

FETCO ICI Compared to SET Index



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.

Trends in Investor Confidence by Type of Investor



FETCO Investor Confidence Index (ICI) for the next three months **dropped 22.56%** while staying in neutral territory for the third consecutive month. International conflicts were the biggest drag on investor confidence, followed by the performance of listed companies. The factor boosting investor confidence the most was U.S. monetary policy, followed by domestic economic conditions and international capital flows.

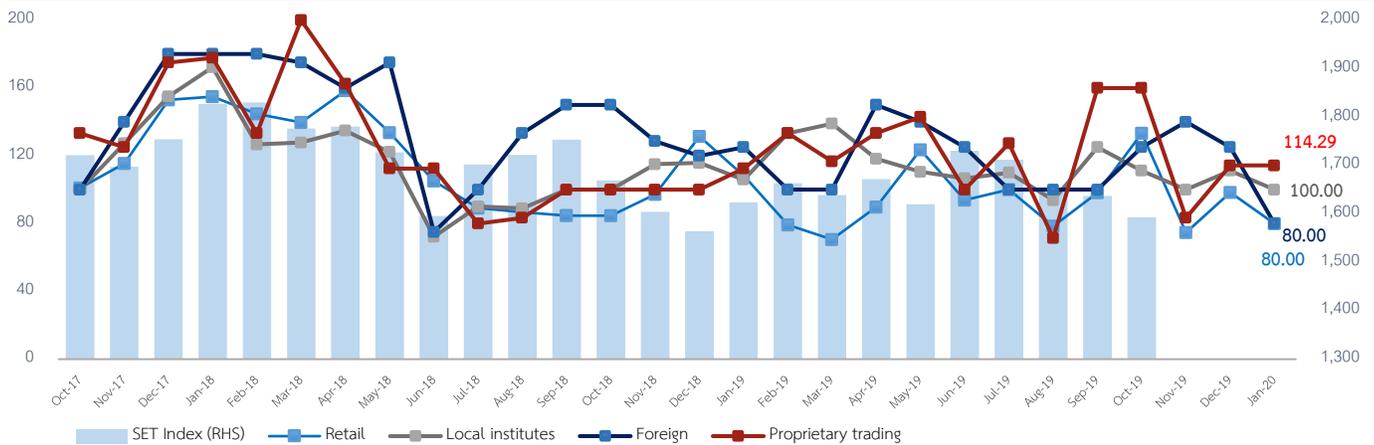
Investors found the Tourism & Leisure (TOURISM) and Energy & Utilities (ENERG) sectors most attractive for investment, while showing little interest in Banking (BANK) and Petrochemicals & Chemicals (PETRO).

FETCO Investor Confidence Index (ICI) for October stood at 86.44, down 22.56%, as the ICI remained neutral for the third month. With regard to the ICIs for each investor group, proprietary trader ICI stayed unchanged in the neutral zone at 114.29. Local institutional investors dropped to 100.00 and remained neutral; retail investors fell to 80.00 and stayed in the neutral zone; while foreign investors dropped to 80.00, falling from the prior month's bullish into the neutral zone.

Research Contributors



Investor Confidence Compared to SET INDEX



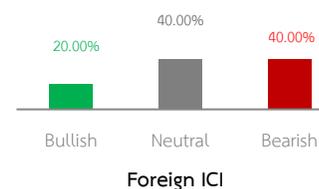
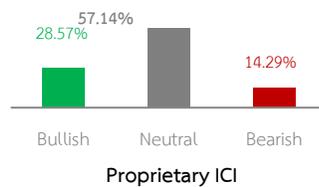
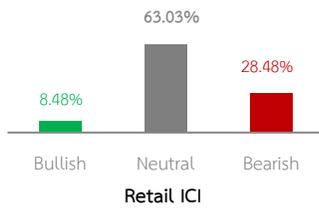
FETCO INVESTOR CONFIDENCE INDICES

RETAIL ICI	80.00	↔
PROPRIETARY ICI	114.29	↔
LOCAL INSTITUTES ICI	100.00	↔
FOREIGN ICI	80.00	↔

FETCO ICI Criterion

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

October survey results show the FETCO Investor Confidence Index (ICI) dropping but staying neutral for the third consecutive month. Foreign investors dropped from the previous month's bullish into the neutral zone. Retail investor and local institutional investor ICIs dropped but remained neutral, while proprietary trader ICI stayed unchanged and in the neutral zone.



