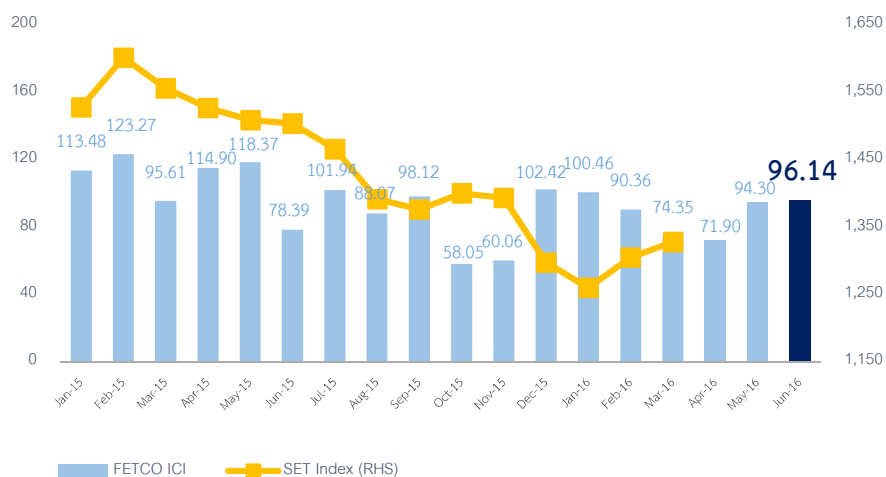


FETCO ICI¹ Compared to SET Index



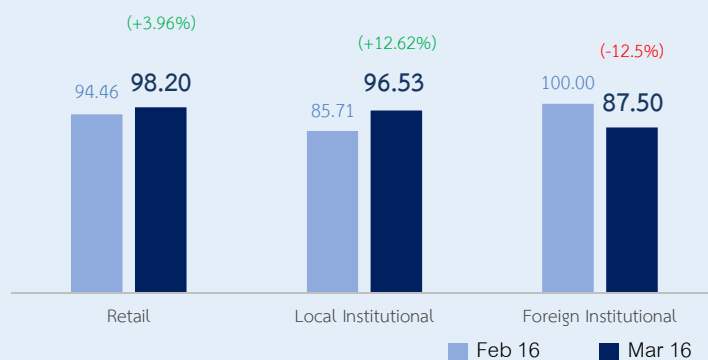
¹Index values are adjusted for investor type from a weighted index of 4 groups to 3 groups: retail investors, domestic institutional investors, and foreign institutional investors.

FETCO Investor Confidence Index (ICI) for the next three months rose slightly with the index remaining in neutral territory. An influx of foreign capital boosted confidence, making the stock market more robust. However, the domestic economy's failing to recover fully had a negative impact on investor confidence.

Construction Services (CONS) was the most attractive investment sector, while the Steel sector (STEEL) remained least desirable in the eyes of investors.

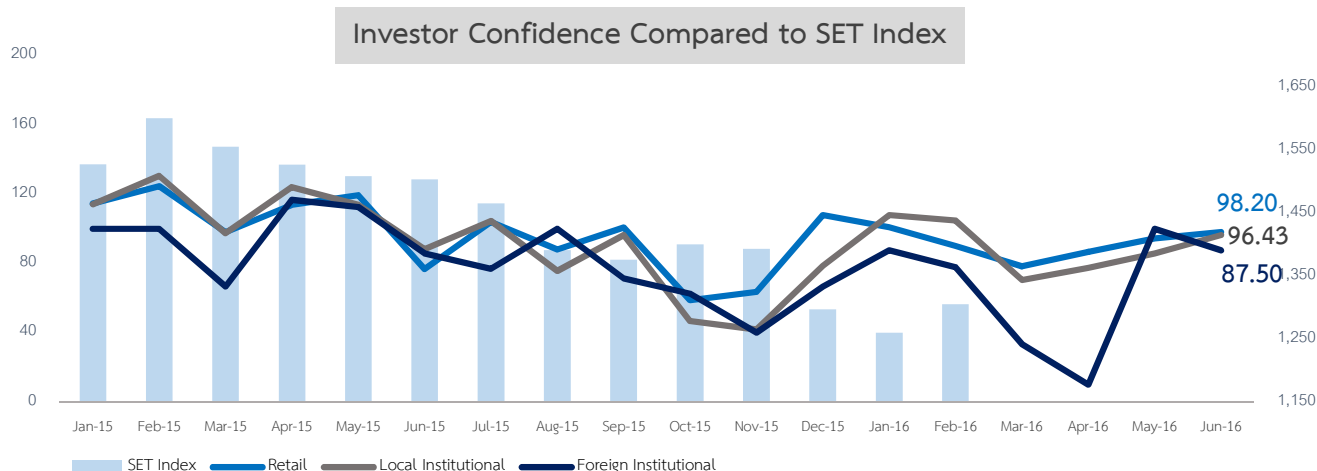
The ICI for March increased slightly to 96.14 (within the range from 0 to 200), rising by 1.95% compared to the previous month's value of 94.30. Thus, the index remained in neutral territory. With regard to each group of investors, the confidence index for retail investors rose to 98.20 (neutral), followed by local institutional investors whose confidence level was up to 96.53 (neutral); in contrast, the confidence index for foreign institutional investors dropped to 87.50 (neutral).

