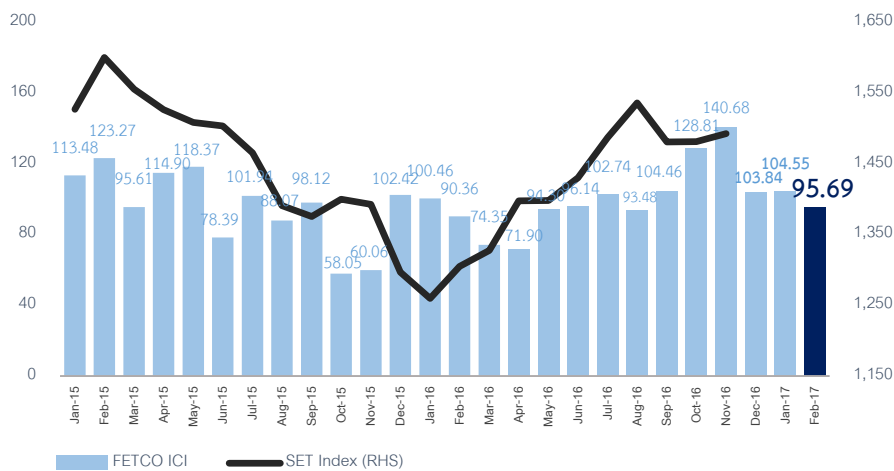


#### FETCO ICI<sup>1</sup> Compared to SET Index



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

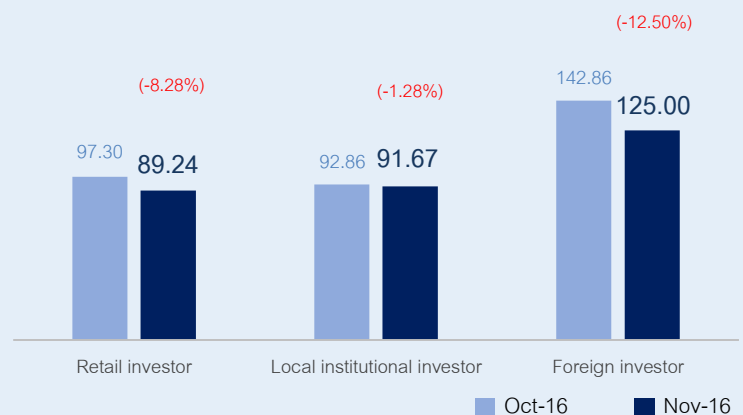
► FETCO Investor Confidence Index (ICI) for the next three months fell 8.47%, but remained in neutral territory. Investors saw the policies of the new US presidential administration as spurring even more capital outflow from emerging markets, while the government's economic stimulus policies continued to boost the ICI.

Commerce (COMM) was viewed as the sector offering the most attractive investments, while Media & Publishing (MEDIA) received the least investor interest for the third consecutive month.

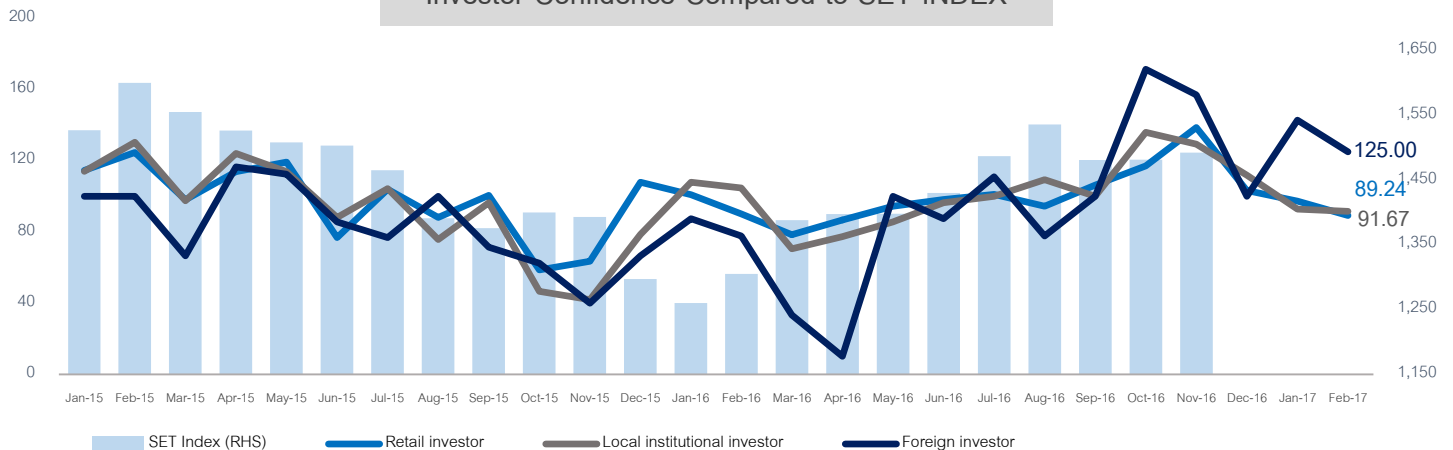
#### FETCO Investor Confidence Index (ICI) for

