

“March 2019 Investor Confidence Index bullish for the first time in five months as it rises for the second consecutive month. Investor confidence buoyed by upcoming elections and performance of listed companies, while investors express concern about the effects of international trade negotiations and the scheduled elections.”

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Paiboon Nalinthangkurn, Chairman of the Federation of Thai Capital Market Organizations (FETCO), commented on the March 2019 FETCO Investor Confidence Index (ICI): “The Investor Confidence Index for the next three months increased for the second consecutive month, jumping into the bullish zone for the first time in five months. The survey found investor confidence being bolstered by the political situation with the elections scheduled in March as well as by the performance of listed companies. Meanwhile, investors remain wary of US–China trade policy negotiations and the post-election stability of a new government.”

Results of the FETCO Investor Confidence Index for March 2019 are summarized below:

- FETCO Investor Confidence Index (ICI) for the next three months (through May 2019) for all groups of investors rose 11.92% to 130.68, entering the bullish zone (index range 120--159) and up from the previous month's neutral.
- Foreign investor confidence remained bullish.
- Proprietary trader confidence also remained within the bullish zone.
- Retail investor confidence index rose into bullish territory.
- Local institutional investor confidence index remained neutral.
- The sector drawing the most investor interest was Banking (BANK).
- The least attractive business sector for investors was Property Development (PROP).
- The factor having the greatest positive impact on the Thai stock market was the political situation.

- The factor having the biggest negative impact on the Thai stock market concerns over the international conflict.

“During February, the Stock Exchange of Thailand (SET) Index increased slightly with fluctuations during the month reflecting political and election news. Investment trends for the next three months show investors’ positive expectations have been bolstered by the domestic political situation and the scheduling of elections; the performance of listed companies; and expectations for Thai economic growth which, nevertheless, may be impacted by the global economic slowdown. At the same time, some investors are concerned about the outcome of trade negotiations between the United States and China, despite their current positive direction and the government’s stability after the election. Global economic factors that need to be monitored include the US Federal Reserve Bank considering an end to its balance sheet size reduction and possible interest rate hikes at the next Federal Open Market Committee meeting; European Central Bank (ECB) meeting results that are likely to maintain monetary policy and delay any interest rate hikes; discussions of the BREXIT agreement with the EU, which has a March 29 deadline; the forecast reduction of EU GDP from 1.9% to 1.3%; and the results of the Chinese economic policy meeting in March. Investors found the Banking (BANK) sector most attractive for investing, while Property Development (PROP) drew little interest from investors.”

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