't been able to catch up, reducing the ability to afford homes," said Ms Kessara. She said weak demand was mainly attributed to a mismatch between the growth of housing prices and income.
- **[Housing developer sentiment at lowest since Q3 of 2020](#)** BANGKOK POST: The sentiment index for housing developers in Greater Bangkok in the third quarter declined for a second consecutive quarter, reaching its lowest point since the third quarter of 2020. Kamonpop Veerapala, president of Government Housing Bank and acting director-general of the Real Estate Information Center (REIC), said the current situation index was 45.1, down 4.6 points year-on-year and 0.1 points from the second quarter. "The index has been below the median of 50 for seven consecutive quarters, since the first quarter of last year," he said. "This indicates a continuous decline in developer confidence in the residential market." The last time the index was this low was the third quarter of 2020, at 42.8 points before rising to 46.3 in the fourth quarter of 2020.

Exhibit 7: Foreign fund flow and SET Index



Source: Bloomberg

Exhibit 8: Foreign participation



Source: Bloomberg

Exhibit 9: Index performance

----- SET Index -----			----- Index performance (% change) -----								
	Index	(%chg)	Energy	Bank	Comu	Commerce	Food	Property	Construct	Transport	Petrochem
% of SET Index			19%	10%	11%	10%	5%	5%	3%	8%	2%
Current	1,489.82	(0.3)	(0.9)	(1.1)	(3.0)	0.6	0.1	0.1	0.4	0.2	(0.3)
-5D	1,468.52	1.5	0.7	0.1	3.8	1.8	(0.3)	1.7	(6.4)	(0.9)	(3.6)
-1M	1,435.77	3.8	3.5	(1.3)	9.5	3.9	3.2	1.8	(6.6)	(1.1)	(2.2)
-3M	1,324.76	12.5	9.4	12.4	25.3	12.5	1.0	9.3	(1.3)	7.6	6.1
-6M	1,361.02	9.5	0.9	9.3	39.6	8.0	9.1	(1.7)	(10.1)	(2.3)	(17.0)
-1Y	1,437.85	3.6	(3.7)	2.0	32.0	3.2	7.3	(3.4)	(18.8)	(6.1)	(13.6)
WTD	1,470.10	1.3	(0.5)	(1.0)	3.3	2.5	0.6	1.3	(3.1)	(0.4)	0.1
MTD	1,448.83	2.8	2.0	0.8	7.8	3.2	1.5	0.9	(7.2)	(1.1)	(6.2)
QTD	1,448.83	2.8	2.0	0.8	7.8	3.2	1.5	0.9	(7.2)	(1.1)	(6.2)
End of last year	1,415.85	5.2	(3.0)	4.1	39.1	5.5	2.5	(4.5)	(20.8)	3.0	(19.3)

Source: Bloomberg

Exhibit 10: 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)	(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	1,489.82	5.2	35.52	45,726	1,287	(5,507)	3,348	(146)	2,305	319
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	1,448.83	(1.5)	34.78	47,428	1,363	(1,292)	(671)	73	(52)	1,670
4Q24	1,489.82	5.2	33.21	58,686	1,767	(999)	(448)	3	994	(813)
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
Aug-24	1,359.07	(13.2)	34.74	44,784	1,289	(493)	132	(30)	70	762
Sep-24	1,448.83	(1.5)	33.33	60,806	1,824	(492)	(936)	121	(53)	129
Oct-24	1,489.82	7.8	33.21	58,686	1,767	(533)	(448)	3	994	(813)
2024YTD	1,489.82	5.2	35.52	45,726	1,287	(5,507)	3,348	(146)	2,305	319
11/10/2024	1,470.10		33.34	60,173	1,805	(35)	(43)	(13)	91	(37)
15/10/2024	1,465.03		33.36	64,671	1,939	(71)	28	(15)	58	69
16/10/2024	1,485.01		33.20	77,184	2,325	127	(245)	51	67	(43)
17/10/2024	1,495.02		33.22	60,355	1,817	(77)	32	20	25	(63)
18/10/2024	1,489.82		33.16	64,650	1,950	(8)	(18)	3	23	(117)