During October, the Stock Exchange of Thailand (SET) Index experienced stable movement in a slightly downward direction within the range of 1600–1630 points, though the index dropped at the end of the month to 1590–1600 points due to uncertainty about the world economy, concern about international trade negotiations, the risks facing exports, and worries about listed company performance in the third quarter. Investment trends for the next three months show the factors bolstering investor confidence the most are expectations of another 0.25% interest rate cut by the U.S. Federal Reserve, followed by the domestic economy and international capital flows. Meanwhile, investors are closely monitoring international and geopolitical conflicts, and the progress of trade negotiations between the United States and China, although there has been some easing of the trade situation as the United States has suspended tariff increases on some Chinese imports. Other factors negatively impacting investor confidence include listed company earnings and the slowdown in the domestic economy. International economic factors that investors are keeping an eye on include: the risk of recession in the world economy; the trends in U.S. and European monetary policies; progress in U.S.–China trade negotiations; the future of BREXIT with the expected extension to January of next year; and the direction of Chinese loan interest rate cuts and fiscal policy being implemented to ease economic conditions from the ongoing trade war. Meanwhile, domestic issues being closely watched include the performance of listed companies; measures to stabilize the appreciation of the baht, which is impacting both exports and tourism; as well as the effect of the

cancellation of some GSP privileges for Thai products exported to the US.

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

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Most Influential Factor Driving the Stock

▪ **Retail Investors**

Most view capital inflows/outflows as the primary factor boosting investor confidence, followed by the domestic economy and government policies.

▪ **Proprietary Traders**

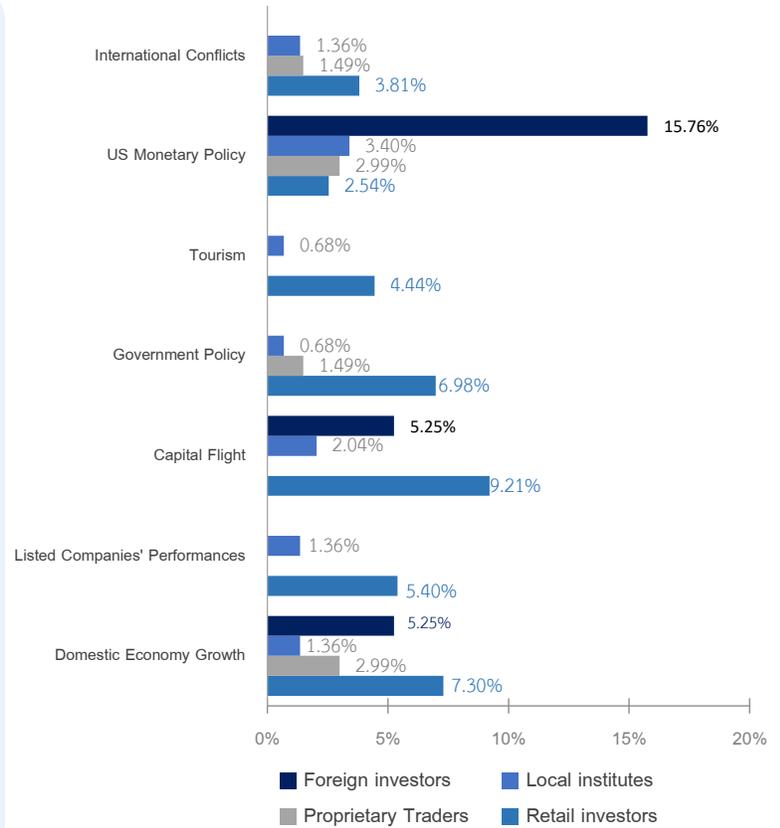
See US monetary policy and domestic economic conditions as boosting investor confidence the most, followed by government policies and Monetary Policy Committee (MPC) meeting policy.

▪ **Local Institutional Investors**

Consider US monetary policy as encouraging investor confidence the most, followed by international capital flows.

▪ **Foreign Investors**

Are confident that U.S. monetary policy is the factor with the greatest positive impact on investor confidence, followed by the domestic economy and capital inflows/outflows.



Most Important Factors Impeding the Market

▪ **Retail Investors**

Worry about international conflicts as the biggest factor dragging down investor confidence, followed by the domestic economy and the political situation.

