

“Investors buoyed by listed company earnings and domestic economic growth while remaining wary of the political situation and US monetary policy.
March 2018 Confidence Index falls but stays bullish for the fourth month in a row.”

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Mr. Kirati Kosicharoen, representative of the Federation of Thai Capital Market Organizations (FETCO), commented on the monthly FETCO Investor Confidence Index (ICI) for March 2018: “The Investor Confidence Index for the next three months fell but remained in bullish territory for the fourth consecutive month. Company earnings and continued domestic economic growth were the primary factors boosting confidence; at the same time, concerns about the political situation and US monetary policy curbed investor confidence. The Stock Exchange of Thailand (SET) Index fell to its lowest point early in February, but later gradually increased throughout the month reaching a month-end level close to that of January.” Details follow:

- FETCO Investor Confidence Index (ICI) for the next three months (through May 2018) stood at 143.09, staying within the ICI's bullish range of 120–160, and falling 8.70% from the previous month's level of 156.62.
- The overall ICI was down but foreign investors remained very bullish. ICI's for local institutional investors and retail investors both fell but remained in bullish territory as in the previous month, while the proprietary trader index fell sharply from very bullish into neutral territory.
- The Petrochemicals & Chemicals (PETRO) sector was seen as providing the most attractive investments, while Banking (BANK) drew the least investor interest.
- The factor positively impacting the Thai stock market the most was the performance of listed companies, while the domestic political situation tended to dampen confidence.

“At the beginning of February, the Stock Exchange of Thailand (SET) Index fell to a low of 1758.31, having been impacted by the US stock market which dropped more than 1,000 points in a single day. Nevertheless, the SET Index gradually increased throughout February reaching levels close to the January index range of 1820 – 1830. For investment trends over the next three months, investor confidence is boosted by listed companies' forecast earnings and the continuing steady domestic economic growth. At the same time, investors are keeping an eye on the domestic political situation, which is seen as the biggest risk factor impacting investor confidence, followed by US monetary policy which will likely lead to higher interest rates in March, with several more interest rate hikes anticipated later in the year.”

Today, FETCO welcomed students from Columbia University, USA to study and learn about the work process of public affair in Thailand. There are four issues to study: Social Investment, Impact investing, Social Enterprises and Corporate Governance. The Thai Corporate Governance Fund is a new features investment option focused on investing in companies with good governance and announced their intentions to participate in anti-corruption. The management also allocated 40 per cent of fund management fees to support anti-corruption activities by civil society. The investment model is a new concept that can be used as a model for solving social problems in other countries. **Mrs. Voravan Tarapoom, President of the Federation of Thai Capital Market Organizations and the President of the Association of Investment Management Companies**, the co-founder of the Thai Governance Fund, is the speaker who gave a brief overview of the Thai Governance Fund.

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