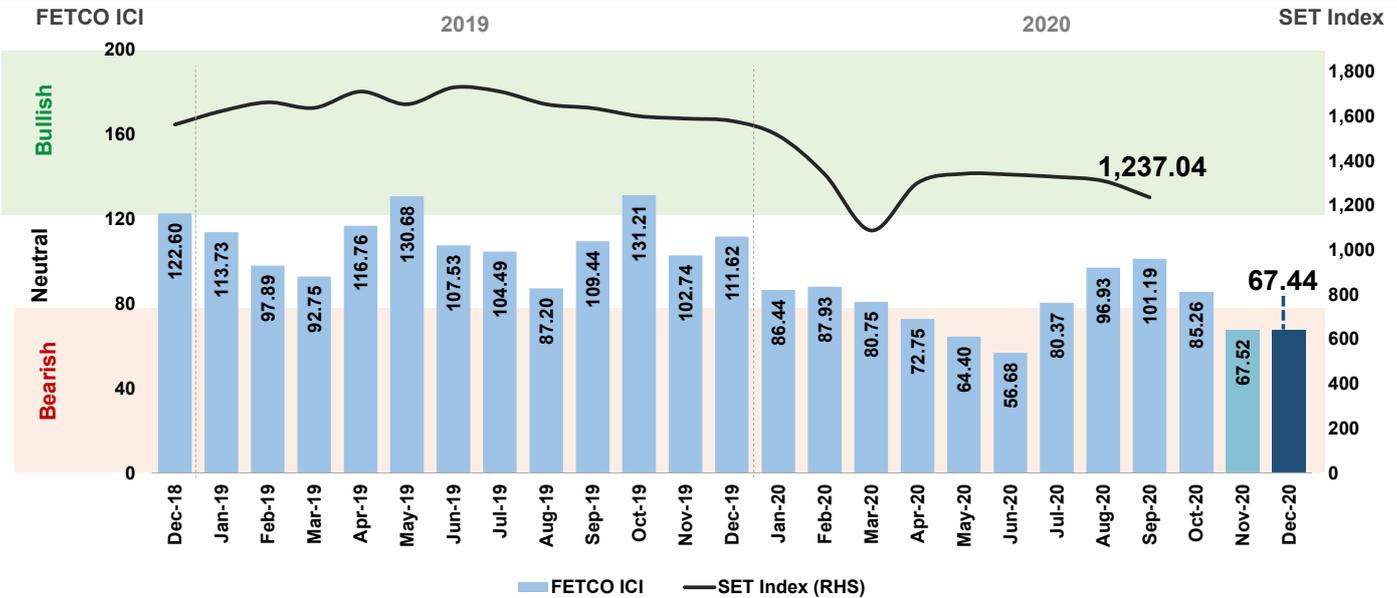


## FETCO ICI Compared to SET Index



FETCO Investor Confidence Index (FETCO ICI) for the next three months is at 67.44, remaining in the bearish zone for the second consecutive month. Investors are most hopeful about the domestic economy, followed by government policies, a recovery of the tourism sector, and the production of a COVID-19 vaccine. The biggest negative factor dragging down investor confidence is fear of a domestic economic slowdown, followed by concerns about domestic politics, international conflicts, and the second wave of COVID-19 occurring in a number of countries.

Investors found that the Food & Beverage (FOOD) was the most attractive sector followed by Tourism & Leisure (TOURISM) sector and Finance & Securities (FIN) sector while Banking (BANK) is the least attractive sector, followed by Property Development (PROP) and Tourism & Leisure (TOURISM) sectors. The September survey showed Retail investor and proprietary trader ICI's were neutral, while local institutional investors and foreign investors were bearish.