November stood at 95.69 (within the range from 0 to 200), a decrease of 8.47% from last month's 104.55, with the index remaining in neutral territory. With regard to each investor group, the ICI for foreign investors remained bullish at 125.00, followed by local institutional investors at 91.67 (neutral) and retail investors at 89.24 (neutral).

#### Trends in Investor Confidence by Type of Investor



Investor Confidence Compared to SET INDEX



FETCO INVESTOR CONFIDENCE INDICES

RETAIL ICI



89.24

LOCAL INSTITUTES ICI



91.67

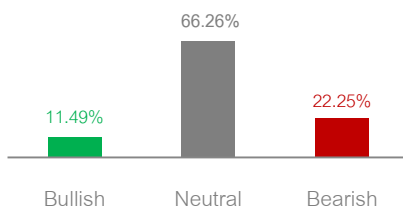
FOREIGN ICI



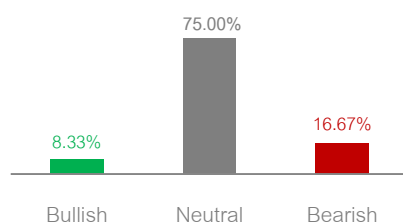
125.00

FETCO ICI Criterion

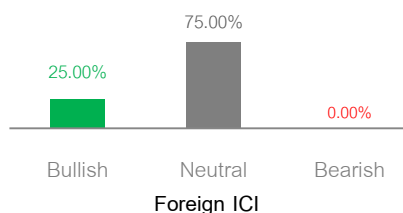
(161-200)	Extremely Bullish	↑↑
(121-160)	Bullish	↑
(81-120)	Neutral	↔
(41-80)	Bearish	↓
(0-40)	Extremely Bearish	↓↓



Retail ICI



Local Institutes ICI



Foreign ICI

The survey at the end of November found that most investors expect the stock market to drop slightly through February 2017 with investor confidence remaining neutral for the third month in a row. Even though the foreign investor ICI declined 12.5%, it remained bullish compared with the other two groups.

During November, the Trump phenomenon and signals of reduced monetary policy stimulus from the FOMC resulted in capital outflows of USD11 billion from both stock markets and bond markets in emerging Asian markets.<sup>2</sup> India was most impacted with outflows of USD2.9 billion<sup>3</sup> followed by Thailand's bond market with over USD2.3 billion and the Thai stock market with USD534 million outflow.<sup>2</sup> Foreign investors had total net sales of over THB36.9 billion in November. However, the value of foreign investor accumulated net trading since the beginning of the year (YTD) remains positive at more than THB77.4.<sup>4</sup>

In summary, emerging markets continue to be impacted by capital outflows and exports, and it will be necessary to wait and see the policies implemented by the new US president—which will inevitably give rise to significant changes worldwide—whether these be domestic policies such as business tax cuts, infrastructure policy, foreign policies such as protectionist trade policy or setting tariffs on imported goods, as well as the economic recovery in the Eurozone in 2017.

<sup>2</sup> Bloomberg (As of 9 – 18 Nov16)

<sup>3</sup> Bloomberg (As of 9 – 17 Nov16)

<sup>4</sup> Net trading value (As of 1 Jan – 30 Nov16)

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

Research Contributors



## Most Influential Factor Driving the Stock

## ■ Retail Investors

Regard domestic economic growth as the factor boosting investor confidence the most, followed by capital inflow/outflow and government policy.