▪ **Proprietary Traders**

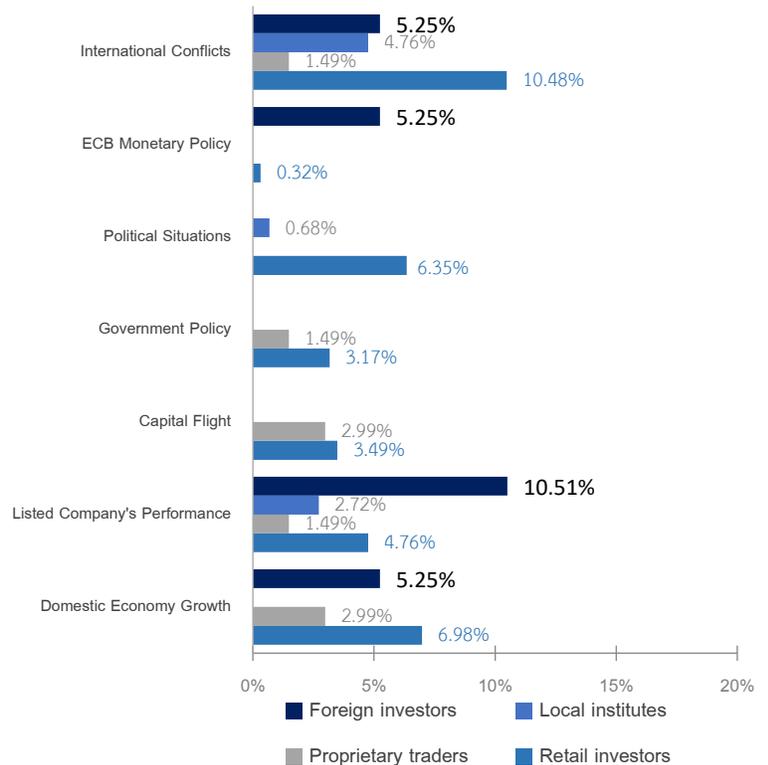
See the domestic economy and capital inflows/outflows weighing down investor confidence, followed by international conflicts and the performance of listed companies.

▪ **Local Institutional Investors**

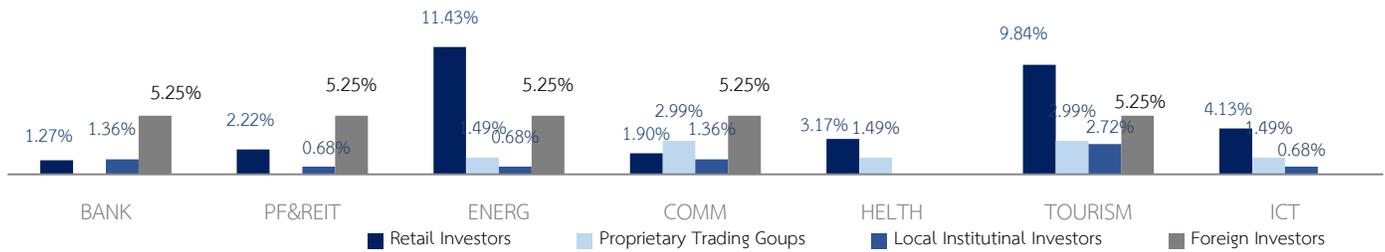
Believe that international conflicts have the greatest negative impact on investor sentiment, followed by listed company earnings and the political situation.

▪ **Foreign Investors**

Consider the performance of listed companies as the biggest drag on investor confidence, followed by international conflicts, European Central Bank policies, and the domestic economy.



Industrial Sectors Most Attractive to Investors



Retail Investors

See the Energy & Utilities sector as offering the most interesting investment opportunities, followed by Tourism & Leisure and Information & Communication Technology.

Proprietary Traders

Believe the Commerce and Tourism & Leisure sectors are most attractive for investors, followed by Energy & Utilities and Health Care Services.

Local Institutional Investors

Consider the Tourism & Leisure sector as having the most attractive investments, followed by Commerce and Banking.

Foreign Investors

View Tourism & Leisure, Energy & Utilities, Commerce, and Property Fund & REITs all as sectors having interesting investments.

Industrial Sectors Least Attractive to Investors



Retail Investors

Consider the Steel sector as most unattractive for investing, followed by Fashion and Mining.

Proprietary Traders

Find the Electronic Components sector the least interesting for investing, followed by Banking and Petrochemicals & Chemicals.

Local Institutional Investors

Believe that the Petrochemicals & Chemicals and Media & Publishing sectors provide unattractive investment options, as does the Agribusiness sector.

Foreign Investors

See the Banking sector as offering few investment opportunities, followed by Petrochemicals & Chemicals.

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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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