#### FETCO INVESTOR CONFIDENCE INDICES

RETAIL ICI	80.30	↔
PROPRIETARY ICI	100.00	↔
LOCAL INSTITUTES ICI	68.42	↓
FOREIGN ICI	42.86	↓

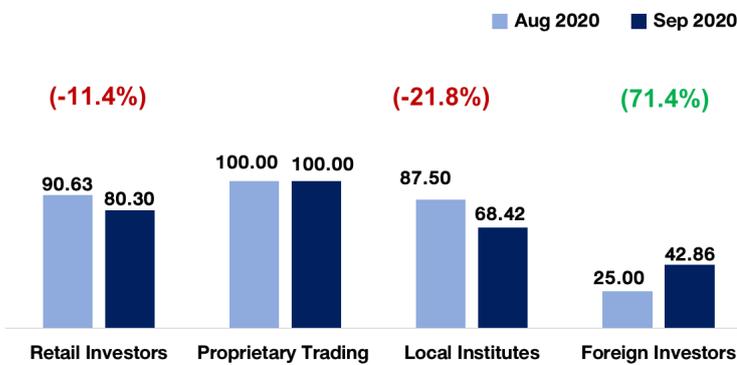
#### FETCO ICI Criterion

(160 - 200)	Very Bullish	↑↑
(120 - 159)	Bullish	↑
(80 - 119)	Neutral	↔
(40 - 79)	Bearish	↓
(0 - 39)	Very Bearish	↓↓

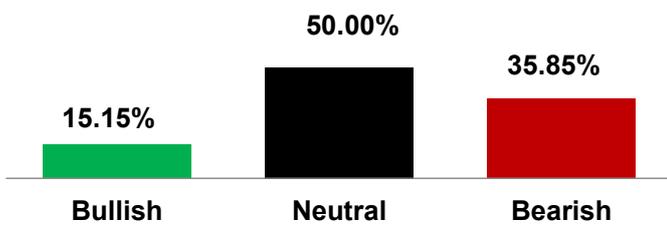
**Note:** Investor Confidence Index surveys four groups of investors—retail investors, local institutional investors, proprietary trading group, and foreign investors—using a diffusion index with a range from 0 to 200. The index readings are divided into five levels: very bullish; bullish; neutral; bearish; and very bearish.

Research Contributors

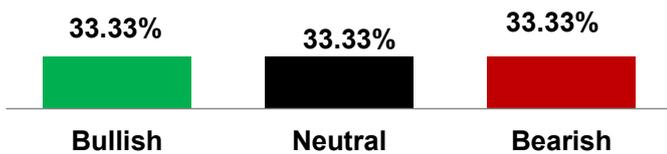
**Trends in Investor Confidence by Type of Investor**



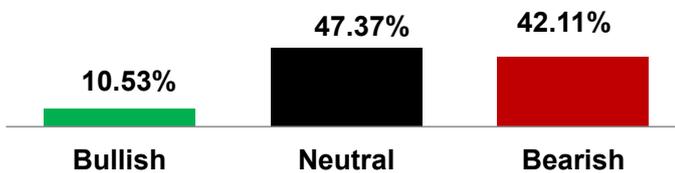
**Retail ICI**



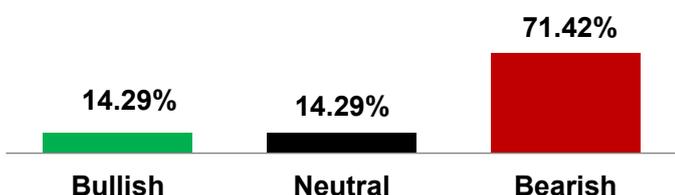
**Proprietary**



**Local Institutes ICI**



**Foreign ICI**



The September 2020 ICI survey results saw retail investor ICI drop slightly to 80.30 within the neutral criterion; proprietary traders remained neutral at 100.00; local institutional investors fell into the bearish zone at 68.42; while foreign investors rose to 42.86 but remained bearish.

The SET Index closed at 1,237.04 at end-Sep, a 5.62% decrease from the previous month. A number of negative factors are affecting investor confidence including: the news of the suspension of the COVID-19 vaccine development program; the plummeting share prices of technology companies in many countries; news of Thai financial institutions involved in suspicious money transfers; the continuing domestic political unrest; and the U.S. Federal Reserve Bank signaling it will maintain the policy interest rate at 0–0.25% until 2023. However, investor hopes are buoyed by the economic support provided by government spending as well as continuing government measures to stimulate the domestic economy and boost tourism.

