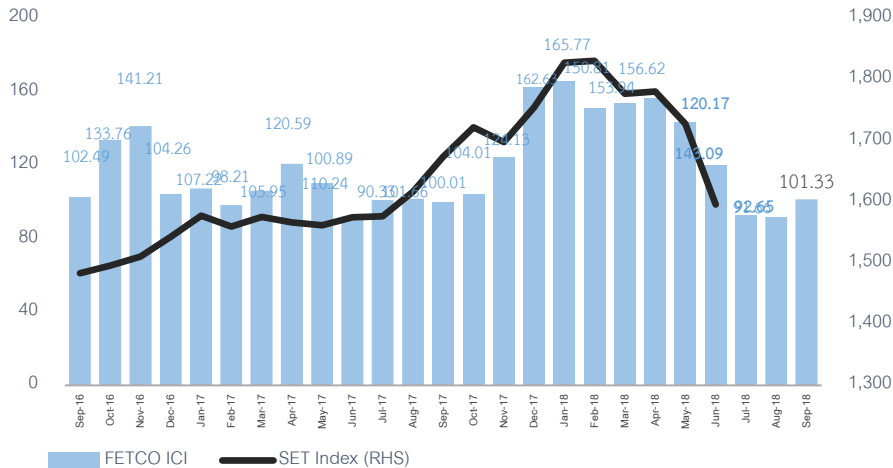
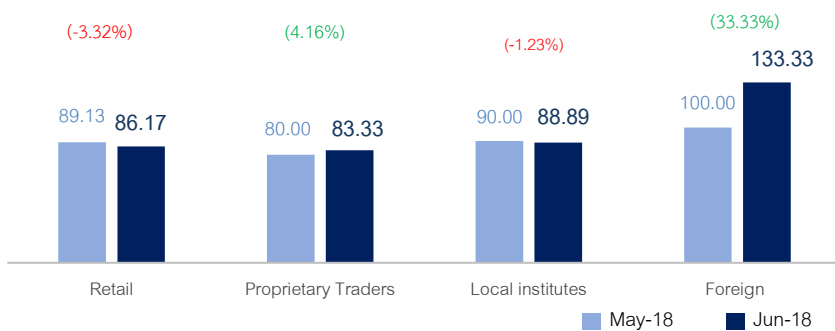


#### FETCO ICI Compared to SET Index



**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

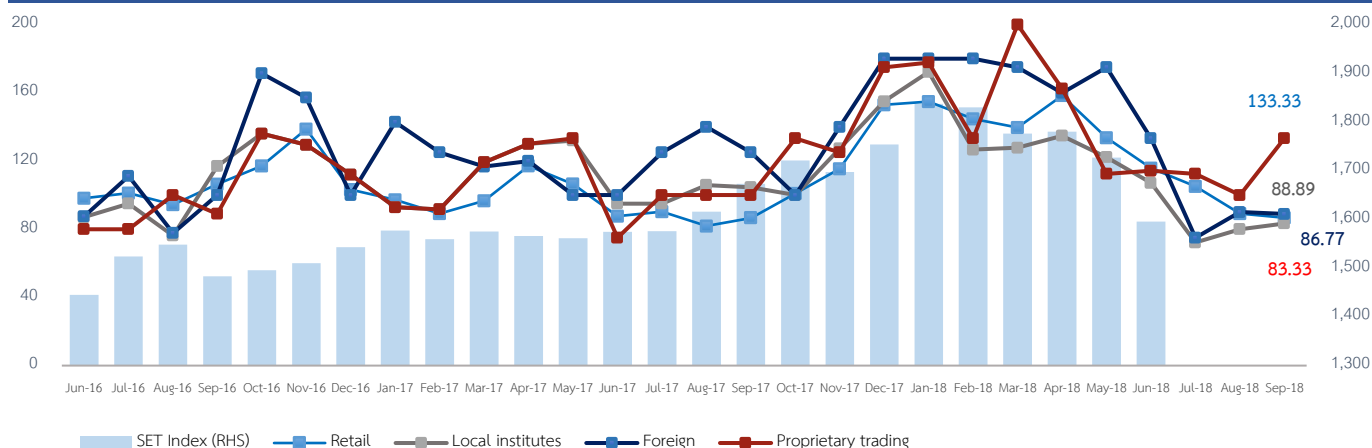


FETCO Investor Confidence Index (ICI) for the next three months **rose 10.55%**, increasing for the first time in five months while remaining in neutral territory for the third consecutive month. Investor confidence was buoyed by the continued economic growth in Thailand and by listed companies' performance. At the same time, investors remain concerned about the domestic political situation. Interestingly, foreign investor net sales throughout 2018 have led some investors to see international capital outflows as a factor boosting confidence while others see international movements of capital as a drag on investor sentiment.