Source: Bloomberg

Exhibit 11: Upcoming events

Date Time	Event		Survey	Actual	Prior
10/18/2024 03:30	Gross International Reserves	Oct-11	--	\$240.0b	\$240.7b
10/18/2024 03:30	Forward Contracts	Oct-11	--	\$26.0b	\$26.1b
10/22/2024 10/25	Car Sales	Sep	--	--	45190
10/23/2024 10/31	Customs Exports YoY	Sep	3.00%	--	7.00%
10/23/2024 10/31	Customs Imports YoY	Sep	4.90%	--	8.90%
10/23/2024 10/31	Customs Trade Balance	Sep	\$1970m	--	\$265m
10/25/2024 03:30	Gross International Reserves	Oct-18	--	--	\$240.0b
10/25/2024 03:30	Forward Contracts	Oct-18	--	--	\$26.0b
10/25/2024 10/30	Mfg Production Index ISIC NSA YoY	Sep	--	--	-1.91%
10/25/2024 10/30	Capacity Utilization ISIC	Sep	--	--	58.3
10/31/2024 03:00	BoP Current Account Balance	Sep	--	--	\$1362m
10/31/2024 03:30	Exports YoY	Sep	--	--	11.40%
10/31/2024 03:30	Exports	Sep	--	--	\$25999m
10/31/2024 03:30	Imports YoY	Sep	--	--	8.50%
10/31/2024 03:30	Imports	Sep	--	--	\$23557m
10/31/2024 03:30	Trade Balance	Sep	--	--	\$2442m
10/31/2024 03:30	BoP Overall Balance	Sep	--	--	\$2514m
10/31/2024 20:30	S&P Global Thailand PMI Mfg	Oct	--	--	50.4
11/01/2024 03:30	Business Sentiment Index	Oct	--	--	45.7
11/04/2024 22:30	CPI YoY	Oct	--	--	0.61%
11/04/2024 22:30	CPI NSA MoM	Oct	--	--	-0.10%
11/04/2024 22:30	CPI Core YoY	Oct	--	--	0.77%
11/06/2024 11/13	Consumer Confidence Economic	Oct	--	--	48.8
11/06/2024 11/13	Consumer Confidence	Oct	--	--	55.3
11/17/2024 21:30	GDP YoY	3Q	--	--	2.30%
11/17/2024 21:30	GDP SA QoQ	3Q	--	--	0.80%

Source: Bloomberg

Exhibit 12: Upcoming XR

Symbol	X-Date	Announce Date	Rights for	Subscription Price	Unit	Subscription Ratio (Holding:New)	Subscription Period	Allotted Shares (Shares)
TRITN	22/10/2024	8/10/2024	Warrants	-	Baht	5/1/2000	-	325000000
B52	29/10/2024	10/9/2024	Common	0.33	Baht	1.61699 : 1	11/11/2024 - 15/11/2024	456000000
COMAN	30/10/2024	15/10/2024	Common	2	Baht	1 : 2	27/11/2024 - 03/12/2024	294800000
THAI	30/10/2024	25/11/2022	Common	-	Baht	-	-	9822473626
MK	1/11/2024	2/9/2024	Common	2.5	Baht	3 : 1	22/11/2024 - 28/11/2024	363735022
TRC	11/11/2024	15/8/2024	Common	2.4	Baht	3.5 : 1	-	285331752
ACC	15/11/2024	19/9/2024	Common	0.6	Baht	3 : 1	09/12/2024 - 16/12/2024	447685207
B52	4/12/2024	10/9/2024	Warrants	-	Baht	2.05335 : 1	-	700000000
TGE	16/12/2024	1/10/2024	Warrants	-	Baht	20 : 1	-	110000000
COMAN	24/12/2024	15/10/2024	Warrants	-	Baht	2 : 1	-	221100000