Investors see domestic economic growth as the major contributor to boosting confidence followed by government policy, the recovery of the tourism sector, and expectations for the production of a COVID-19 vaccine. The biggest drag on investor confidence is the fear of a domestic economic slowdown followed by concerns about the domestic political situation, international conflicts, and the second wave of COVID-19 outbreaks in many countries.

Global issues that warrant monitoring include the recurrence of a severe COVID-19 outbreak resulting in lockdown measures in many countries; growing US–China tensions; Brexit negotiations between the UK and the EU; and the approaching US presidential election. Domestic factors that should be watched include: the consequences of approving travelers to enter the kingdom including provisions for a Special Tourist Visa (STV); the likelihood of increasing unemployment; the domestic political situation which is heating up; and the SET and TFEX resuming the normal rules on "short selling and ceiling & floor"

Note: The domestic institutional group includes asset management companies, government pension fund, insurance companies and life insurance.

#### Most Influential Factor Driving the Stock Market

##### Retail Investors

- Most view the domestic economic growth as the most important factor boosting investor confidence, followed by government policy, tourism recovery and capital inflow/outflow.

##### Proprietary Traders

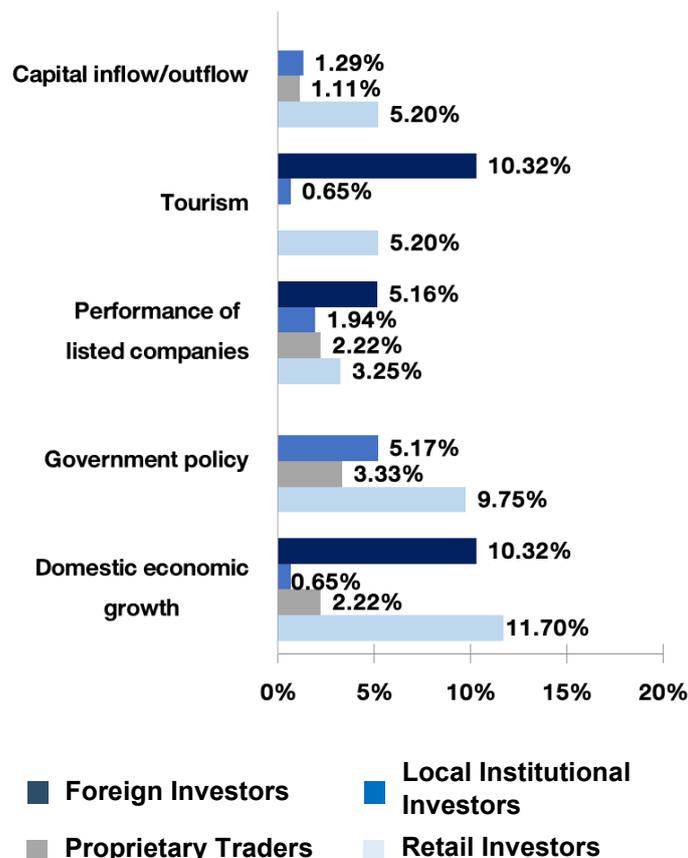
- See the government policy as supporting investor confidence the most, followed by domestic economic growth and listed companies' performance.

##### Local Institutional Investors

- Consider the government policy as having a positive impact on investor confidence, followed by performance of listed companies and capital inflow/outflow.

##### Foreign Investors

- Believe that the domestic economic growth and tourism recovery are factors bolstering investor confidence.



#### Most Important Factors Impeding the Stock Market

##### Retail Investors

- Consider the domestic economic slowdown as the biggest factor dragging down investor confidence, followed by political situation and performance of listed companies.

