

24 OCTOBER 2024

SPOTLIGHT ON THAILAND

Published Reports

- SRIVICHAIJEJVIVAT (VIH TB) - New era for a hidden healthcare gem; Initiate with BUY TP THB15.00
- AP (THAILAND) (AP TB) - 3Q24 profit set for solid q-q growth; Maintain BUY TP THB10.80
- HOME PRODUCT CENTER (HMPRO TB) - Weaker 3Q24E, but the trend is improving; Maintain BUY TP THB13.20
- Thailand Banks - 3Q24 profit in line; well-contained asset quality
- KRUNG THAI BANK (KTB TB) - 3Q24 results at first glance; Maintain BUY TP THB23.50
- SCB X (SCB TB) - Recovery of 3Q24 profit; stable PPOP; Maintain HOLD TP THB112.00

Economics

- Loan rejections plague used car sales
- Tourism tax to start with air travel
- Bank of Thailand chief sees 'high' bar to another rate cut
- Finance minister dismisses fears of Thai credit downgrade
- Govt says investment rate highest in a decade

Corporate News

- Banks slash lending rates after Bank of Thailand cut
- Urgent need for quick talks with Cambodia
- Colliers touts Thailand's data centre investment potential
- Rate cut to have muted effect on potential homebuyers
- GC set to produce sustainable aviation fuel

Indices	Index as of 23-Oct-24	Change -1D (%)	Change YTD (%)	Net Foreign YTD (USD m)
Thailand SET +	1,470	(1.2)	3.8	(3,200)
China SHCOMP	3,303	0.5	11.0	
Hong Kong HSI	20,760	1.3	21.8	
India SENSEX	80,082	(0.2)	10.9	2,753
Indonesia JCI	7,788	(0.0)	7.1	2,761
Korea KOSPI	2,600	1.1	(2.1)	8,776
MY FBMKLCI	1,642	(0.1)	12.8	
PH PCOMP	7,368	(0.6)	14.2	97
SG FSSTI	3,601	0.4	11.1	
Taiwan TWSE	23,335	(0.9)	30.1	(11,751)
VN VNINDEX	1,271	0.1	12.5	(2,306)
MSCI Emerging	1,142	(0.0)	11.5	
Nikkei 225	38,105	(0.8)	13.9	
FTSE 100	8,259	(0.6)	6.8	
CAC 40	7,497	(0.5)	(0.6)	
DAX	19,378	(0.2)	15.7	
Dow Jones	42,515	(1.0)	12.8	
Nasdaq	18,277	(1.6)	21.8	
S&P 500	5,797	(0.9)	21.5	
Brent	74.96	(1.4)	(2.7)	
Dubai	74.41	0.4	(2.7)	
WTI	70.77	0.5	(0.7)	
GOLD	2,715.55	0.2	31.8	
Trade data (THB m)	Buy (THB m)	Sell (THB m)	Net (THB m)	Share (%) (THB m)
Foreign +	26,525	28,170	(1,645)	48
Retail +	22,457	19,208	3,249	37
Prop Trade +	3,120	4,033	(913)	6
Local Institution +	4,906	5,597	(691)	9
Total Trade +	57,008	57,008	0	100
Rates	Last close 22/10/2024	1M ago 23/09/2024	End last yr 29/12/2023	1yr ago 23/10/2023
THB/USD	33.50	33.01	34.14	36.51
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	2.40	2.46	2.68	3.34
Commodity (USD/bbl)	Last close 23/10/2024	1M ago 23/09/2024	End last yr 29/12/2023	1yr ago 23/10/2023
Brent	74.96	73.90	77.04	89.83
Dubai	74.41	74.37	76.51	90.86
WTI	70.77	71.56	71.65	83.74
Gold	2,716	2,657	2,063	1,971
Baltic Dry	1,480	2,014	2,094	1,949
(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
+ as of 22 Oct

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Thailand Equity Sales:

Thailand Equity Trading:

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Published Reports

SRIVICHAIVEJVIVAT (VIH TB) - New era for a hidden healthcare gem; Initiate with BUY TP THB15.00

One of the cheapest hospitals in Thailand with only 15x 2025E P/E

VIH is an overlooked Thai healthcare stock, in our view. It is currently trading at an unjustified valuation of just 15x 2025E P/E (vs peers' average of 24x), with THB10m EV/bed (vs peers' average of THB31m and average capex of THB8-12m for greenfield hospital projects in Bangkok and the provinces). We believe VIH has two major growth phases ahead: the growth of its existing four hospitals (with a total of 483 beds) and the new hospital project (200 beds), scheduled to open in late 2026.

Existing hospitals are in the growth cycle

We expect existing hospitals to deliver decent earnings growth of 20% to THB340m in 2024, driven by the strong growth of self-pay patient revenue and a better margin profile for Vichaivej International Samutsakhon, which has reached the breakeven point. Note, we conservatively forecast VIH to book an SSO revenue reversal of high-cost care treatments of THB27m in 2024 (THB15m in 3Q24 and THB12m in 4Q24) for the insufficient budget. If the SSO raises the budget in 2025, it would lead to an upside to our 2025E core profit, for which we currently forecast 14% growth.

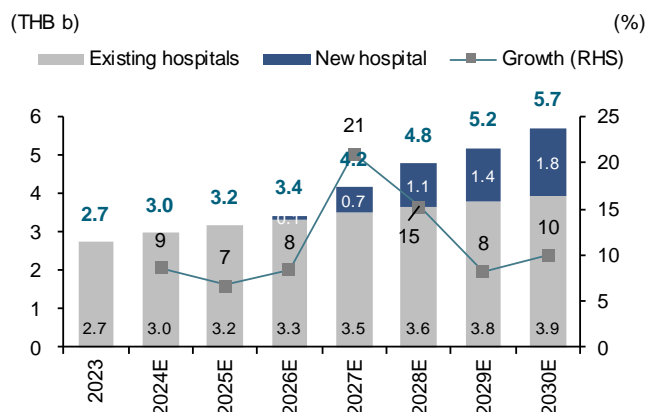
Success of the new hospital would lift VIH's profit by at least 40%

The market is likely concerned about the new hospital due to its huge capex of THB2.7b. We see it differently and believe that the project has a high probability of success. This is supported by its location in a high-income customer area, the absence of tertiary care competitors, and its proximity to the Golden Jubilee Medical Center and Mahidol University. This position could potentially mirror the success of SiPH and Thonburi Hospital, which are located near Siriraj Hospital. Additionally, management's connections with Siriraj medical professionals are a hidden asset for VIH, in our view. If the new hospital is successful, it could increase VIH's revenue and net profit profile by at least 40% by 2030.

Promising outlook with ample margin of safety in valuation

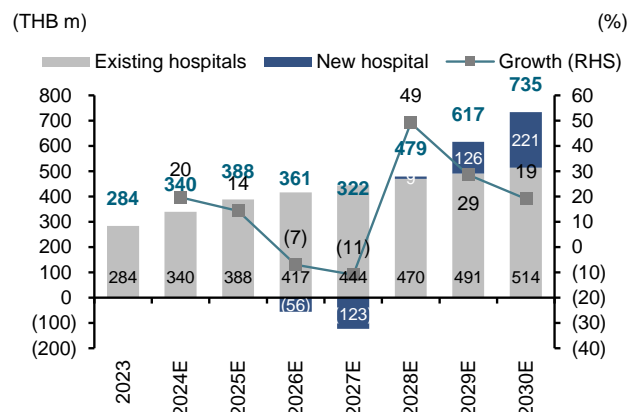
We value VIH using a 2025 DCF-TP of THB15/shr, consisting of THB12.5/shr for existing hospitals and THB2.5/shr for the new hospital with a 40% discount factor for uncertainty regarding the success of the project. We believe this is a good entry point for the stock with a promising growth story and an ample margin of safety in terms of valuation.

