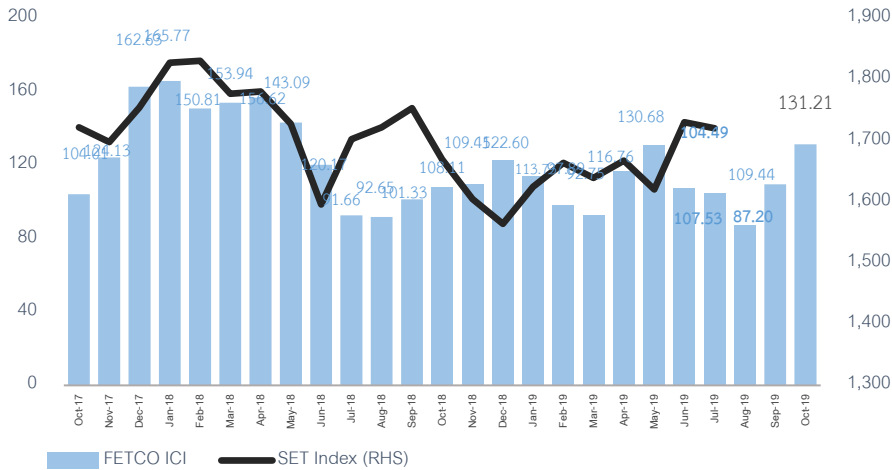
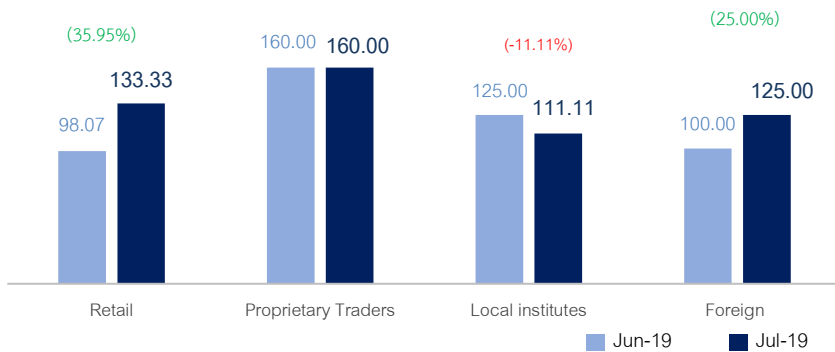


#### FETCO ICI Compared to SET Index



**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 **increased 19.89%**, rising for the second month in a row and becoming bullish for the first time in five months. The factor boosting investor confidence the most was international capital transfers, followed by US Federal Reserve monetary policy and Thai government policies. At the same time, international conflicts were a drag on investor confidence, as were concerns about the performance of listed companies.

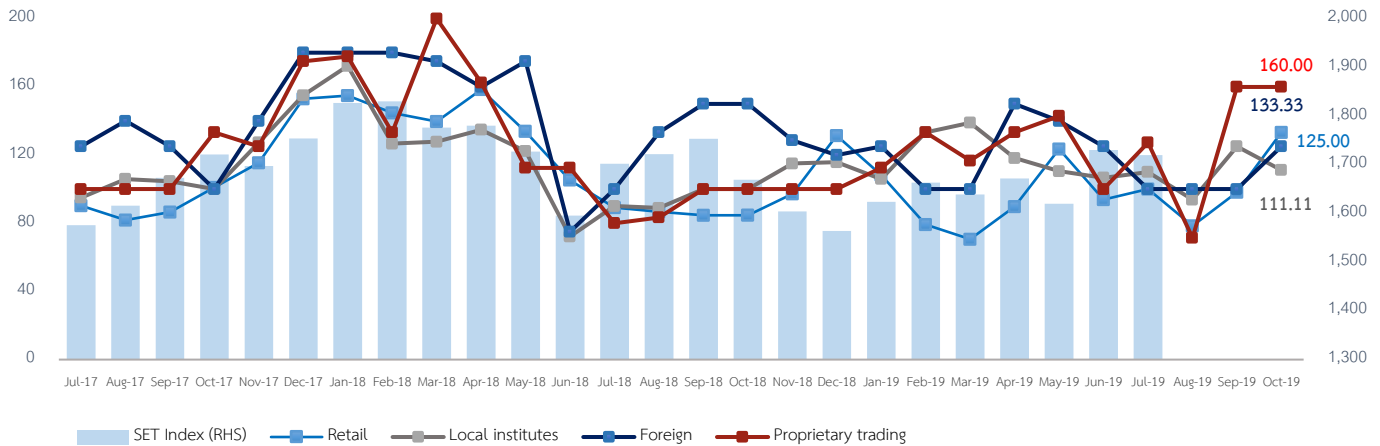
Investors found the Commerce (COMM), Construction Services (CONS), and Food & Beverage (FOOD) sectors attractive for investment, while finding few investment opportunities in Media & Publishing (MEDIA), Petrochemicals and Chemicals (PETRO), and Steel (STEEL).

