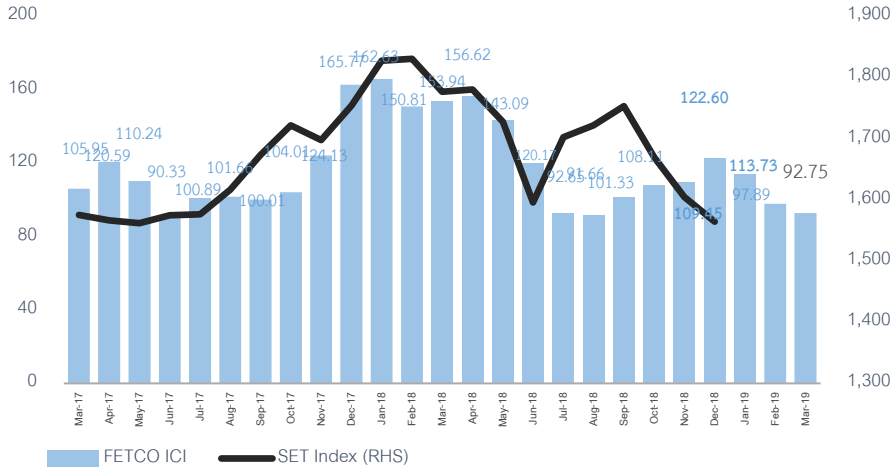
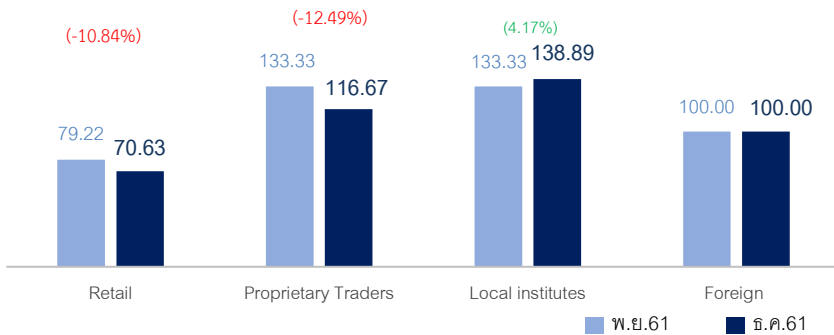


#### FETCO ICI Compared to SET Index



**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



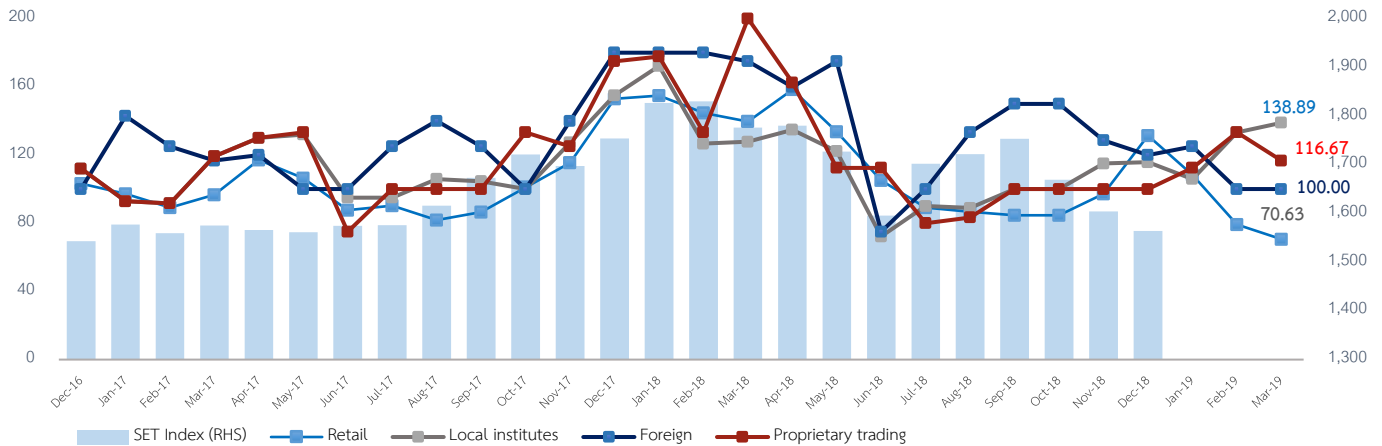
FETCO Investor Confidence Index (ICI) for the next three months fell 5.25%, down for the third consecutive month while remaining in neutral territory. Investors remain primarily concerned about trade negotiations between the US and China, while other factors dampening investor confidence include international capital flows and domestic economic conditions during 2019. At the same time, investor confidence is buoyed by the political situation and scheduled elections, and the earnings of listed companies.

