

“April 2019 Investor Confidence Index slides back to neutral zone as political uncertainties continue to both buoy and drag down investor confidence.”

FETCO Press Release: Tuesday April 9, 2019

Paiboon Nalinthrangkurn, Chairman of the Federation of Thai Organizations (FETCO), commented on the April 2019 FETCO Investor Confidence Index (ICI): "The Investor Confidence Index for the next three months slid back into neutral territory from the previous month's bullish level. The survey found that investors believe the political situation resulting from the election is the main factor affecting investor confidence. Meanwhile, the new government's stability after the election and the results of trade policy negotiations between the US and China are factors dragging down investor confidence."

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

- FETCO Investor Confidence Index (ICI) for the next three months (through June 2019) for all groups of investors dropped 17.72% to 107.53, falling into the neutral zone (index range 80–119) from the previous month's bullish.
- Foreign investor confidence remained bullish.
- Proprietary trader confidence dropped into the neutral zone.
- Retail investor confidence index dropped into neutral territory.
- Local institutional investor confidence index remained within the neutral zone.
- The sector drawing the most investor interest was Commerce (COMM).
- The least attractive business sector for investors was Media & Publishing (MEDIA).
- The domestic political situation had the biggest positive impact on investor confidence.
- At the same time, the political situation was also the biggest drag on the Thai stock market.

“FETCO Investor Confidence Index (ICI) for April slid into the neutral zone. ICIs for all investor groups were down. Proprietary trader and retail investor ICIs fell to neutral from their previous bullish level. Foreign investor confidence declined slightly from the previous month

but remained bullish. Local institutional ICI dropped slightly and remained in the neutral zone as in the previous month.

“During March, the Stock Exchange of Thailand (SET) Index fluctuated in the range of 1617–1646 points, being impacted by the political situation and election news as in February. Investment trends for the next three months show domestic factors as primarily affecting investor confidence. The recent elections have tended to bolster investor confidence while the performance of listed companies and the US FED maintaining policy rates are secondary factors supporting confidence. Concurrently, concern about post-election political stability of a new government is the biggest factor weighing down investor confidence. Other investor worries which need to be monitored include US-China trade negotiations as well as the worldwide economic slowdown and its impact on Chinese and US economies. Global economic factors which investors are also keeping an eye on include the slowdown in the EU's interest rate hike; the Bank of Japan (BOJ) relaxing its monetary policy; proposing the postpone of the BREXIT agreement; and the price of oil that has risen from the cancellation of the OPEC meeting resulting in the reduction of OPEC crude oil production to continue to be in effect until at least the end of June.”

For more information, please contact
Federation of Thai Capital Market Organizations (FETCO)
Telephone: 02 009 9371-2 or email: fetco@set.or.th