FETCO Investor Confidence Index (ICI) for July stood at 131.21, up 19.89% and rising into the bullish zone from the previous month's neutral. With regard to the ICIs for each investor group, proprietary trader ICI was stable at 160.00 and remained in very bullish. Retail investors jumped to 133.33, rising from the neutral zone into bullish. Foreign investor ICI rose into bullish territory at 125.00, while local institutional investors decreased slightly to 111.11, falling from bullish into the neutral zone.

#### Research Contributors



### Investor Confidence Compared to SET INDEX



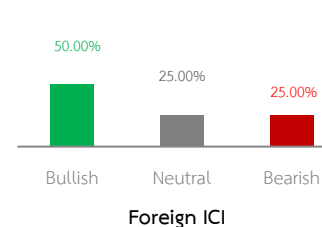
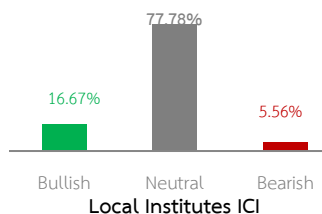
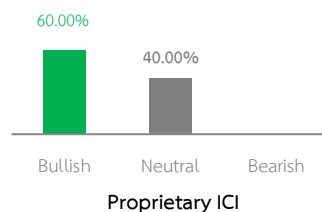
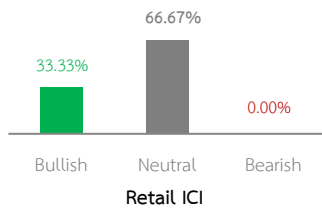
#### FETCO INVESTOR CONFIDENCE INDICES

RETAIL ICI	133.33	↑
PROPRIETARY ICI	160.00	↑↑
LOCAL INSTITUTES ICI	111.11	↔
FOREIGN ICI	125.00	↑

#### FETCO ICI Criterion

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

July survey results show the FETCO Investor Confidence Index (ICI) increasing for the second month and reaching bullish territory for the first time in five months. Proprietary trader ICI remained unchanged in the very bullish zone. Retail investors and foreign investors rose from neutral to bullish, while local institutional investors fell from bullish into the neutral zone.



“During July, the Stock Exchange of Thailand (SET) Index moved sideways throughout the month within the range of 1714–1748 points after hitting its highest level at the beginning of the month. The general downward trend was interspersed with periods of dormancy as the index reached its lowest level of 1706 points near the end of the month. Investment trends for the next three months show the factor bolstering investor confidence the most were capital movements from foreign investors, who were net buyers in the stock market. Secondary factors buoying confidence included US monetary policy as the FED signaled an interest rate cut in the second half of 2019 and the anticipation of government policies after the new government’s policy statement to Parliament. Meanwhile, investor confidence continued to be negatively impacted by international conflicts, although the trade negotiations between the United States and China became more relaxed. Similarly, concerns about the performance of listed companies due to the slowing global economy, decreased exports, and the appreciation of the baht kept investors wary. International economic factors that investors are closely monitoring include: how the global economic slowdown will affect monetary policies in developed countries; progress of US–China trade negotiations; US import tariffs on automobiles which will impact Europe and Japan; BREXIT negotiations after the appointment of the new British prime minister, who has announced the UK will withdraw from the EU on October 31, 2019 whether or not an agreement is reached; signs of additional monetary policy easing from the EU as inflation falls below the 2% target; the direction of China’s economic stimulus policy after GDP figures of 6.2% for Q2

2019 were the lowest in 30 years; and geopolitical conflicts in the Middle East.

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**

View capital inflows/outflows as the primary factor boosting investor confidence, followed by US monetary policy and government policy.

**Proprietary Traders**

Consider capital flows to be the most positive factor affecting investor confidence, followed by domestic economic conditions and government policies.

**Local Institutional Investors**

See government policies as the factor driving investor confidence the most, followed by capital inflows/outflows and U.S. monetary policy.

**Foreign Investors**

Believe that capital in/outflows, U.S. monetary policy, the performance of listed companies, and household consumption are factors boosting investor confidence.

**Most Important Factors Impeding the Market**

**Retail Investors**

Worry about international conflicts as the biggest factor dragging down investor confidence, followed by the performance of listed companies.