## ■ Local Institutional Investors

As they did last month, still see government policy as having the most positive influence on investor confidence, followed by domestic economic growth and capital inflow/outflow.

## ■ Foreign Investors

More than half consider government economic stimulus policy as having the most positive impact on investor confidence in the Thai stock market.

## Most Important Factors Impeding the Market

## ■ Retail Investors

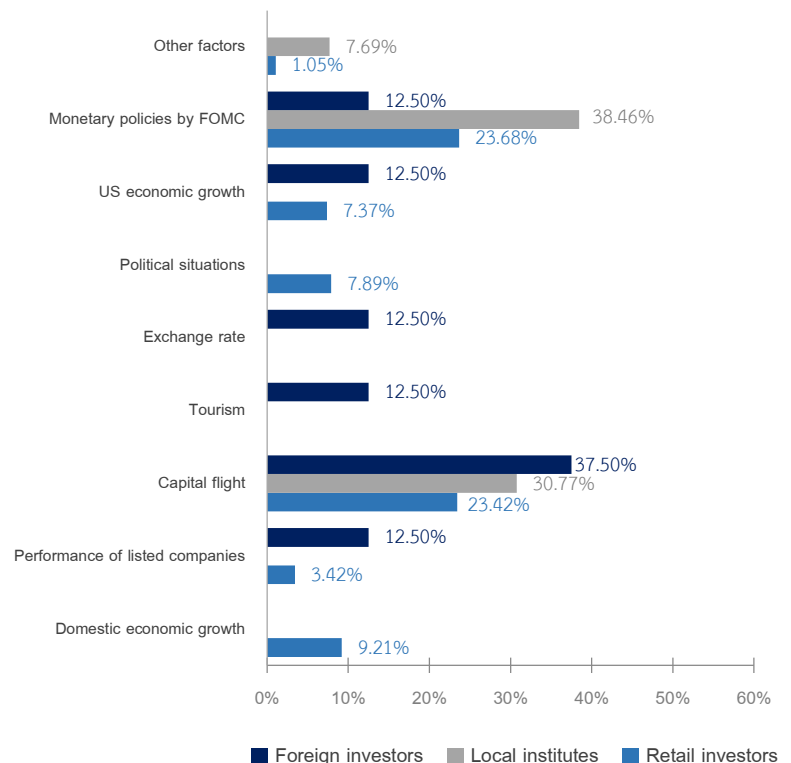
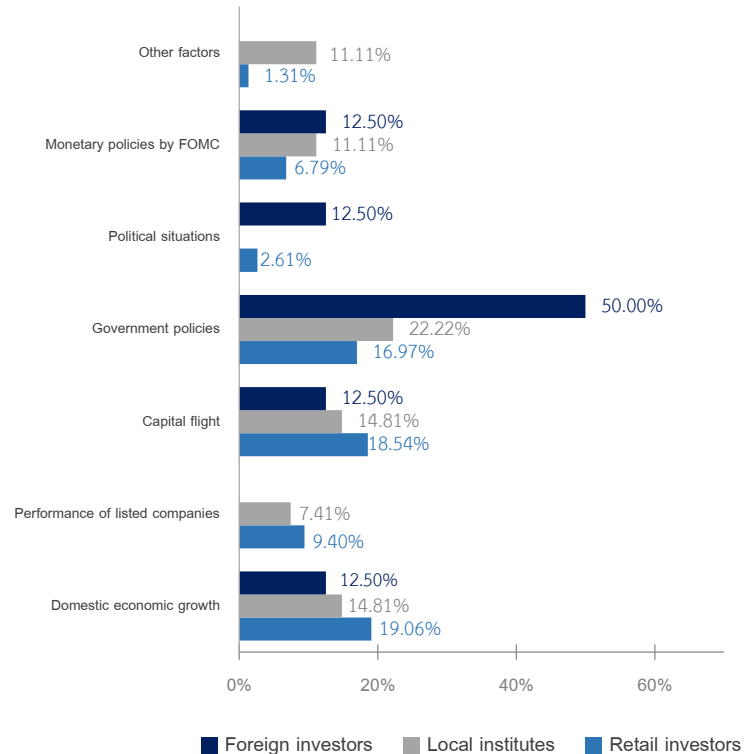
Believe that the US Federal Reserve (FED) monetary policy is the factor creating volatility in the flow of capital around the world.