Source: SET

Exhibit 13: Upcoming XM

Symbol	X-Date	Meeting Date	Agenda	Meeting Place / Channel for Inquiry
TGE	21/10/2024	4/12/2024	The issuance of convertible securities,Capital increase	Via electronic media (E-EGM)
VIH	21/10/2024	14/11/2024	Acquisition and disposition of assets / Acquisition or Disposition of Assets ,To consider and approve the amendment of the Articles of Association of the Company.	via electronic meeting
PT	22/10/2024	27/11/2024	Acquisition and disposition of assets / Acquisition or Disposition of Assets ,Connected transaction	via electronic method (E-EGM)
TRITN	22/10/2024	15/11/2024	Capital increase,The issuance of convertible securities,Reduce registered capital	e-Shareholding Meeting
GIFT	28/10/2024	29/11/2024	Capital increase,Acquisition and disposition of assets / Acquisition or Disposition of Assets ,Connected transaction,(If any)	via electronic system (e-EGM)
RS	28/10/2024	29/11/2024	Acquisition and disposition of assets / Acquisition or Disposition of Assets ,Connected transaction,(if any),Capital increase	via electronic media (e-EGM) only, Broadcast live at RS PCL. (Head Quarter)
COMAN	30/10/2024	15/11/2024	Capital increase,The issuance of convertible securities	In the form of electronic meeting
GLOCON	30/10/2024	21/11/2024	Consideration of approval of the ratification of the conditions of the ratification of the Conditions of the fine/compensation for the difference between the conversion price not less than 90% of the market price	via electronic media (EMeeting) only
SA	31/10/2024	28/11/2024	Connected transaction	Electronics Meeting

Source: SET

Exhibit 14: Management trading

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
Medeze Group (MEDEZE)	Shivatra Talchai	Common Shares	10/15/2024	30,000	12.73	Buy	0.38
Medeze Group (MEDEZE)	Shivatra Talchai	Common Shares	10/16/2024	10,000	10.65	Buy	0.11
Medeze Group (MEDEZE)	Danita Phithaknetikun	Common Shares	10/15/2024	80,000	13.18	Buy	1.05
Medeze Group (MEDEZE)	Danita Phithaknetikun	Common Shares	10/16/2024	21,000	10.75	Buy	0.23
Medeze Group (MEDEZE)	Danita Phithaknetikun	Common Shares	10/17/2024	9,900	11.78	Buy	0.12
Medeze Group (MEDEZE)	Piyawat Ratchapolsitte	Common Shares	10/15/2024	50,000	12.32	Buy	0.62
Bless Asset Group (BLESS)	Tarin Bovonvanitkul	Common Shares	10/17/2024	178,500	0.47	Sell	0.08
Thai Textile Industry (TTI)	Kamjorn Cheunchujitr	Common Shares	10/17/2024	1,600	28.00	Buy	0.04