Exhibit 1: VIH's revenue



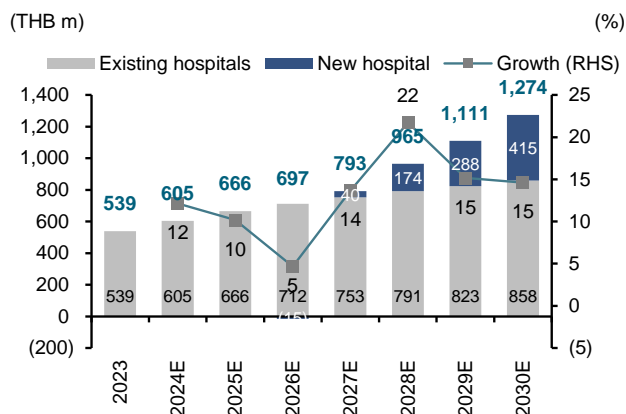
Sources: VIH; FSSIA estimates

Exhibit 2: VIH's core profit



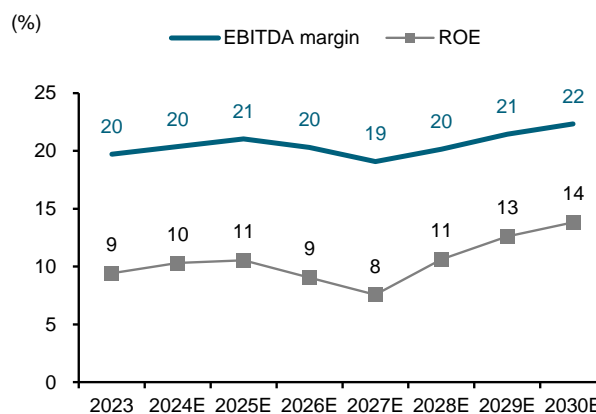
Sources: VIH; FSSIA estimates

Exhibit 3: VIH's EBITDA



Sources: VIH; FSSIA estimates

Exhibit 4: VIH's EBITDA margin and ROE



Sources: VIH; FSSIA estimates

AP (THAILAND) (AP TB) - 3Q24 profit set for solid q-q growth; Maintain BUY TP THB10.80

New sizable condo should support 3Q24 transfer growth

In 3Q24, transfers from JV projects were the crucial driver, in our view, jumping 97% q-q and 9% y-y to THB3.5b. This should drive the 3Q24 share of profits from its JVs up to THB320m (+108% q-q, +1% y-y), since AP started to transfer a new sizable JV condo: Life Rama 4 – Asoke (THB6.5b, 62% presales), which might realize cTHB1.7b (27% of project value). Meanwhile, we project AP's 3Q24 transfers to stand at THB9.6b (+2% q-q, -2% y-y), comprising 90% low-rise and 10% condos. Low-rise transfers should be flat y-y but rise 12% q-q to THB8.6b, driven by more project launches in 2Q24, especially semi-detached houses and townhomes. However, condo transfers might drop 45% q-q and 13% y-y to THB960m in 3Q24, as AP did not complete any new projects.

Expect 3Q24 net profit to accelerate q-q

We anticipate a continued recovery trend in 3Q24 net profit to THB1.43b (+13% q-q, -16% y-y). The q-q growth should come from the higher transfer value. However, the decrease y-y would mainly be due to a lower 3Q24E property gross margin at 32% – in line with the industry – down from 33.1% in 2Q24 and 34.2% in 3Q23, pressured by intense competition, promotional campaigns, and project mix. Finance costs should rise to THB180m (vs THB173m in 2Q24 and THB49m in 3Q23) due to the interest rate hike and land development for more new projects.

Strong earnings momentum anticipated in 4Q24

If our 3Q24E is in line, 9M24 earnings would equal THB3.7b (-21% y-y) and account for 70% of our full-year estimate. In 4Q24, we expect the profit to grow q-q and y-y since AP will continue to transfer the new sizable JV condo from 3Q24 and gradually recognize its low-rise backlog of THB13b at end-3Q24E, of which 60-80% of total might be realized in 4Q24. Also, the transfer and mortgage fee cut until the end of Dec-24 plus the interest rate cut should support sentiment and purchasing power.

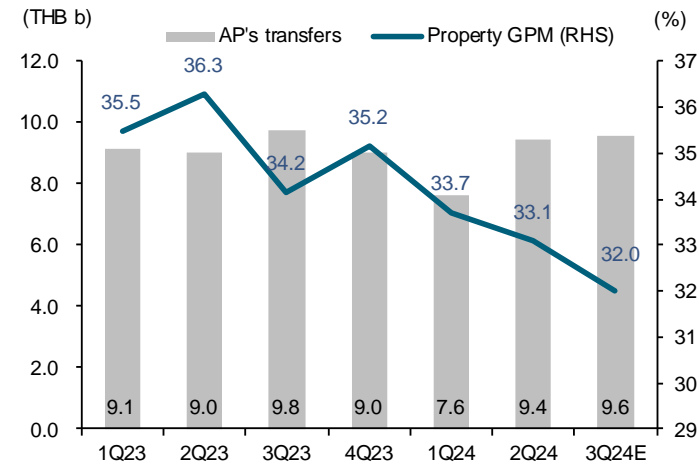
Retain our estimate and TP of THB10.80 and BUY call

We retain BUY and our 2025 TP of THB10.80 on the solid 3Q-4Q24E profit momentum. The stock price has plunged 11% YTD vs SETPROP's -5%. Currently, it trades on a 2025E P/E of 5.6x (vs peers' avg of 7.8x) and offers an expected 2024 dividend yield of 6% (paid annually).

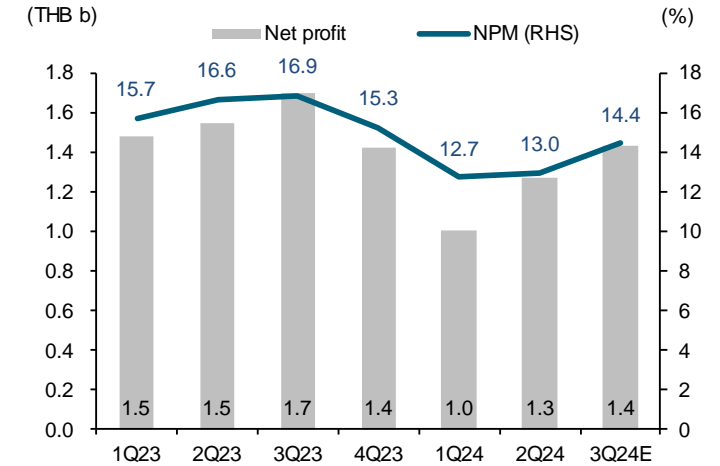
Exhibit 5: AP – 3Q24 results preview

	3Q23	4Q23	1Q24	2Q24	3Q24E	----- Change -----	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Total revenue	10,068	9,287	7,939	9,789	9,940	2	(1)
Gross profit	3,572	3,394	2,837	3,415	3,354	(2)	(6)
SG&A	(1,818)	(2,125)	(1,649)	(1,859)	(1,845)	n/a	n/a
Operating profit	1,755	1,269	1,188	1,556	1,509	(3)	(14)
Other income	22	179	29	89	80	(10)	261
Interest expense	(49)	(56)	(123)	(173)	(180)	n/a	n/a
Profit before tax	1,717	1,417	1,094	1,471	1,409	(4)	(18)
Tax	(338)	(222)	(222)	(357)	(296)	n/a	n/a
Associates	317	211	136	154	320	108	1
Reported net profit	1,696	1,417	1,008	1,269	1,433	13	(16)
Normalised profit	1,696	1,406	1,008	1,269	1,433	13	(16)
Key ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Property gross margin	34.2	35.2	33.7	33.1	32.0	(1.1)	(2.2)
Gross margin	35.5	36.5	35.7	34.9	33.7	(1.1)	(1.7)
Operating margin	17.4	13.7	15.0	15.9	15.2	(0.7)	(2.2)
Net profit margin	16.9	15.3	12.7	13.0	14.4	1.5	(2.4)
Normalized profit margin	16.9	15.1	12.7	13.0	14.4	1.5	(2.4)
Operating statistics	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Property transfers	9,765	9,009	7,607	9,444	9,600	2	(2)
-- Low-rise	8,664	8,433	7,088	7,699	8,640	12	(0)
-- High-rise	1,101	576	519	1,745	960	(45)	(13)