Trends in Investor Confidence by Type of Investor



Research Contributors





FETCO INVESTOR CONFIDENCE INDICES

Retail ICI

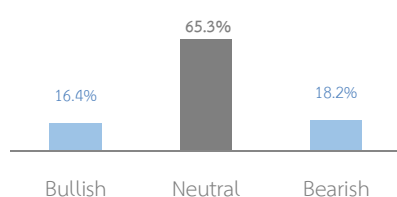
Local Institutional ICI

Foreign Institutional ICI

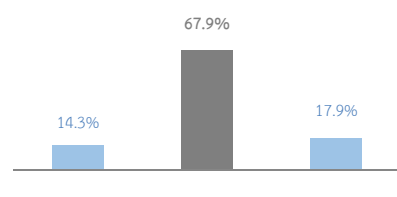


FETCO ICI Criterion

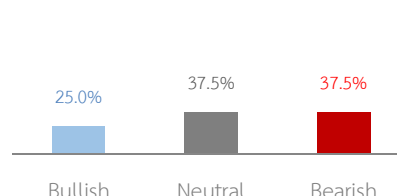
(161-200)	Extremely Bullish	↗↗
(121-160)	Bullish	↗
(81-120)	Neutral	↔
(41-80)	Bearish	↘
(0-40)	Extremely Bearish	↘↘



Retail ICI



Local Institutional ICI



Foreign Institutional ICI

► The survey at the end of March found that all investor groups expect stock market movement to remain in the neutral range during the coming 3 months, with the confidence of both local institutional investors and retail investors increasing somewhat, while the sentiment of foreign institutional investors declined slightly.

► Improvement in investor confidence became evident by the end of March. Market capitalization rose to THB 13.4 trillion² (SET and mai), up 6.35% compared to a year ago, with trading value on the stock market averaging THB 5.11 billion per day. In addition, the trading behavior of foreign investors gradually returned to that of continuous net buying, averaging THB 1.38 billion per day, an increase of 32.13% from last month. The proportion of trading by foreign investors was 27.07% while retail investors accounted for 51% of trading, down 13.56% from last year; the local institutional investor trading proportion did not change significantly.

► In summary, confidence among retail and local institutional investors continues to trend in the same direction, while the confidence of foreign institutional investors is fairly sensitive to factors outside of Thailand.

² As of March 31, 2016

Note: The domestic institutional group includes asset management companies, securities companies, government pension fund, insurance companies, life insurance companies, and the social security office.

Most Influential Factors Driving the Stock

■ Retail Investors

View capital inflow as having the most positive impact on investor confidence, followed by domestic economic growth and government policies.

■ Local Institutional Investors

Generally believe capital inflow to be the most influential positive factor, followed by the U.S. Federal Reserve (FED) financial policies and Thailand's economic recovery, respectively.

■ Foreign Institutional Investors

Believe that the financial performance of listed companies is the most important factor having a positive impact on the stock market, followed by government policies and the strengthening of the U.S. dollar which influences exchange rates worldwide.