##### Proprietary Traders

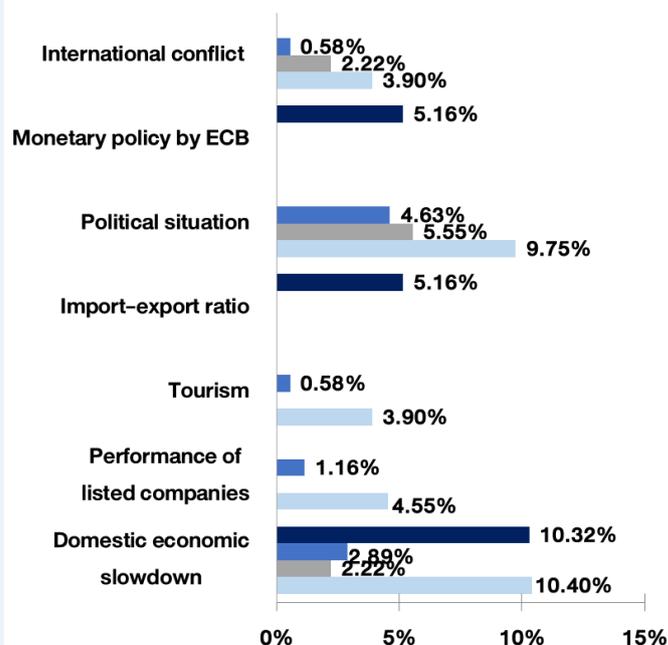
- See the political situation as the primary factors weighing down investor confidence, followed by domestic economic slowdown and international conflict.

##### Local Institutional Investors

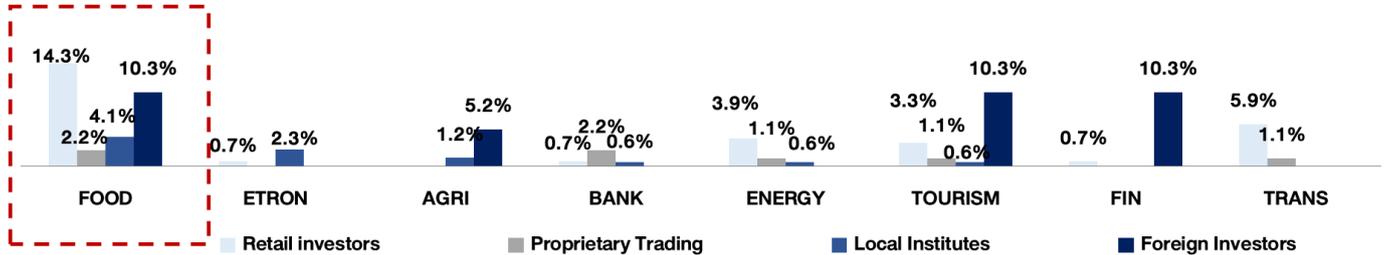
- Believe that the political situation has the greatest negative impact on investor sentiment, followed by domestic economic slowdown and listed companies' performance.

##### Foreign Investors

- View domestic economic as dragging down investor confidence, followed by import-export ratio and monetary policy by ECB



**Most Attractive Sectors to Investors**



<b>Retail Investors</b>	See the Food & Beverage sector as offering the most interesting investment opportunities, followed by Transportation & Logistic sector and Energy sector.
<b>Proprietary Trading</b>	Believe the Food & Beverage sector and Banking sector are most attractive for investors.
<b>Local Institutes</b>	Consider Food & Beverage sector as having the most attractive investments, followed by Energy sector and Agribusiness sector.
<b>Foreign Investors</b>	View the Food & Beverage, Tourism and Finance & Securities sectors are as most attractive investments.

**Least Attractive Sectors to Investors**



<b>Retail Investors</b>	Consider the Banking sector as most unattractive for investing, followed by Tourism sector and Property Development sector.
<b>Proprietary Trading</b>	Find the Tourism sector as the least interesting for investing, followed by Banking sector.
<b>Local Institutes</b>	Believe that the Banking sector provide unattractive investment options, followed by the Steel sector and Property Development sector.
<b>Foreign Investors</b>	See the Banking sector as offering few investment opportunities of interest, followed by Petrochemicals & Chemicals sector and Property Development sector.

**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.

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