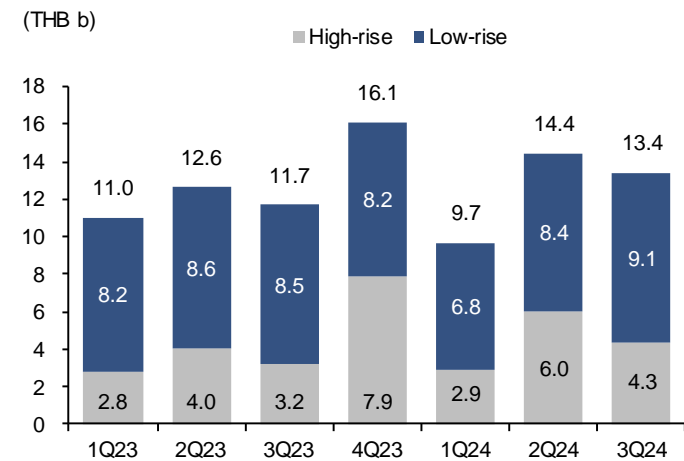
Sources: AP; FSSIA estimates

Exhibit 6: Quarterly transfers and GPM

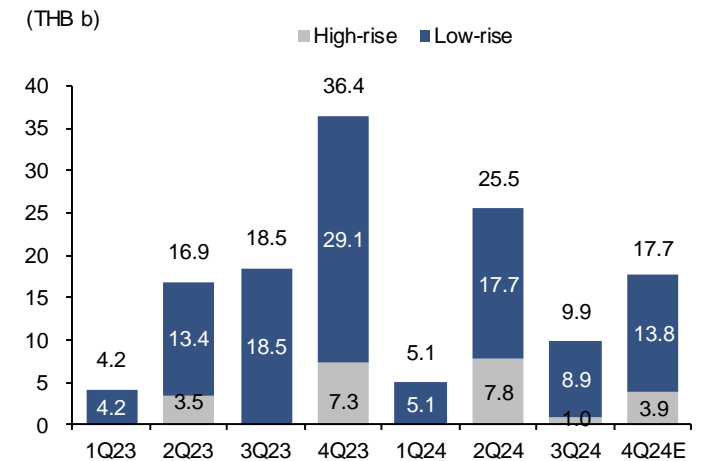
Sources: AP; FSSIA estimates

Exhibit 7: Quarterly net profit and NPM

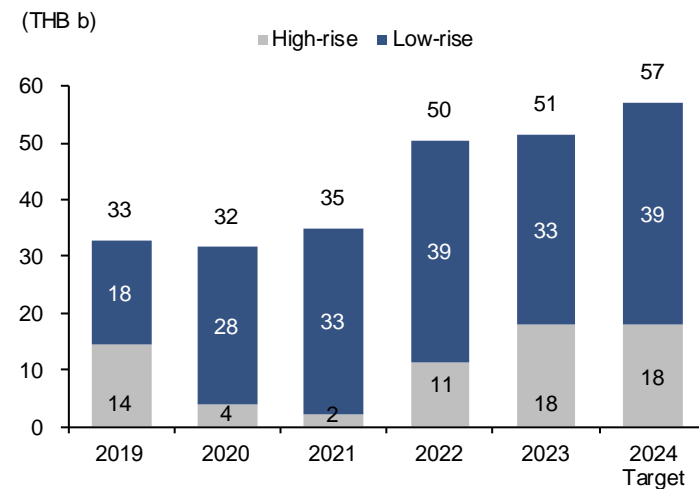
Sources: AP; FSSIA estimates

Exhibit 8: Quarterly presales

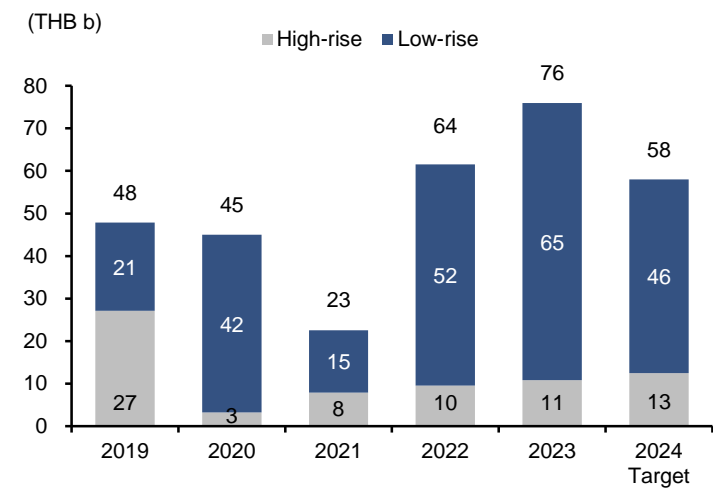
Sources: AP; FSSIA's compilation

Exhibit 9: Quarterly new launches

Sources: AP; FSSIA's compilation

Exhibit 10: Yearly presales

Sources: AP; FSSIA's compilation

Exhibit 11: Yearly new launches

Sources: AP; FSSIA's compilation

HOME PRODUCT CENTER (HMPRO TB) - Weaker 3Q24E, but the trend is improving; Maintain BUY TP THB13.20

3Q24E net profit still weak, but the trend is improving

We anticipate a 3Q24 net profit of THB1.43b, dropping 12% q-q due to seasonal factors and down 6.7% y-y from a 6% decrease in SSSG at HomePro, -4% at MegaHome, and -3% at HomePro Malaysia. This is a result of weak overall purchasing power and internal factors like road construction at the Ratchaphruek store, which has affected customer traffic. Meanwhile, MegaHome saw an improving trend in late September, supported by the government stimulus. MegaHome has benefited more as it captures mid- to lower-income customers. In 3Q24, HMPRO opened three new stores, including a HomePro in NongKhai, supplementing an existing MegaHome, and a new hybrid store in Rayong, which includes both HomePro and MegaHome.

GPM slightly improving but SG&A expenses are still high

We expect the GPM to increase by 60bps q-q in 3Q24 due to the reduced proportion of sales of electrical appliances, which are low-margin products, and a slight rise of 10 bps y-y to 26.8% due to a higher proportion of private brand sales at MegaHome. Meanwhile, SG&A should increase by c1% y-y, in line with store expansions. In 3Q23, two stores were opened, and three stores opened in 3Q24. Additionally, there is a realized loss from forward contracts of THB40m due to the appreciation of the baht.

Revise down 2024-26E earnings from lower-than-expected SSSG

SSSG in the first half of Oct showed signs of a recovery for both HomePro and MegaHome, with HomePro seeing a smaller decline of 1-3%, while MegaHome should rebound to around 5% growth from a low base last year. MegaHome also benefited from stimulus measures and increased sales of products following the flood recovery. However, we have revised down our net profit forecasts for 2024-26 by 5.9-6.6%, as SSSG came in lower than expected. We expect a 2024 net profit of THB6.43b, slightly flat from last year, while we forecast a recovery in 2025-26 with growth of 5% and 4%, respectively. We expect SSSG to grow in line with GDP at c3%, with GPM expanding by c10 bps y-y.

Maintain BUY and roll over DCF-TP to 2025 at THB13.2

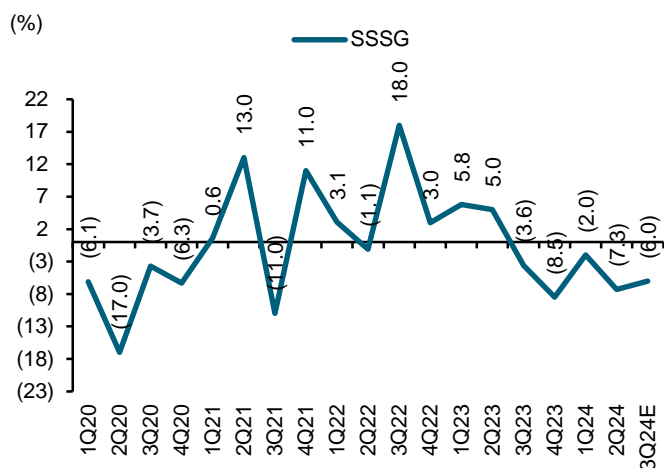
We maintain BUY and roll over our TP to 2025 at THB13.2, implying a P/E of 26x. Currently, HMPRO is trading at a 2025E P/E of 20.2x, below its five-year avg. of 31x. The SSSG recovery in Oct reflects the benefit from stimulus packages and product sales related to flood recovery.

Exhibit 12: HMPRO – 3Q24 results preview

YE Dec 31	3Q23	4Q23	1Q24	2Q24	3Q24E	---- Change ----		----- 9M24E -----			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%)
Total revenue	17,491	18,177	18,788	18,535	17,119	(7.6)	(2.1)	54,442	(0.4)	75	72,872	0.1
Retail sales	16,390	16,881	17,664	17,398	15,992	(8.1)	(2.4)	51,054	(0.7)	75	68,297	0.0
Rental and service income	434	507	451	458	464	1.3	6.8	1,373	(0.2)	75	1,839	(2.3)
Other income	666	788	673	679	664	(2.3)	(0.4)	2,016	7.9	74	2,736	3.0
Gross profit	5,280	5,717	5,563	5,501	5,219	(5.1)	(1.2)	16,282	0.5	74	22,077	0.7
Operating costs	(3,237)	(3,507)	(3,273)	(3,339)	(3,270)	(2.1)	1.0	(9,883)	(0.1)	73	(13,517)	0.9
Operating profit	2,043	2,210	2,289	2,162	1,948	(9.9)	(4.7)	6,399	1.5	75	8,561	0.5
Other income (expense)	(1)	13	8	22	15	(32.8)	n/a	45	273	91	50	79.9
Interest expense	(138)	(166)	(158)	(162)	(175)	8.2	26.4	(495)	23.1	74	(667)	17.5
Profit before tax	1,904	2,058	2,140	2,022	1,788	(11.6)	(6.1)	5,950	0.6	75	7,942	(0.4)
Tax	(371)	(380)	(427)	(401)	(358)	(10.8)	(3.6)	(1,185)	2.9	79	(1,509)	(1.5)
Reported net profit	1,533	1,677	1,713	1,622	1,431	(11.8)	(6.7)	4,765	0.0	74	6,433	(0.1)
Recurring net profit	1,533	1,677	1,713	1,622	1,431	(11.8)	(6.7)	4,765	0.0	74	6,433	(0.1)
EPS (THB)	0.12	0.13	0.13	0.12	0.11	(11.8)	(6.7)	0.36	0.0	74	0.49	(0.1)
Recurring EPS (THB)	0.12	0.13	0.13	0.12	0.11	(11.8)	(6.7)	0.36	0.0	74	0.49	(0.1)
Key ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(ppt)		(%)	(ppt)
Retail sales margin	26.7	27.3	26.2	26.3	26.8	0.6	0.1	26.4	0.1		26.7	0.1
Operating margin	12.5	13.1	13.0	12.4	12.2	(0.2)	(0.3)	12.5	0.3		12.5	0.1
Recurring net margin	8.8	9.2	9.1	8.7	8.4	(0.4)	(0.4)	8.8	0.0		8.8	(0.0)
SG&A / sales	19.7	20.8	18.5	19.2	20.5	1.3	0.7	19.4	0.1		19.8	0.2
Operating statistics												
SSSG (%)												
HomePro	(3.6)	(8.5)	(2.0)	(7.3)	(6.0)						(4.0)	
MegaHome	(1.5)	(7.0)	(4.0)	(1.3)	(4.0)						(2.0)	
HomePro-Malaysia	(6.0)	(2.0)	1.0	(10.4)	(3.0)						(3.0)	
Number of stores (no.)	124	128	128	130	133						135	
Home Pro	87	89	89	90	92						92	
Home Pro S	5	5	5	5	5						5	
Mega Home	25	27	27	28	29						31	
Home Pro Malaysia	7	7	7	7	7						7	
Private brand proportion (%)												
HomePro	20.7	20.9	20.5	20.3	20.8						21.0	
MegaHome	19.2	19.7	21.1	20.9	21.0						21.0	