Banking (BANK) and Construction Services (CONS) were considered the most attractive sectors for investment, while Steel (STEEL) and Fashion (FASHION) drew the least investor interest.

FETCO Investor Confidence Index (ICI) for June was up 10.55% at 101.33, with the ICI remaining neutral. With regard to the ICIs for each investor group, foreign investors rose to 133.0, entering bullish territory, while local institutional investors (88.89), retail investors (86.77), and proprietary traders (83.33) all remained in the neutral zone.

## Investor Confidence Compared to SET INDEX

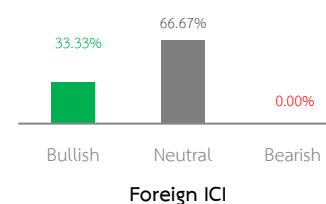
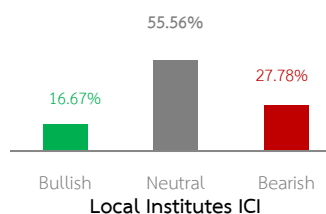
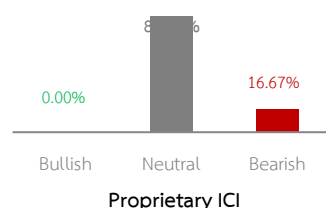
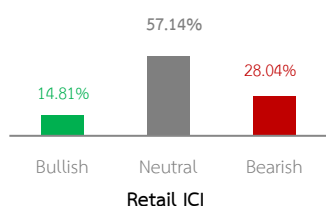


## FETCO INVESTOR CONFIDENCE INDICES

RETAIL ICI	86.77	↔
PROPRIETARY ICI	83.33	↔
LOCAL INSTITUTES ICI	88.89	↔
FOREIGN ICI	133.33	↑

## FETCO ICI Criterion

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



Survey results at the end of June showed the ICI rising for the first time in five months

while staying in the index' neutral range for the third month. The foreign investor ICI increased from neutral to bullish, while the confidence level of proprietary traders, local institutional investors, and retail investors remained neutral as in the previous month.

During June, the Stock Exchange of Thailand (SET) Index trended downward continuously, especially during mid-month when the SET Index experienced significant drops falling from a peak of 1,738 at the beginning of the month to 1,618 at the end of the month. Foreign investors continued to be net sellers in June, partly due to US monetary policy which has raised interest rates twice in 2018, with two more interest rate hikes expected this year. Furthermore, investors have concerns about the growing and intensifying barriers to trade and investment between the US and its trading partners, China, and the EU. For investment trends over the next three months, investors find confidence in the domestic economic growth with May export figures topping 11% and the Bank of Thailand Monetary Policy Committee raising 2018 GDP growth forecasts from 4.1% to 4.4%. Investor sentiment is also buoyed by listed companies' earnings and growing profits. However, investors remain wary of the risks inherent in the domestic political situation and the scheduling of elections in early 2019, as well as in the effects of capital outflows originating from foreign investor net sales. Investors see attractive investment opportunities in Banking and Construction Services, but show little interest in Steel and Fashion.

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

Research Contributors



### Most Influential Factor Driving the Stock

#### ■ Retail Investors

Most believe that capital inflows/outflows are the factor boosting investor confidence the most, followed by domestic economic growth and government policy.

#### ■ Proprietary Traders

Consider domestic economic growth as having the greatest positive impact on confidence, followed by capital inflow/outflow, government policy, and the political situation.

#### ■ Local Institutional Investors

Regard the domestic economy as the main factor boosting confidence, followed by listed company earnings and government policy.

#### ■ Foreign Investors

View the domestic economic condition, the performance of listed companies, and capital inflows/outflows as positive factors bolstering investor confidence.