Most Important Factors Impeding the Market

■ Retail Investors

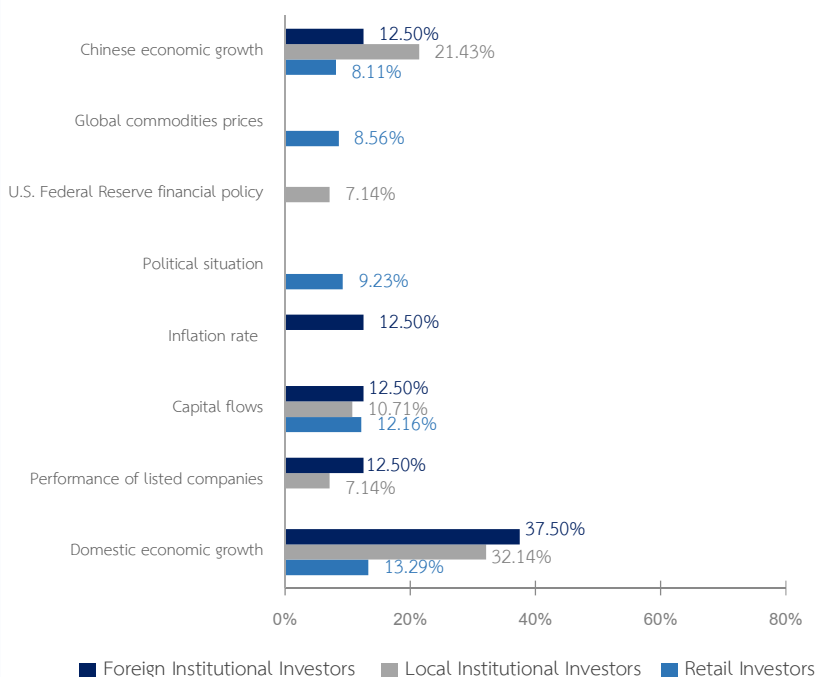
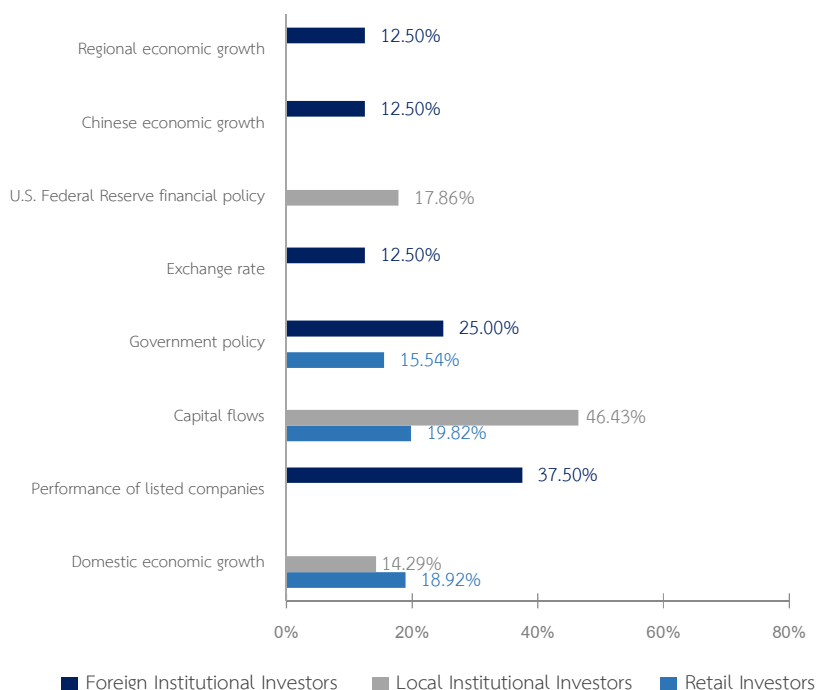
Some consider the uncertain domestic economic recovery and capital inflow/outflow to be the most important factors dragging down the Thai stock market.