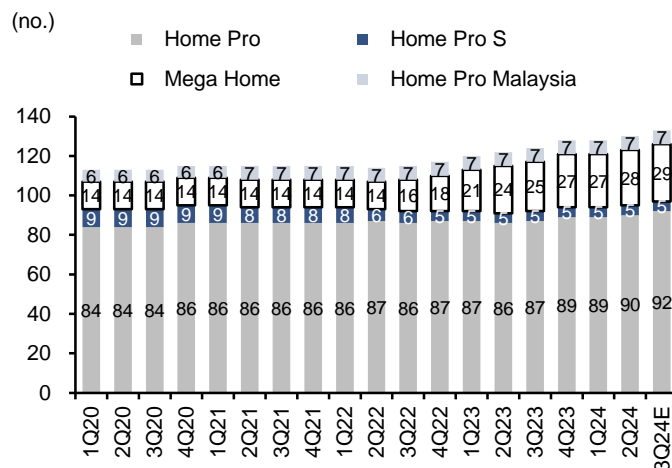
Sources: HMPRO; FSSIA estimates

Exhibit 13: HMPRO's SSSG



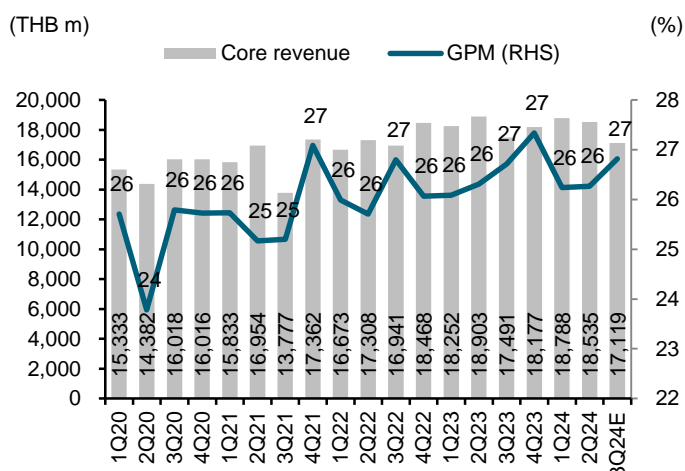
Sources: HMPRO; FSSIA estimates

Exhibit 14: Store expansion



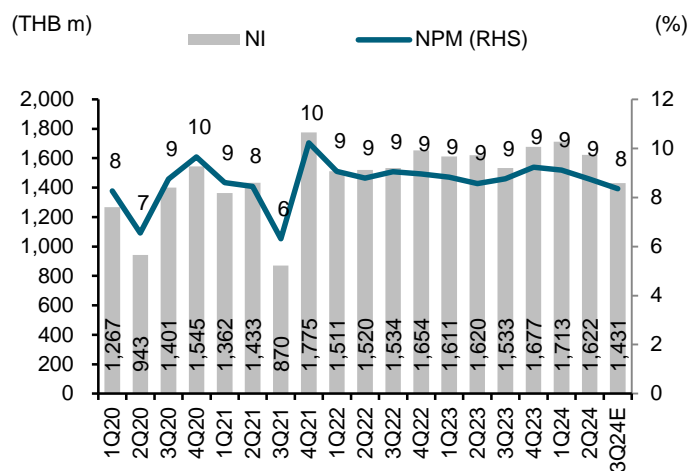
Sources: HMPRO; FSSIA estimates

Exhibit 15: Quarterly revenue and GPM



Sources: HMPRO; FSSIA estimates

Exhibit 16: Quarterly net profit and NPM



Sources: HMPRO; FSSIA estimates

Exhibit 17: Changes in key assumptions

	Current			Previous			Change		
	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E
Revenue (THB m)	72,872	77,094	81,475	77,688	82,177	86,838	(6.2)	(6.2)	(6.2)
SSSG (%)	(4.0)	3.0	3.0	3.0	3.0	3.0	(7.0)	0.0	0.0
Gross margin (%)	26.7	26.8	26.9	26.7	26.8	26.9	0.0	0.0	0.0
Private brand proportion (%)	21.0	21.3	21.6	21.0	21.3	21.6	0.0	0.0	0.0
No. of new stores	7	7	7	7	7	7	0.0	0.0	0.0
SG&A expenses to sales (%)	19.8	19.9	20.1	19.6	19.7	19.9	0.2	0.2	0.2
Net profit (THB m)	6,433	6,779	7,029	6,839	7,243	7,529	(5.9)	(6.4)	(6.6)

Sources: HMPRO; FSSIA estimates

Thailand Banks - 3Q24 profit in line; well-contained asset quality

3Q24 net profit growth following a drop in ECLs and rising fees

The seven banks under our coverage posted an aggregate 3Q24 net profit of THB54.8b, which was in line with expectations, reflecting an increase of 2.3% q-q and 8.5% y-y. PPOP slightly declined by 1.8% q-q but remained stable y-y at THB113.9b. Non-NII grew more than expected in the quarter, up by 1.9% q-q and 13.6% y-y, mainly driven by stronger-than-anticipated fee income from brokerage commissions and wealth management transactions. NII remained soft due to a 1.7% q-q and 2.6% y-y loan contraction. The 3Q24 NIM was relatively stable q-q at 3.47%, with increased loan yields from a shrinking loan base helping to offset the higher funding costs. Operating expenses were higher than anticipated, with the cost-to-income ratio climbing to 44.7%.

Deteriorated asset quality but manageable; NPL uptick but lower credit costs

The aggregate asset quality was less concerning in 3Q24, particularly in the corporate segment, while SMEs and the retail segment continued deteriorating. New NPL formations and stage 2 loans continued to increase from 2Q24 following the slow, uneven economic recovery and the high level of household debt. However, we view this as manageable. Most banks proactively managed and sustained the high credit cost level with an on-top management overlay in 3Q24. The NPL ratio rose to 3.76% vs 3.67% in 2Q24, mainly from the loan base contraction. 3Q24 credit costs dropped sharply to 149bp, slightly decreasing the coverage ratio to 183% vs 185% in 2Q24.

NII and fee income to return and are the main drivers for 2025-26E net profit

We estimate an aggregate 2024 net profit of THB200.4b, increasing by 2.6% y-y due to a large base in 2023, sluggish loan growth following prudent credit quality, and ECLs and credit costs being sustained at a high level. For 2025-26, we expect to see upside risks to our net profit growth rate of 5.7-6.8% y-y, based on our conservative assumptions for loans, fee income growth, and a gradual reduction in credit costs. We have not factored in the expected positive factors to our forecasts following the upcoming government stimulus measures and the negative factors from potential interest rate decreases.

Maintain a NEUTRAL weight call with KTB and BBL as our top BUYs

We retain our sector weight call at NEUTRAL, driven by the upcoming catalysts that should support 2025-26 net profit growth. Dividend yields should rise, with most growing to 5.2-5.7%. Our top picks are KTB (TP THB23.50) and BBL (TP THB184), which should benefit the most from the new investment cycle. We also recommend buying KBANK (TP THB192), for its top ranking in projected net profit growth in 2025-26, and TTB (TP THB2.52) due to its attractive dividend yield of 6-7% p.a.