## ■ Local Institutional Investors

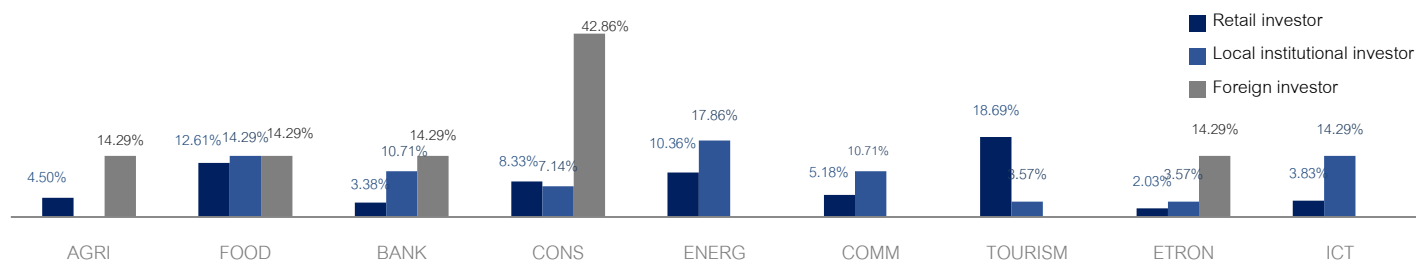
Feel the FED monetary policy continues to bear watching since it is the main drag on investor confidence and will result in capital outflow from the stock market.

## ■ Foreign Investors

Feel that capital outflow affects the confidence of investors the most, partly as a result of the monetary policy of the FED, which continues to evaluate the recovery of the US economy; this also has a significant impact on regional currencies.



### Industrial Sectors Most Attractive to Investors



#### Retail Investors

Consider the Tourism & Leisure sector as providing the most interesting investments, followed by Food & Beverage and Energy & Utilities.

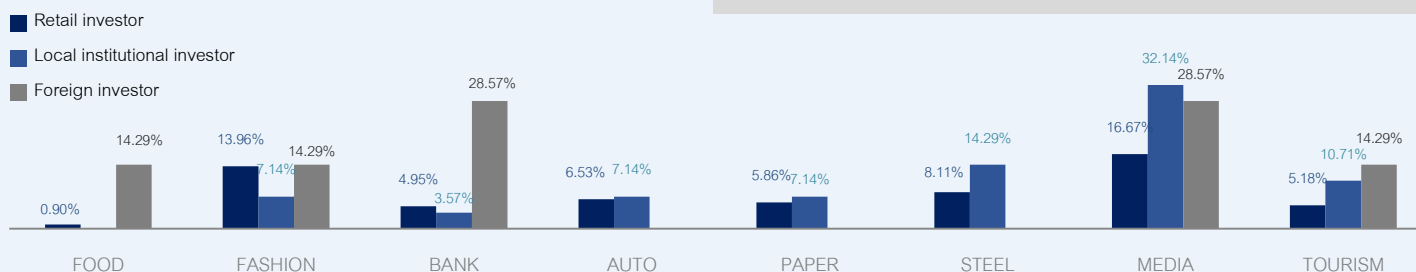
#### Local Institutional Investors

Continue to see Energy & Utilities as the most attractive sector for investment, followed by Food & Beverage and Information & Communication Technology.

#### Foreign Investors

Most share the same view that the Construction Services sector offers the most attractive investment opportunities,

### Industrial Sectors Least Attractive to Investors



#### Retail Investors

See Media & Publishing as the least attractive sector for investing, followed by Fashion and Steel sectors respectively.

#### Local Institutional Investors

Believe that the Steel and Energy & Utilities sectors provide the fewest investment opportunities, followed by Media & Publishing

#### Foreign Investors

Consider Banking and Media & Publishing as sectors drawing the least investment interest, followed by Food & Beverage, Fashion, and Tourism & Leisure.

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#### 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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