Investors find investments in the Banking (BANK), Tourism & Leisure (TOURISM), and Commerce (COMM) sectors attractive, while Media & Publishing (MEDIA), Steel (STEEL), and Property Development (PROP) draw little investor interest.

FETCO Investor Confidence Index (ICI) for December stood at 92.75, down 5.25% but remaining in the neutral zone. With regard to the ICIs for each investor group, retail investors fell to 70.63, remaining bearish as in the previous Market month. Proprietary traders' ICI fell to 116.67, dropping into neutral territory from the previous month's bearish, while local institutional investors increased slightly to 138.89 remaining bullish for another month. Foreign investor ICI stayed at 100.00, unchanged and in the neutral zone.

#### Research Contributors

### Investor Confidence Compared to SET INDEX

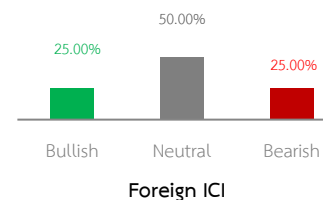
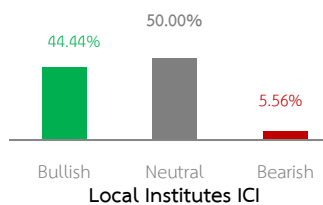
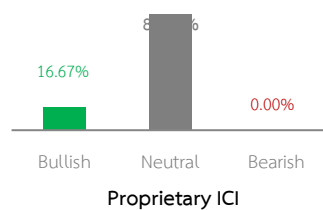
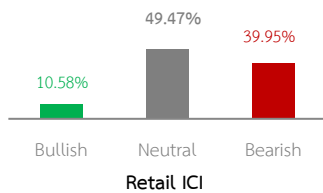


### FETCO INVESTOR CONFIDENCE INDICES

RETAIL ICI	70.63	↓
PROPRIETARY ICI	116.67	↔
LOCAL INSTITUTES ICI	138.89	↑
FOREIGN ICI	100.00	↔

### FETCO ICI Criterion

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



Survey results at the end of December showed the ICI declining for the third consecutive month but remaining within neutral territory. The retail investor ICI dropped to its lowest level in 39 months. Proprietary traders dropped from bullish to neutral; the foreign investor ICI remain unchanged and in the neutral zone; while local institutional investors rose slightly and remained bullish.

During December, the Stock Exchange of Thailand (SET) Index declined throughout the month from a high of 1672 to a low of 1548.37 before closing at 1563.88 points at the end of the month. This negative trend reflected concerns about the lack of progress in trade negotiations between the United States and China; the 0.25% hike in the US interest rate policy to 2.00–2.25%; the European Central Bank (ECB) announcing the end of quantitative easing (QE) measures; the Bank of Thailand's interest rate hike for the first time in seven years; and lowered expectations for Thai and global economic growth rates in 2019. For investment trends over the next three months, the main risk factors affecting investor confidence include the continued rate hikes in US monetary policy, concerns about the US-China trade war, and the impacts from the slowdown in global economic growth. Investors find investment opportunities in Banking (BANK), Tourism & Leisure (TOURISM), and Commerce (COMM), while Media & Publishing (MEDIA), Steel (STEEL), and Property Development (PROP) draw little investor interest.