Exhibit 18: Aggregate banks – 3Q24 results summary

Year end 31 Dec	3Q23 (THB m)	4Q23 (THB m)	1Q24 (THB m)	2Q24 (THB m)	3Q24 (THB m)	--- Change ---		9M24 (THB m)	Change (y-y %)	%of 24E	2024E (THB m)	Change (y-y %)
						(q-q%)	(y-y%)					
Net interest income	157,561	161,865	156,319	155,815	155,308	(0.3)	(1.4)	467,442	4.1	75	626,173	2.5
Non-interest income	44,609	43,454	48,419	49,717	50,668	1.9	13.6	148,805	2.4	76	194,747	3.2
Fee income - net	33,258	32,140	33,445	32,346	33,710	4.2	1.4	99,502	(1.1)	74	133,959	0.9
Total operating income	202,170	205,318	204,738	205,532	205,977	0.2	1.9	616,246	3.7	75	820,920	2.7
Total operating expenses	88,639	100,649	90,311	89,473	92,052	2.9	3.9	271,836	6.0	73	373,317	4.5
PPOP before tax	113,532	104,669	114,427	116,059	113,925	(1.8)	0.3	344,410	2.0	77	447,603	1.2
Expected credit loss	48,343	54,320	44,501	49,186	44,903	(8.7)	(7.1)	138,590	(1.5)	71	195,801	0.4
Income tax	13,233	5,775	13,018	11,157	12,636	13.3	(4.5)	36,810	(5.6)	83	44,198	(1.3)
Non-controlling interest	1,490	1,902	1,965	2,172	1,616	(25.6)	8.5	5,754	11.9	80	7,202	2.2
Net profit	50,467	42,673	54,943	53,543	54,770	2.3	8.5	163,256	6.9	81	200,401	2.6
EPS (THB)	10.63	8.99	11.35	11.06	11.31	2.3	6.4	33.72	4.8	81	41.39	0.6
Key ratios	3Q23	4Q23	1Q24	2Q24	3Q24	--- Change ---		9M24	Change		2024E	
Asset quality ratio	(%)	(%)	(%)	(%)	(%)	(q-q%)	(y-y%)	(THB m)	(y-y %)		(%)	
Gross NPLs (THB m)	435,814	433,117	439,703	444,849	448,831	0.9	3.0	448,831	3.0		453,488	4.7
Change (% from prior period)	(0.7)	(0.6)	1.5	1.2	0.9			3.0			4.7	
NPL ratio (%)	3.56	3.57	3.60	3.67	3.76			3.76			3.70	
Coverage ratio (%)	187	190	186	185	183			183			188	
Credit cost (bp)	159	178	146	162	149			153			161	
Profitability ratio	(%)	(%)	(%)	(%)	(%)						(%)	
Cost-to-income ratio	43.8	49.0	44.1	43.5	44.7			44.1			45.5	
Average yield (%)	4.73	4.91	4.80	4.82	4.84			4.86			4.76	
Cost of funds (%)	1.46	1.59	1.63	1.66	1.69			1.67			1.63	
Loan spreads	3.27	3.32	3.17	3.16	3.16			3.19			3.13	
NIM (%)	3.53	3.60	3.47	3.46	3.47			3.49			3.43	
Non-interest income /total income (%)	22.1	21.2	23.6	24.2	24.6			24.1			23.7	
Loan growth	(%)	(%)	(%)	(%)	(%)						(%)	
q-q	0.8	(1.0)	0.7	(0.7)	(1.7)							
y-y	0.4	0.0	1.3	(0.1)	(2.6)			(2.6)			1.2	
Year-to-date	1.0	0.0	0.7	0.0	(1.6)			(1.6)				

Sources: Company data; FSSIA estimates

Exhibit 19: Aggregate banks – historical NPL ratio

	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	2024E	Banks' target
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	2024E
BBL	3.62	3.73	3.46	3.48	3.22	3.43	3.64	3.94	3.62	±3.0
KBANK	3.74	3.60	3.83	3.58	3.70	3.72	3.64	3.72	3.74	< 3.25
KTB	3.90	3.97	3.83	3.74	3.86	3.77	3.85	3.83	3.90	< 3.25
SCB	4.01	3.97	3.84	3.89	3.99	3.89	3.90	3.89	4.01	n/a
TTB	3.03	3.09	2.99	2.96	3.09	3.02	3.09	3.21	3.03	≤ 2.9
KKP	3.44	3.51	3.56	3.53	3.17	3.80	3.97	4.15	3.28	~ 3.90 - 4.10
TISCO	2.09	2.13	2.20	2.25	2.22	2.27	2.44	2.44	2.09	2.50 - 2.75
Coverage	3.68	3.69	3.62	3.56	3.57	3.60	3.67	3.76	3.68	

Sources: Company data; FSSIA estimates

Exhibit 20: Aggregate banks – historical credit costs

	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	9M23	9M24	2023	2024	Banks' target
	(bp)	(bp)	(bp)	(bp)	(bp)	(bp)	(bp)	(bp)	(bp)	(bp)	(bp)	(bp)	2024E
BBL	116	127	133	132	109	127	153	122	127	135	126	129	~ 90 - 100
KBANK	368	205	208	209	220	189	189	189	208	192	208	195	175 - 195
KTB	116	125	120	125	201	124	124	130	122	125	143	140	120 - 130
SCB	120	166	201	201	153	167	190	180	190	179	182	195	160 - 180
TTB	139	125	125	128	277	155	162	149	125	155	164	160	125 - 135
KKP	302	231	290	304	284	207	289	184	282	105	282	285	~ 250 - 270
TISCO	70	28	11	25	43	47	70	62	22	60	27	70	100
Coverage	173	148	158	159	178	146	162	149	154	153	161	161	

Sources: Company data; FSSIA estimates

Exhibit 21: Aggregate banks – key financial summary, as of 21 October 2024

	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Net profit (THB m)	167,006	156,017	111,916	145,315	165,342	195,360	200,401	211,806	226,204
EPS (THB)	39.7	35.6	25.5	33.2	34.7	41.14	41.4	43.7	46.7
Change y-y	-5.0%	-10.3%	-28.3%	29.8%	4.8%	18.4%	0.6%	5.7%	6.8%
P/E (x)	11.1	9.5	13.2	12.5	11.2	9.3	9.7	9.2	8.6
BVS (THB)	393.2	422.3	441.4	473.1	455.1	479.0	491.4	511.4	536.8
P/B (x)	1.1	0.8	0.8	0.9	0.9	0.8	0.8	0.8	0.7
ROE (%)	20.2	8.9	5.9	7.3	7.8	8.8	8.6	8.7	8.9
ROA (%)	2.4	1.1	0.7	0.8	0.9	1.1	1.1	1.1	1.1
Dividend yield (%)	3.5	4.8	2.3	2.5	3.6	5.2	5.2	5.5	5.8

Sources: Bloomberg; FSSIA estimates

KRUNG THAI BANK (KTB TB) - 3Q24 results at first glance; Maintain BUY TP THB23.50

3Q24 profit in line with our estimate but exceeded the BBG consensus by 3%

KTB reported a 3Q24 net profit of THB11.1b, a decrease of 0.8% q-q but an increase of 8.0% y-y. The slight q-q decline in net profit was mainly due to higher ECLs than the PPOP. PPOP rose by 1.5% q-q and 5.5% y-y to THB23.4b, driven by higher non-NII, especially net fee income, which offset the decline in NII and increased operating expenses. Furthermore, there were no concerns about asset quality in 3Q24, as it was well-managed and in line with the bank's 2024 guidance. The 9M24 net profit grew by 9.4% y-y, representing 89% of our full-year forecast.

We retain our 2024-26 forecast and maintain our top BUY call with a 2025 GGM-based TP of THB 23.50, implying 0.72x P/BV, based on an expected LT-ROE of 8% and COE of 11.8%.

Highlights

- (0) **Net interest income (NII) slightly declined as expected**, in line with the continued loan slowdown of +0.1% q-q and -2.5% y-y. While there was growth in government loans (16% of total) and retail loans (46%), particularly in housing (19%) and personal loans (24%), this was offset by declines in private corporate loans (16%) and SME loans (10%) due to high levels of debt repayment. Overall, loans in 9M24 contracted slightly by 0.5% YTD, below the 2024 guidance of 3% y-y but in line with our target of 1% y-y, as we expect loan demand to increase in 4Q24 due to seasonal factors. The 3Q24 NIM remained stable at 3.38%, with a 5bp increase in the loan yield, which was offset by a similar rise in the cost of funds. The 9M24 NIM rose to 3.39%, exceeding the 2024 guidance of 3.00-3.30% and our estimate of 3.28%.
- (+) **Non-NII increased more than expected in 3Q24**, growing 13.6% q-q and 15.7% y-y. This growth was supported by a higher-than-anticipated rise in net fee income, mainly from bancassurance and wealth management transactions. 9M24 fee income rose by 6.7% y-y, surpassing the 2024 guidance of low to mid-single-digit growth and our estimate of 1.5% y-y. Other non-NII components also exceeded expectations, including gains from mark-to-market on FVTPL investments, gains on investment, and bad-debt recovery income.
- (-) **Operating expenses increased more than expected**, rising by 4.6% q-q and 2.8% y-y in 3Q24 due to higher IT and digital investment costs. This increase offset the positive impact of a significant reduction in losses from foreclosed assets, which had been substantially marked down in previous periods and are now approaching normalized levels. Consequently, the 3Q24 cost-to-income ratio rose to 42.4% vs 41.7% in 2Q24. Overall, the 9M24 cost-to-income ratio stood at 42.5%, aligning with its 2024 guidance of below the mid-40% range and our full-year estimate of 43.4%.
- (0) **Asset quality was well-contained and aligned with guidance**. The NPL ratio dropped slightly to 3.83% following reduced gross NPLs by 0.4% q-q in 3Q24. Stage 2 loans increased slightly to 7.59% vs 7.53% in 2Q24, with the ratio averaging 7-8% during the past 1.5 years. The 3Q24 credit costs grew slightly by 6bp to 130bp, following a rise in ECLs. The 9M24 credit cost rose to 125bp, which still aligned with its 120-130bp 2024 guidance, but was below our 140bp estimate. The NPL coverage ratio remained solid at 179% vs 176% in 2Q24.