Source: SEC

Exhibit 15: New securities

Warrants	Trade Date	Underlying	Market	Maturity Date	Initial Price (Baht)	Exercise Price (Baht)	
JAS-W4	21/10/2024	JAS	SET	10/10/2031	-	3	
Derivative Warrants	Trade Date	Underlying	Issuer	DW Type	Market	Maturity Date	Exercise Price (Baht)
AAV01C2503A	21/10/2024	AAV	BLS	Call	SET	13/3/2025	3.56
ADVANC01C2503B	21/10/2024	ADVANC	BLS	Call	SET	13/3/2025	338
ADVANC13P2502A	21/10/2024	ADVANC	KGI	Put	SET	11/2/2025	202
BTS01C2503A	21/10/2024	BTS	BLS	Call	SET	13/3/2025	5.85
CPALL41P2502A	21/10/2024	CPALL	JPM	Put	SET	12/2/2025	53
DELTA01C2502A	21/10/2024	DELTA	BLS	Call	SET	14/2/2025	163
DELTA19C2503A	21/10/2024	DELTA	YUANTA	Call	SET	13/3/2025	163
DELTA19P2503A	21/10/2024	DELTA	YUANTA	Put	SET	13/3/2025	87
DJI41C2503A	21/10/2024	DJI	JPM	Call	SET	27/3/2025	49,000.00
DJI41P2503A	21/10/2024	DJI	JPM	Put	SET	27/3/2025	35,000.00
GULF01C2503A	21/10/2024	GULF	BLS	Call	SET	13/3/2025	88
INTUCH01C2502A	21/10/2024	INTUCH	BLS	Call	SET	14/2/2025	129
INTUCH19C2503B	21/10/2024	INTUCH	YUANTA	Call	SET	13/3/2025	143
ITC01C2503A	21/10/2024	ITC	BLS	Call	SET	13/3/2025	35.25
JMT01C2502A	21/10/2024	JMT	BLS	Call	SET	14/2/2025	28.5
KBANK41P2502A	21/10/2024	KBANK	JPM	Put	SET	12/2/2025	125
KCE19C2503A	21/10/2024	KCE	YUANTA	Call	SET	13/3/2025	46.75
NDX41C2503A	21/10/2024	NDX	JPM	Call	SET	27/3/2025	23,000.00
NDX41P2503A	21/10/2024	NDX	JPM	Put	SET	27/3/2025	17,500.00
PTTGC41P2502A	21/10/2024	PTTGC	JPM	Put	SET	12/2/2025	22
SET01P2502B	21/10/2024	SET	BLS	Put	SET	14/2/2025	1,325.00
SET5001P2502A	21/10/2024	SET50	BLS	Put	SET	14/2/2025	850
SET5019C2412I	21/10/2024	SET50	YUANTA	Call	SET	4/1/2025	1,050.00
SET5019P2412H	21/10/2024	SET50	YUANTA	Put	SET	4/1/2025	900
SET5041C2503B	21/10/2024	SET50	JPM	Call	SET	3/4/2025	1,100.00
SET5041P2412D	21/10/2024	SET50	JPM	Put	SET	4/1/2025	825
SET5041P2503B	21/10/2024	SET50	JPM	Put	SET	3/4/2025	825
SPRC13C2503A	21/10/2024	SPRC	KGI	Call	SET	11/3/2025	9.2
SPX41C2503A	21/10/2024	SPX	JPM	Call	SET	27/3/2025	6,500.00
SPX41P2503A	21/10/2024	SPX	JPM	Put	SET	27/3/2025	4,850.00
STA01C2503A	21/10/2024	STA	BLS	Call	SET	13/3/2025	29.75
TRUE19C2503A	21/10/2024	TRUE	YUANTA	Call	SET	13/3/2025	15

Source: SET

Exhibit 16: Upcoming XD

Symbol	X-Date	Dividend (per Share)	Unit	Operation Period	Source of Dividend	Payment Date	Price	Div Yield	Par
TIF1	24/10/2024	0.6	Baht	01/07/2024 - 31/08/2024	Both	08/11/2024	8.55	7.0%	9.69
CPTGF	25/10/2024	0.14	Baht	01/07/2024 - 30/09/2024	Both	12/11/2024	5.50	2.5%	9.6264
LPF	25/10/2024	0.4073	Baht	01/06/2024 - 31/08/2024	Both	12/11/2024	13.80	3.0%	10.1948
SIRIP	25/10/2024	0.1	Baht	01/07/2024 - 15/10/2024	NP	19/11/2024	6.95	1.4%	10
ASML01	29/10/2024	-	Baht	-	-	27/11/2024	-	-	-
HK01	30/10/2024	-	Baht	-	-	25/12/2024	-	-	-
HK13	30/10/2024	-	Baht	-	-	25/12/2024	-	-	-
MC	31/10/2024	0.4	Baht	01/07/2023 - 30/06/2024	NP	22/11/2024	12.50	3.2%	0.5
LHSC	11/11/2024	0.17	Baht	01/07/2024 - 31/08/2024	NP	22/11/2024	11.20	1.5%	10.2
MSFT80X	21/11/2024	-	Baht	-	-	07/01/2025	-	-	-
KO80X	29/11/2024	-	Baht	-	-	10/01/2025	-	-	-
TNH	03/12/2024	0.6	Baht	01/08/2023 - 31/07/2024	NP	17/12/2024	36.50	1.6%	1

Source: SET