### Most Important Factors Impeding the Market

#### ■ Retail Investors

Most see the political situation as being the biggest drag on investor confidence, followed by international conflict and capital inflow/outflow.

#### ■ Proprietary Traders

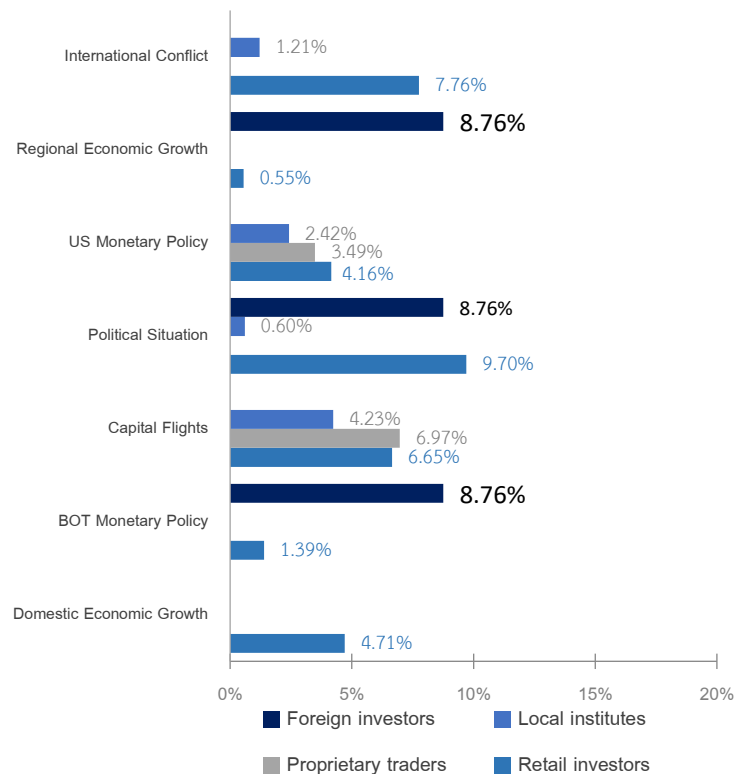
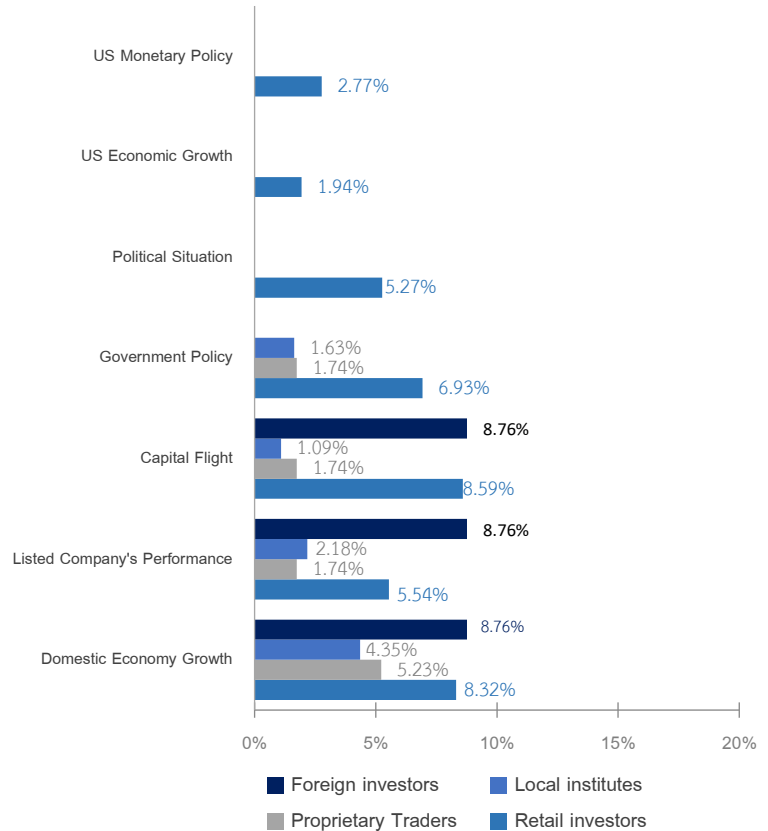
Regard capital inflows/outflows as having the biggest negative impact on confidence, followed by US monetary policy.