Exhibit 22: KTB – 3Q24 results summary

Year end Dec 31	3Q23 (THB m)	4Q23 (THB m)	1Q24 (THB m)	2Q24 (THB m)	3Q24 (THB m)	----- Change ----- (q-q%) (y-y%)		9M24 (THB m)	Change (y-y%)	%of 24E	2024E (THB m)	Change (y-y %)
Net interest income	29,667	30,362	29,561	30,055	29,885	(0.6)	0.7	89,502	7.8	76	117,455	3.6
Non-interest income	9,221	9,228	11,141	9,394	10,672	13.6	15.7	31,207	16.4	83	37,687	4.6
Fee income - net	5,503	5,434	5,577	5,277	5,619	6.5	2.1	16,473	6.7	78	21,186	1.5
Total operating income	38,888	39,590	40,703	39,449	40,557	2.8	4.3	120,709	9.9	78	155,142	3.8
Total operating expenses	16,733	17,745	17,731	16,438	17,193	4.6	2.8	51,361	15.6	76	67,398	8.4
PPOP before tax	22,155	21,845	22,972	23,012	23,364	1.5	5.5	69,347	5.9	79	87,744	0.5
Expected credit loss	8,157	13,070	8,029	8,004	8,312	3.9	1.9	24,345	1.4	67	36,252	(2.2)
Income tax	2,774	1,733	2,936	2,877	2,958	2.8	6.6	8,771	7.4	87	10,093	1.9
Non-controlling interest	941	931	929	936	985	5.3	4.7	2,851	2.8	75	3,779	2.0
Net profit	10,282	6,111	11,078	11,195	11,108	(0.8)	8.0	33,381	9.4	89	37,621	2.7
EPS (THB)	0.74	0.44	0.79	0.80	0.79	(0.8)	8.0	2.39	9.4	89	2.69	2.7
Key ratios	3Q23	4Q23	1Q24	2Q24	3Q24	----- Change -----		9M24	2024E			
Asset quality ratio	(%)	(%)	(%)	(%)	(%)	(q-q%)	(y-y%)	(THB m)			(%)	
Gross NPLs (THB m)	98,309	99,407	98,815	98,701	98,301	(0.4)	(0.0)	98,301	(0.0)		98,887	(0.5)
Change (% from prior period)	(0.5)	1.1	(0.6)	(0.1)	(0.4)			(0.0)			(0.5)	
NPL ratios (%) - reported	3.10	3.08	3.14	3.12	3.14			3.14				
NPL ratio (%)	3.74	3.86	3.77	3.85	3.83			3.83			3.80	
Coverage ratio (%) - reported	180	181	182	181	184			184				
Coverage ratio (%)	174	174	175	176	179			179			176	
Credit cost (bp)	125	201	124	124	130			125			140	
Profitability ratio	(%)	(%)	(%)	(%)	(%)						(%)	
Cost to income ratio	43.0	44.8	43.6	41.7	42.4			42.5			43.4	
Average yield (%)	4.57	4.74	4.58	4.65	4.70			4.69			4.56	
Cost of funds (%)	1.32	1.49	1.46	1.48	1.53			1.50			1.48	
NIM (%) - reported	3.38	3.38	3.41	3.37	3.35			3.36				
NIM (%)	3.42	3.45	3.31	3.37	3.38			3.39			3.28	
Non-interest income/total income (%)	23.7	23.3	27.4	23.8	26.3			25.9			24.3	
Loan growth	(%)	(%)	(%)	(%)	(%)							
q-q	2.0	(2.0)	1.6	(2.2)	0.1							
y-y	0.7	(0.6)	1.4	(0.7)	(2.5)			(2.5)			1.0	
Year-to-date	1.4	(0.6)	1.6	(0.6)	(0.5)			(0.5)				

Sources: KTB; FSSIA estimates

SCB X (SCB TB) - Recovery of 3Q24 profit; stable PPOP; Maintain HOLD TP THB112.00

3Q24 performance was broadly in line

SCB reported a 3Q24 net profit of THB10.9b, which was 2% lower than our expectation but 7% higher than the BBG consensus. This reflected growth of 9.6% q-q and 13.5% y-y. PPOP stood at THB24.7b in the quarter, slightly below our estimate, remaining stable q-q and y-y. The core business remained relatively stable, with NII nearly unchanged q-q (up 3.5% y-y), consistent with a slight decline in loans of 0.1% q-q and 0.9% y-y. The corporate segment (35%) saw slight growth, while SME loans (17%) declined slightly. Retail loans (40%) experienced decreases in the auto hire-purchase segment (32%) and unsecured loans (2%). However, there was strong growth in housing loans (32%) and AutoX (2%). Overall, 9M24 loans increased slightly by 0.3% YTD, below the bank's 2024 guidance of 3-5% y-y and our estimate of 2.5% y-y. Every 1% miss in loan targets could negatively impact 2024 net profit by c0.9%.

Well-contained asset quality with no alarms

The asset quality in 3Q24 remained stable with no significant concerns. The NPL ratio was steady at around 3.89%, while stage 2 loans rose slightly to 7.24% from 7.19% in 2Q24. The coverage ratio increased slightly to 158.9% from 156.5% at the end of 2Q24 due to a decrease in bad debt sales and write-offs from THB12.5b to THB11.5b. ECLs decreased as expected to THB10.9b, including an undisclosed management overlay. Credit costs dropped to 180bp from 190bp in 2Q24, with 9M24 credit costs at 179bp – in line with its 2024 guidance of 160-180bp and lower than our target of 195bp.

Maintain 2024-26 profit despite downside risks in NIM and loans

We maintain our 2024-26 earnings estimates, with average net profit growth of 1.1% CAGR, under cautious credit cost assumptions averaging 190-195bp. However, this positive outlook may be offset by the expected reduction in NIM following the interest rate decline trend. In addition, the projected loan growth of 2.5% y-y may fall short of targets if the bank continues to maintain stringent credit quality standards as it did in 2024.

Reaffirm our HOLD call for attractive dividend

We retain our HOLD call for an average dividend yield of 8.6-9.0% p.a. The current stock price has a limited upside compared to our 2025 GGM-based target price of THB112 at a P/BV of 0.76x, with an expected long-term ROE at 8.8% and COE at 11.2%.