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**

Are confident that the political situation is the factor boosting investor confidence the most, followed by capital inflows/outflows and domestic economic growth.

**Proprietary Traders**

See the political situation as the most important factor driving confidence, followed by listed company earnings and capital flows.

**Local Institutional Investors**

Regard the political situation as bolstering confidence, followed by the performance of listed companies.

**Foreign Investors**

Believe that the domestic economy, listed company performance, government policy, and the political situation are all factors supporting investor confidence.

**Most Important Factors Impeding the Market**

**Retail Investors**

See international conflicts as the biggest drag on investor confidence, followed by the political situation.

**Proprietary Traders**

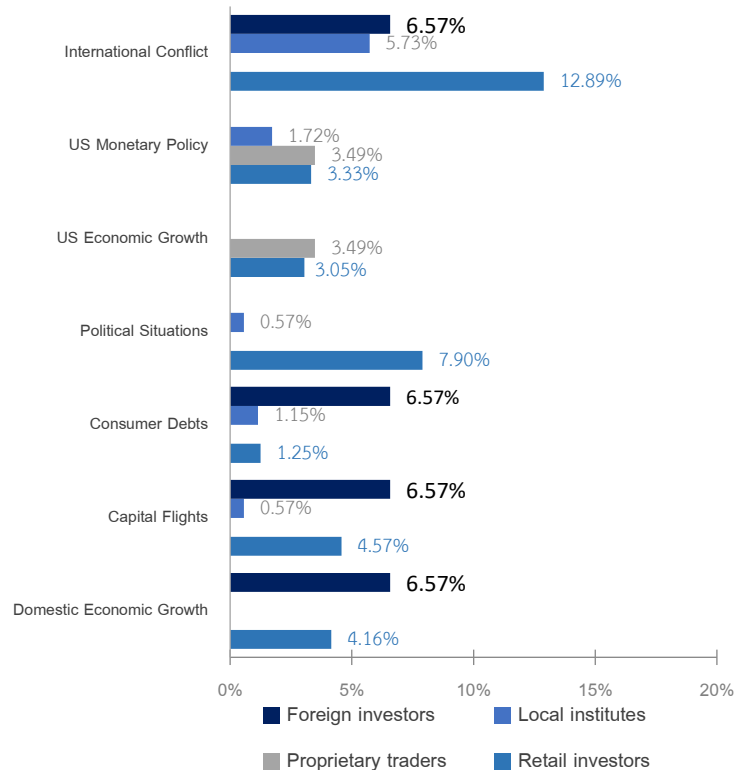
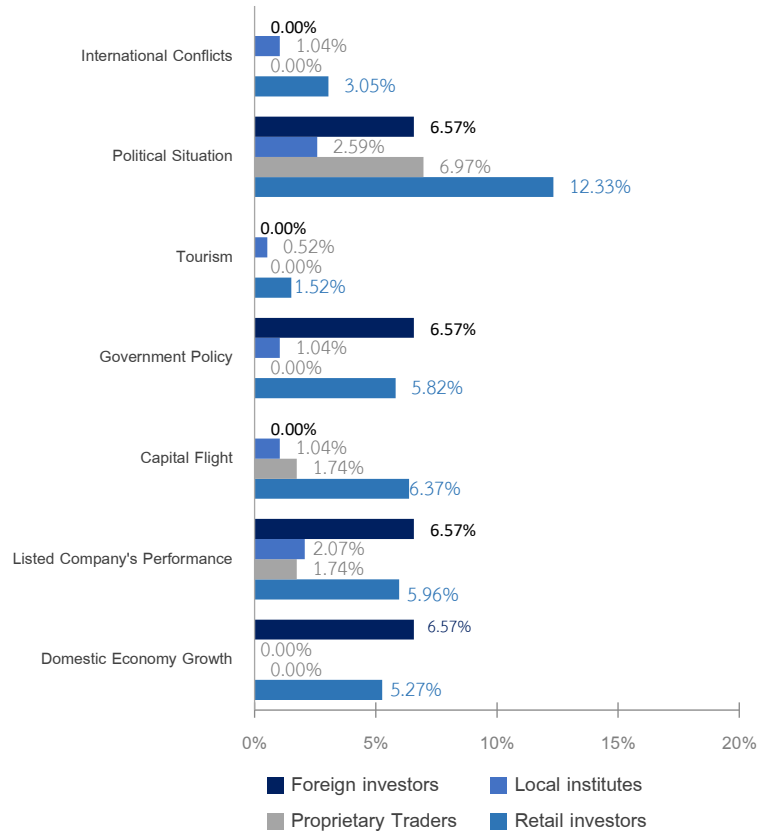
Consider US monetary policy and the US economy as the biggest drags on investor confidence, followed by regional economic growth.