#### ■ Local Institutional Investors

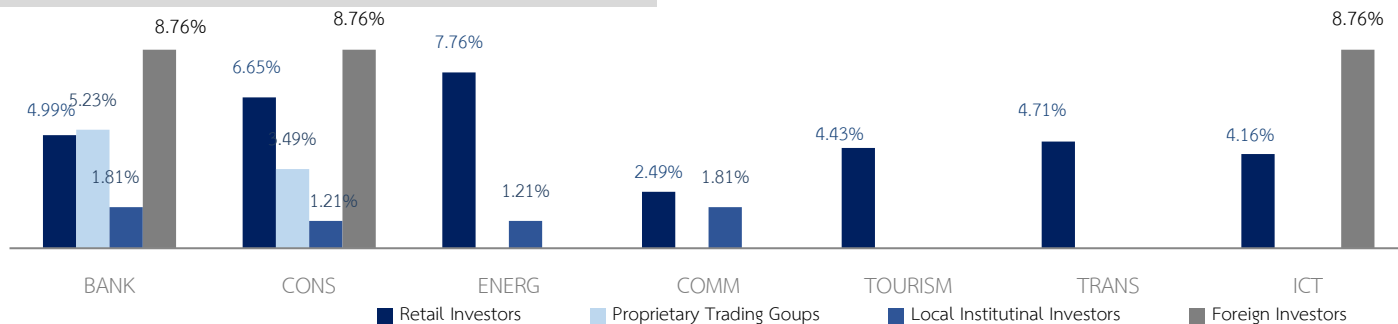
View international capital inflow/outflow as the factor dampening investor confidence the most, followed by US monetary policy and international conflicts.

#### ■ Foreign Investors

Consider regional economic growth, the political situation, and Thai monetary policy as being negative factors impacting the stock market.



### Industrial Sectors Most Attractive to Investors



#### Retail Investors

Most find Energy & Utilities the most interesting sector for investing, followed by Construction Services and Banking.

#### Proprietary Traders

Believe that the Banking sector offers the most attractive investments, followed by the Construction Services and Property Development.

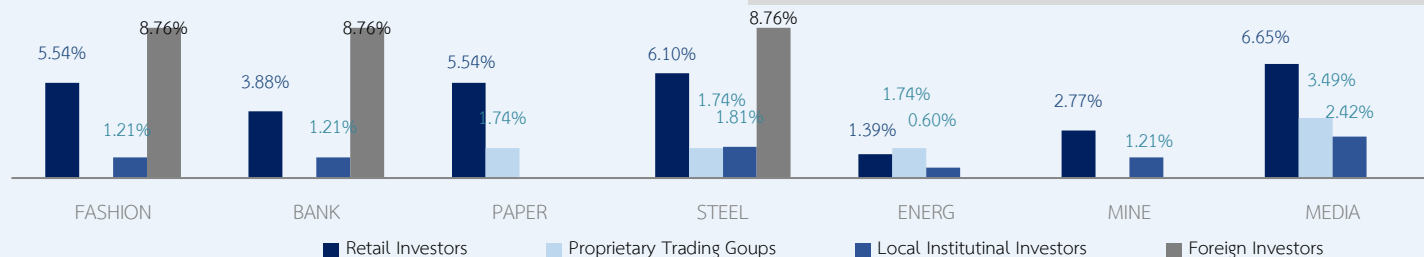
#### Local Institutional Investors

See the Banking sector as offering the most attractive investments, followed by Commerce and Petrochemicals & Chemicals.

#### Foreign Investors

Consider Banking, Construction Services, and Information & Communication Technology as sectors with attractive investment opportunities.

### Industrial Sectors Least Attractive to Investors



#### Retail Investors

Most find investments in the Media & Publishing sector unattractive, followed by Steel and Paper & Printing Materials.

#### Proprietary Traders

See the Media & Publishing sector as offering few investment opportunities, followed by Steel and Paper & Printing Materials.

#### Local Institutional Investors

Believe that Media & Publishing and Steel are sectors with unattractive investments.

#### Foreign Investors

Regard Steel, Fashion, and Banking as sectors unattractive for investing.

### Federation of Thai Capital Market Organizations (FETCO)

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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