Exhibit 23: SCB – 3Q24 results 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%)	24E	(THB m)	(y-y%)
Net interest income	31,536	33,413	31,761	32,576	32,636	0.2	3.5	95,740	4.9	74	129,713	4.0
Non-interest income	11,809	9,130	11,234	10,678	9,661	(9.5)	(18.2)	34,463	(7.6)	73	47,418	2.1
Fee income - net	8,140	7,166	7,897	7,529	7,738	2.8	(4.9)	23,164	(9.4)	69	33,546	2.5
Total operating income	43,344	42,543	42,995	43,253	42,297	(2.2)	(2.4)	128,545	(0.0)	73	177,131	3.5
Total operating expenses	18,490	19,517	18,100	18,568	17,606	(5.2)	(4.8)	54,275	3.8	71	76,454	6.5
PPOP before tax	24,854	23,026	24,895	24,685	24,690	0.0	(0.7)	74,270	(2.7)	74	100,677	1.4
Expected credit loss	12,245	9,330	10,201	11,626	10,937	(5.9)	(10.7)	32,765	(4.4)	68	47,909	9.9
Income tax	2,891	2,628	3,354	2,908	2,626	(9.7)	(9.1)	8,888	(4.7)	78	11,345	(5.1)
Non-controlling interest	55	73	59	137	154	13.1	179.6	350	101.6	139	252	2.0
Net profit	9,663	10,995	11,281	10,014	10,972	9.6	13.5	32,267	(0.8)	78	41,170	(5.4)
EPS (THB)	2.87	3.27	3.35	2.97	3.26	9.6	13.5	9.58	(0.8)	78	12.23	(5.4)
Key ratios	3Q23	4Q23	1Q24	2Q24	3Q24	--- Change ---		9M24			2024E	
Asset quality ratio	(%)	(%)	(%)	(%)	(%)	(q-q%)	(y-y%)	(THB m)	(y-y%)		(%)	(y-y%)
Gross NPLs (THB m)	95,576	96,832	95,236	95,097	94,586	(0.5)	(1.0)	94,586	(1.0)		100,932	4.2
Change (% from prior period)	2.7	1.3	(1.6)	(0.1)	(0.5)			(1.0)			4.2	
NPL ratios (%) - reported	3.30	3.44	3.52	3.34	3.38			3.38				
NPL ratio (%)	3.89	3.99	3.89	3.90	3.89			3.89			4.06	
Coverage ratio (%) - reported	167.2	159.9	160.6	161.7	163.9			163.9				
Coverage ratio (%)	162.2	153.9	156.0	156.5	158.9			158.9			160.4	
Credit cost (bp)	201	153	167	190	180			179			195	
Profitability ratio	(%)	(%)	(%)	(%)	(%)			(%)			(%)	
Cost to income ratio	42.7	45.9	42.1	42.9	41.6			42.2			43.2	
Average yield (%)	4.87	5.15	4.99	5.08	5.14			5.04			5.11	
Cost of funds (%)	1.35	1.42	1.40	1.41	1.49			1.42			1.55	
NIM (%) - reported	3.74	3.96	3.83	3.90	3.91			3.89				
NIM (%)	3.74	3.96	3.83	3.90	3.91			3.85			3.82	
Non-NII/total income (%)	27.2	21.5	26.1	24.7	22.8			26.8			26.8	
Loan growth	(%)	(%)	(%)	(%)	(%)			(%)			(%)	
q-q	1.3	(1.2)	0.9	(0.4)	(0.1)							
y-y	4.6	2.1	2.1	0.6	(0.9)			(0.9)			2.5	
Year-to-date	3.3	2.1	0.9	0.5	0.3			0.3				

Sources: SCB; FSSIA estimates

Economic news

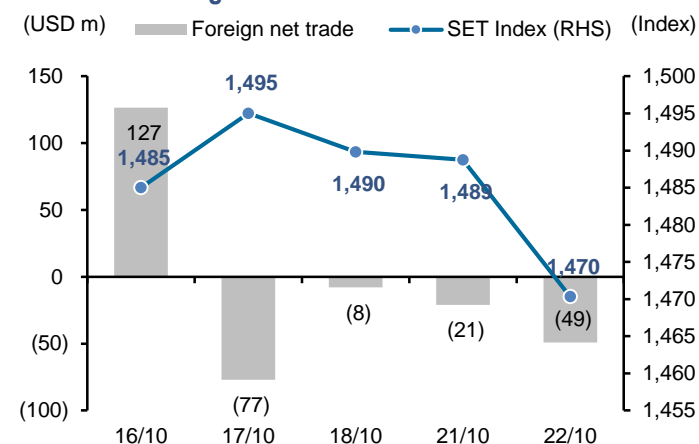
- [Loan rejections plague used car sales](#) BANGKOK POST: Thailand's used car market will continue to post sluggish sales as prospective buyers are often rejected when applying for loans, says the Association of Used Car. The association earlier expected used car sales to improve in the latter half of 2024, pinning its hopes on financial service providers easing their lending criteria. However, many finance companies and banks remain highly selective about approving loan applications as household debt remains high, said Vichai Suwanasilar, president of the Association of Used Car. "Both used and new car markets are facing the same challenge -- loan rejections. The difficulty in accessing auto loans is leading to an oversupply of used cars," he said.
- [Tourism tax to start with air travel](#) BANGKOK POST: Collection of the 300-baht travel tax may start with air passengers in the first phase, with the system needing at least six months before starting, according to the Tourism and Sports Ministry. The ministry is revising details of the programme and will submit it for cabinet approval in January, said Tourism and Sports Minister Sorawong Thienthong. Even though this project was approved by the previous government led by Prayut Chan-ocha in February 2023, it now requires a consensus from the new cabinet as the administration has changed since the general election. Mr Sorawong said it is possible collection will start with air passengers, though the tax scheme will need six months after cabinet approval to prepare the system before getting started.
- [Bank of Thailand chief sees 'high' bar to another rate cut](#) BANGKOK POST: Bank of Thailand (BoT) governor Sethaput Suthiwartnarueput signalled policymakers will not be rushing to follow up on last week's interest-rate cut and defended the current inflation target amid government calls to ease policy further and lift the price goal. "Given that we just recalibrated, I think the bar for taking further rate moves has to be reasonably high," the central bank chief said in an interview with Bloomberg Television's Haslinda Amin on Tuesday in Washington. Slowing credit growth was one of the factors that convinced the BoT to cut the key rate for the first time in more than four years, Mr Sethaput said. Future actions will be guided by the outlook for inflation, economic growth and financial stability, he added. The governor's remarks suggest the monetary authority will take its time in reducing borrowing costs. That puts it on a collision course with Prime Minister Paetongtarn Shinawatra's government, which continues to push for lower rates and a higher inflation target to energise a sluggish economy.
- [Finance minister dismisses fears of Thai credit downgrade](#) BANGKOK POST: Finance Minister Pichai Chunhavajira on Tuesday expressed optimism that Thailand would not face a credit rating downgrade, saying the kingdom still has strong potential for ongoing economic growth. Credit rating providers usually look for continuity in each government's work towards achieving its economic growth target, said Mr Pichai, who is also a deputy prime minister. Thailand, he said, has so far been demonstrating that fairly well. Mr Pichai was responding to a recent analysis by a private-run economic and financial research centre that suggested Thailand risks being downgraded in the next credit ratings. When comparing Thailand's economy to neighbouring Malaysia, Mr Pichai said he saw no difference in their current economic situation and outlook, except for Thailand's less precise information about new investments to come.
- [Govt says investment rate highest in a decade](#) BANGKOK POST: The government claims that Thailand's investment rate this year is the highest it's been in a decade. Jirayu Houngsub, spokesman for the Prime Minister's Office, said on Wednesday Prime Minister Paetongtarn Shinawatra received a report from the Board of Investment (BOI) indicating interest from both domestic and international investors this year. He added that various ministries have been instructed to expedite policies and guidelines to help investors, with the aim of boosting investment volume. Mr Jirayu said the BOI's report shows a continuous increase in applications for investment promotion over the first nine months of the year. A total of 2,195 projects applied for promotion, representing a 46% increase compared to the same period last year. The total investment value amounted to 722 billion baht, a 42% increase from last year's 500 billion baht. This year's applications mark the highest investment level in a decade.

Corporate news

- [Banks slash lending rates after Bank of Thailand cut](#) BANGKOK POST: Large local banks have announced reductions across the board for their prime lending interest rates following the Bank of Thailand's policy rate cut, aiming to ease the financial burden for borrowers. Bank of Ayudhya (Krungsri) said on Tuesday it will lower its minimum retail rate (MRR) and minimum lending rate (MLR) by 0.125 percentage points, bringing the MRR down from 7.4% to 7.275% and the MLR from 7.28% to 7.155%. The bank will also reduce its minimum overdraft rate (MOR) by 0.25 percentage points, from 7.575% to 7.325%, effective from Nov 1. Kenichi Yamato, president and chief executive at Krungsri, said the bank supports the government's efforts to ease the financial burden by lowering lending rates, aimed at increasing liquidity and reducing interest costs for all customer groups.
- [Urgent need for quick talks with Cambodia](#) BANGKOK POST: The government should set up a Thai-Cambodian joint technical committee to speed up talks on joint petroleum production in the overlapping claims area (OCA) between the two countries as gas production from existing blocks in the Gulf of Thailand is declining, says the Petroleum Institute of Thailand (PTIT). The decrease in domestic gas supply means Thailand needs to import more costly liquefied natural gas (LNG) to serve the country's power generation. As the negotiations and subsequent gas exploration and production are a lengthy process, the government should start the process now, said Kurujit Nakornthap, director of the PTIT. "It will likely take at least eight years to use natural gas from the OCA," said Mr Kurujit, also a former energy permanent secretary.