**Local Institutional Investors**

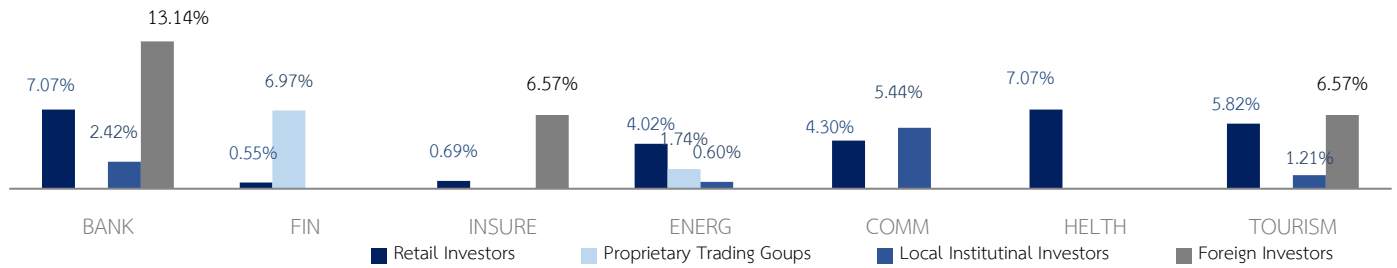
Believe that international conflicts have the biggest negative impact on investor confidence, followed by US monetary policy and household debt ratio.

**Foreign Investors**

View international conflicts, capital flows, household debt, and the domestic economy as negative factors impacting the stock market.



### Industrial Sectors Most Attractive to Investors



#### Retail Investors

See the Banking and Health Care sectors as offering the most interesting investments, followed by Tourism & Leisure.

#### Proprietary Traders

Consider the Energy & Utilities sector is the most interesting, followed by Finance & Securities.

#### Local Institutional Investors

View investments in the Commerce sector as attractive, followed by those in Banking, Tourism & Leisure, and Energy & Utilities.

#### Foreign Investors

Consider the Banking sector as having the best investment opportunities, followed by Insurance and Tourism & Leisure.

### Industrial Sectors Least Attractive to Investors



#### Retail Investors

See the Media & Publishing sector as least attractive for investing, followed by Steel and Property Development.

#### Proprietary Traders

View the Media & Publishing, Mining, and Paper & Printing Materials sectors as least attractive for investing.

#### Local Institutional Investors

Regard Media & Publishing as unattractive for investments, followed by Energy & Utilities and Information & Communication Technology.

#### Foreign Investors

Consider Property Development, Banking, and Steel as providing the least interesting investment opportunities.

## Federation of Thai Capital Market Organizations (FETCO)



Disclaimer

FETCO@set.or.th 02 009 9371-2

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.

#### Research Contributors