■ Local Institutional Investors

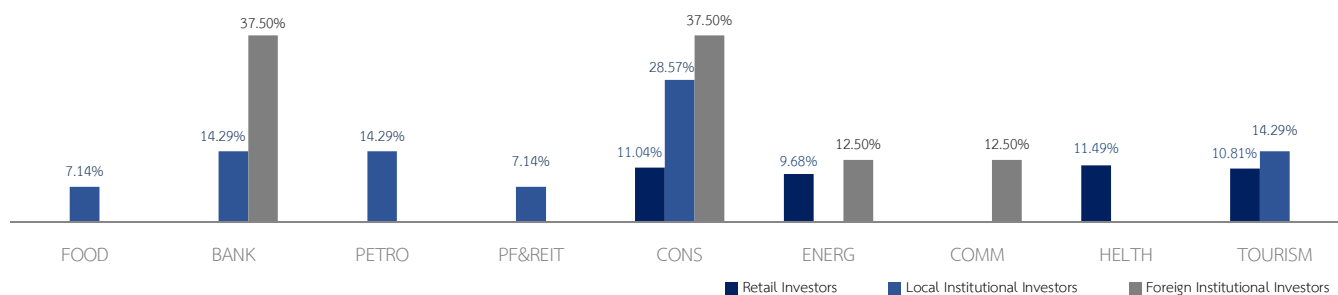
Most agree that the domestic economy is the factor most responsible for putting a damper on investor confidence, followed by the Chinese economic slowdown which is affecting investor confidence worldwide, and also capital inflow/outflow.

■ Foreign Institutional Investors

Consider domestic economic growth as having the most negative impact on investor confidence, followed by the Chinese economic slowdown, capital inflow/outflow, a low headline inflation rate, and financial performance of listed companies.



Industrial Sectors Most Attractive to Investors



■ Retail Investors

See Health Care Services as the most attractive sector, followed by Construction Services, and Tourism & Leisure.

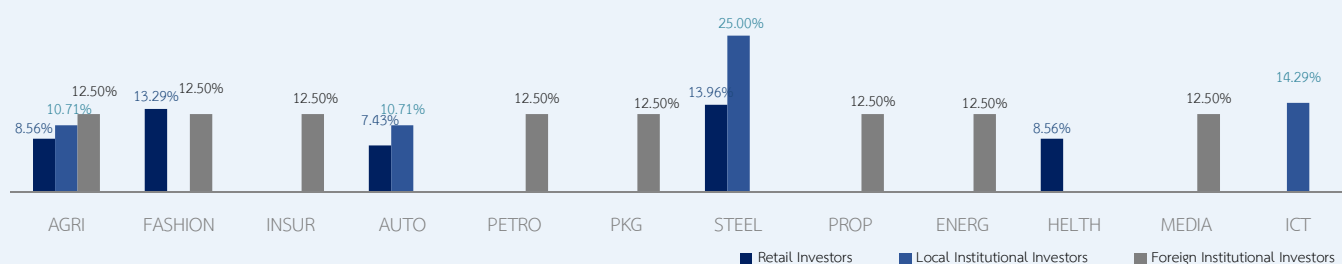
■ Local Institutional Investors

Consider Construction Services the most interesting sector, followed by Banking, and Tourism & Leisure.

■ Foreign Institutional Investors

Believe Construction Services and Banking is the most appealing sector

Industrial Sectors Least Attractive to Investors



■ Retail Investors

Consider Steel sectors and Fashion as least attractive.

■ Local Institutional Investors

See Steel sectors as the most unattractive sector, followed by Information & Communication Technology.

■ Foreign Institutional Investors

There is a wide variety of views that consider these sectors - Agribusiness, Fashion Insurance, Petrochemicals & Chemicals, Packaging, Property Development, Energy & Utilities, and Media & Publishing as not providing attractive investment opportunities.

Federation of Thai Capital Market Organizations (FETCO)



FETCO@set.or.th



02 009 9370-3



Disclaimer

The FETCO Investor Confidence Survey is prepared by the Federation of Thai Capital Market Organizations (FETCO) whose objective is to develop and promote statistics related to the Thai capital market as a tool to analyze the directional trends of the stock market for the next three months in order to allow investors and other interested parties to be able to use such information as a guide reflecting overall economic conditions. Thus, this index is prepared as a forecast of capital market movement by a diverse group of investors with varying opinions. The parties preparing the index do not guarantee the correctness of the information provided and are not responsible for any losses incurred from use of the information. The parties preparing this information retain lawful rights to its content, and if the information provided in this document or any component thereof is referred to or published in any manner whatsoever, whether it be text, images, content, or presentations, or if any party copies, forges, reproduces, modifies, publishes, or takes any other action for commercial exploitation or unlawful use of the information without prior permission, whether in part or in whole, the parties preparing this information reserve the right to take any action as allowed by law.

Research Contributors