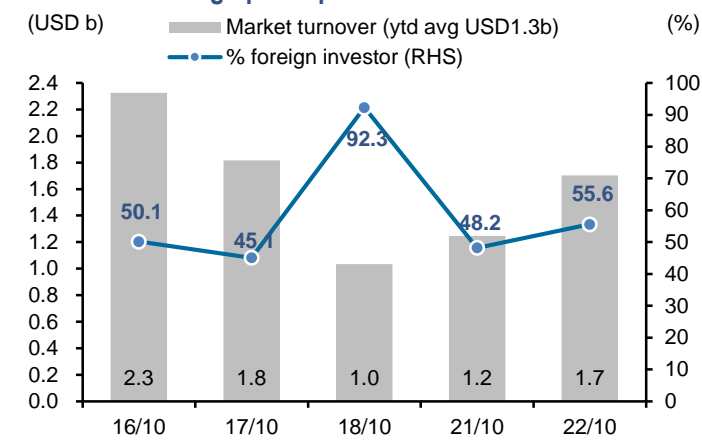
- [Colliers touts Thailand's data centre investment potential](#) BANGKOK POST: Thailand's data centre investment has the potential to grow 15%, giving it the third-largest industry in Southeast Asia, if the government provides more attractive incentives and enhances infrastructure. Phattarachai Taweewong, director of the research department at property consultant Colliers Thailand, said the existing incentives from the Board of Investment (BoI) are insufficient to attract overseas data centre investments. "Attracting investment in the data centre business is an opportunity to drive Thailand's digital economy and add value to various industries," he said. "There should be more appealing incentives to attract large investors from overseas." Mr Phattarachai said these measures should include tax policies, regulations and infrastructure. Corporate income tax exemptions should be extended for longer periods because such tax benefits can help reduce operating costs.
- [Rate cut to have muted effect on potential homebuyers](#) BANGKOK POST: The Housing Finance Association expects the recent policy rate cut by the Bank of Thailand will have a greater effect on mortgage holders than potential home loan applicants, as consumer purchasing power remains weak. According to Alongkot Boonmasuk, secretary-general of the association, the central bank's policy rate cut of 0.25 percentage points to 2.25% will primarily help current mortgage customers by reducing their monthly instalments. A lower interest rate decreases principal payments and shortens the loan maturity period, he said. In addition, Mr Alongkot said the rate cut should help boost confidence among consumers with real demand for housing, encouraging them to proceed with home purchases after many delayed their decisions. However, the rate cut is unlikely to significantly stimulate housing market demand, he said.
- [GC set to produce sustainable aviation fuel](#) BANGKOK POST: PTT Global Chemical (GC) Plc, the petrochemical arm of the national oil and gas conglomerate, vows to enter the sustainable aviation fuel (SAF) market, aiming to produce the biofuel for aircraft next year to support the global campaign to reduce carbon dioxide emissions. Energy conglomerate Bangchak Corporation earlier announced it would produce SAF in 2025. SAF, which can be produced from used cooking oil and agricultural waste, is a suitable replacement for regular jet fuel as their properties are similar. However, SAF has a much smaller carbon footprint than regular jet fuel. GC's new biofuel refinery is scheduled to conduct trial production run of SAF from used cooking oil in December before commencing commercial operations next year, said GC president Toasaporn Boonyapipat. The company plans to produce 500,000 litres of SAF per day, using up to 1,700 tonnes of used cooking oil a month.

Exhibit 24: Foreign fund flow and SET Index



Source: Bloomberg

Exhibit 25: Foreign participation



Source: Bloomberg

Exhibit 26: 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	1,470.32	(1.2)	(1.8)	(1.9)	(2.0)	(0.7)	(1.4)	(1.4)	(1.4)	(1.0)	(0.4)
-5D	1,465.03	0.4	(0.6)	(2.2)	1.0	1.7	0.1	0.3	(2.1)	(0.7)	1.2
-1M	1,447.90	1.5	0.8	(2.8)	6.5	1.1	0.6	(1.4)	(6.7)	(1.1)	(3.2)
-3M	1,301.54	13.0	9.7	11.9	24.6	12.1	3.6	9.1	(1.6)	7.5	12.2
-6M	1,357.46	8.3	(0.4)	8.4	37.0	6.1	6.7	(3.0)	(11.4)	(3.0)	(16.4)
-1Y	1,399.35	5.1	(2.4)	2.0	33.1	4.8	8.7	(2.9)	(18.7)	(4.1)	(9.4)
WTD	1,489.82	(1.3)	(1.6)	(1.3)	(2.0)	(1.2)	(1.0)	(2.1)	(2.0)	(1.1)	(1.0)
MTD	1,448.83	1.5	0.4	(0.5)	5.7	1.9	0.5	(1.2)	(9.0)	(2.2)	(7.1)
QTD	1,448.83	1.5	0.4	(0.5)	5.7	1.9	0.5	(1.2)	(9.0)	(2.2)	(7.1)
End of last year	1,415.85	3.8	(4.5)	2.7	36.3	4.2	1.4	(6.6)	(22.4)	1.9	(20.1)

Source: Bloomberg

Exhibit 27: 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	1,470.32	3.8	35.50	45,763	1,289	(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	1,470.32	3.8	33.24	57,437	1,728	(999)	(332)	(34)	985	(856)
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	1,470.32	6.4	33.24	57,437	1,728	(533)	(332)	(34)	985	(856)
2024YTD	1,470.32	3.8	35.50	45,763	1,289	(6,202)	2,144	17	1,037	(457)
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)
21/10/2024	1,488.74		33.42	41,634	1,246	(21)	19	(9)	11	(48)
22/10/2024	1,470.32		33.50	57,008	1,702	(49)	97	(27)	(21)	5

Source: Bloomberg

Exhibit 28: Upcoming events

Date Time	Event		Survey	Actual	Prior
10/23/2024 23:30	Car Sales	Sep	--	--	45190
10/25/2024 03:30	Gross International Reserves	Oct-18	--	--	\$240.0b
10/25/2024 03:30	Forward Contracts	Oct-18	--	--	\$26.0b
10/27/2024 10/28	Customs Exports YoY	Sep	3.50%	--	7.00%
10/27/2024 10/28	Customs Imports YoY	Sep	6.00%	--	8.90%
10/27/2024 10/28	Customs Trade Balance	Sep	\$1635m	--	\$265m
10/30/2024 00:00	Mfg Production Index ISIC NSA YoY	Sep	--	--	-1.91%
10/30/2024 00:00	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 29: Upcoming XR

Symbol	X-Date	Announce Date	Rights for	Subscription Price	Unit	Subscription Ratio (Holding:New)	Subscription Period	Allotted Shares (Shares)
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
WHAIR	4/11/2024	21/10/2024	Common	-	Baht	-	-	-
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 30: Upcoming XM

Symbol	X-Date	Meeting Date	Agenda	Meeting Place / Channel for Inquiry
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	Meeting 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 31: Management trading as of 22 Oct 2024

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
Bangkok Expressway (BEM)	Plew Trivisvavet	Common Shares	10/21/2024	300,000	8.20	Sell	2.46
Medeze Group (MEDEZE)	Danita Phithaknetikun	Common Shares	10/21/2024	5,000	11.40	Buy	0.06
Royal Plus (PLUS)	Nilsuwan Leelarasamee	Common Shares	10/10/2024	36,000	5.55	Buy	0.20

Source: SEC

Exhibit 32: Management trading as of 23 Oct 2024

Company	Management	Securities	Transaction	Shares	Price (THB)	Action	Value (THBm)
Medeze Group (MEDEZE)	Danita Phithaknetikun	Common Shares	10/22/2024	10,000	11.00	Buy	0.11

Source: SEC

Exhibit 33: 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	5.45	2.6%	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	7.10	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	12.70	3.1%	0.5
LHSC	11/11/2024	0.17	Baht	01/07/2024 - 31/08/2024	NP	22/11/2024	11.10	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

Exhibit 34: New securities

Derivative Warrants	Trade Date	Underlying	Issuer	DW Type	Market	Maturity Date	Exercise Price (Baht)
ADVANC19P2503A	24/10/2024	ADVANC	YUANTA	Put	SET	13/3/2025	197
BBL19C2503A	24/10/2024	BBL	YUANTA	Call	SET	13/3/2025	191
BDMS19C2503A	24/10/2024	BDMS	YUANTA	Call	SET	13/3/2025	34.5
ERW13C2503A	24/10/2024	ERW	KGI	Call	SET	11/3/2025	5.5
HSI06C2501D	24/10/2024	HSI	KKPS	Call	SET	31/1/2025	22,000.00
HSI06C2502A	24/10/2024	HSI	KKPS	Call	SET	5/3/2025	24,000.00
HSI06P2502A	24/10/2024	HSI	KKPS	Put	SET	5/3/2025	18,000.00
ITC19C2503A	24/10/2024	ITC	YUANTA	Call	SET	13/3/2025	31.25
KBANK13C2503A	24/10/2024	KBANK	KGI	Call	SET	11/3/2025	191
KCE13C2503A	24/10/2024	KCE	KGI	Call	SET	11/3/2025	48
OSP13C2503A	24/10/2024	OSP	KGI	Call	SET	11/3/2025	27
SET5006C2412G	24/10/2024	SET50	KKPS	Call	SET	4/1/2025	1,050.00
SET5006C2503B	24/10/2024	SET50	KKPS	Call	SET	3/4/2025	1,075.00
SET5006P2412H	24/10/2024	SET50	KKPS	Put	SET	4/1/2025	900
TOP13C2503A	24/10/2024	TOP	KGI	Call	SET	11/3/2025	61
TOP19C2503A	24/10/2024	TOP	YUANTA	Call	SET	13/3/2025	58.5

Source: SET