**Proprietary Traders**

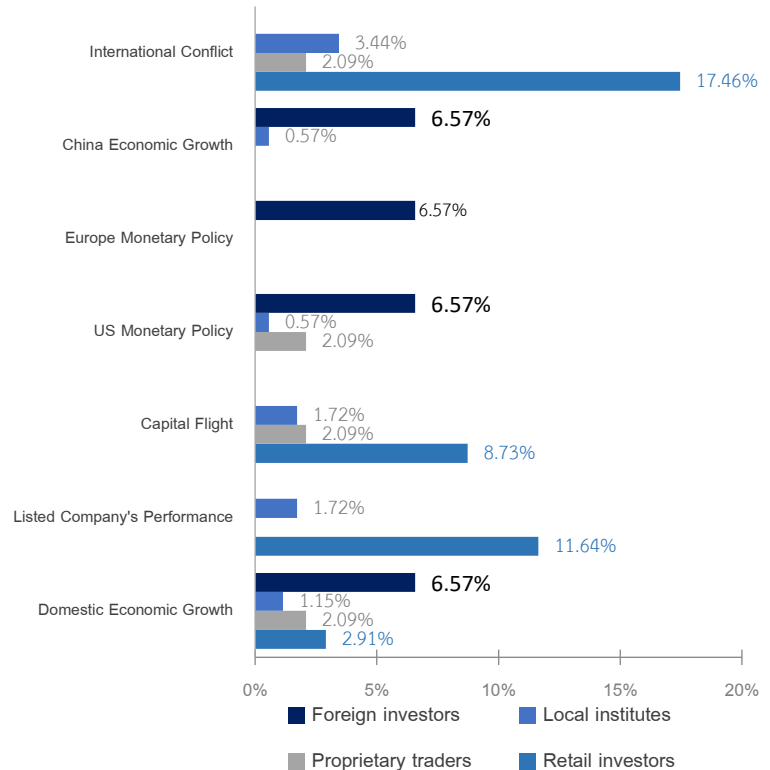
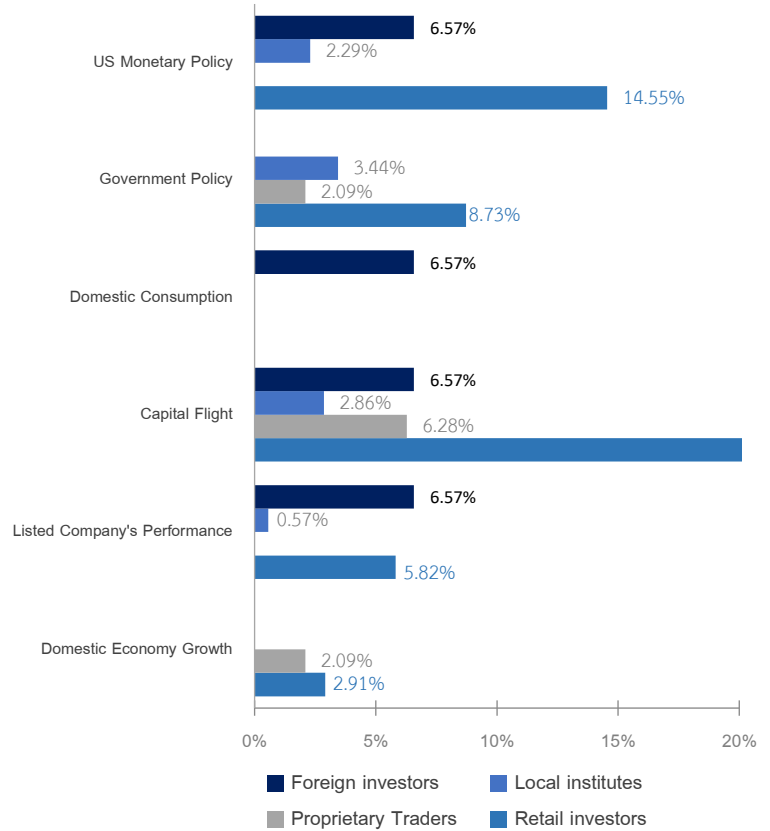
View international conflicts and domestic economic conditions as having the biggest negative effect on investor confidence.

**Local Institutional Investors**

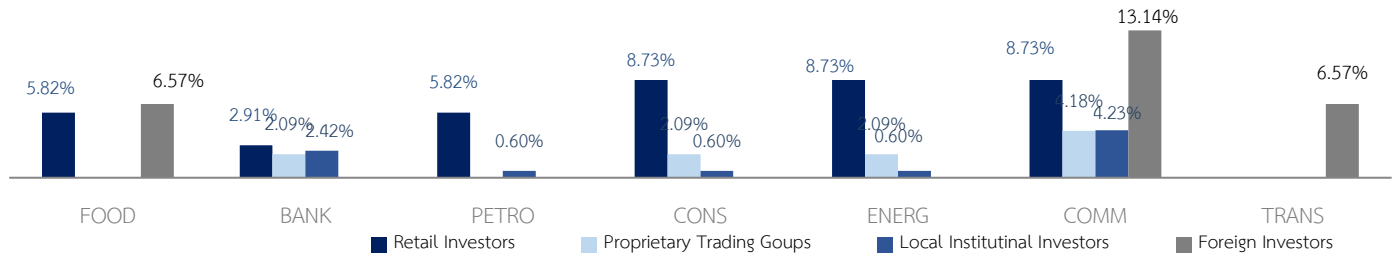
Believe that international conflicts have the greatest negative impact on investor sentiment, followed by capital flows and the performance of listed companies.

**Foreign Investors**

Consider the Chinese economy, European Central Bank policies, domestic economic conditions, and US monetary policy as drags on investor confidence.



### Industrial Sectors Most Attractive to Investors



#### Retail Investors

See the Commerce sector as offering the most interesting investment opportunities, followed by Construction Services and Energy & Utilities.

#### Proprietary Traders

Believe the Commerce sector is most attractive for investors, followed by Construction Services and Energy & Utilities.

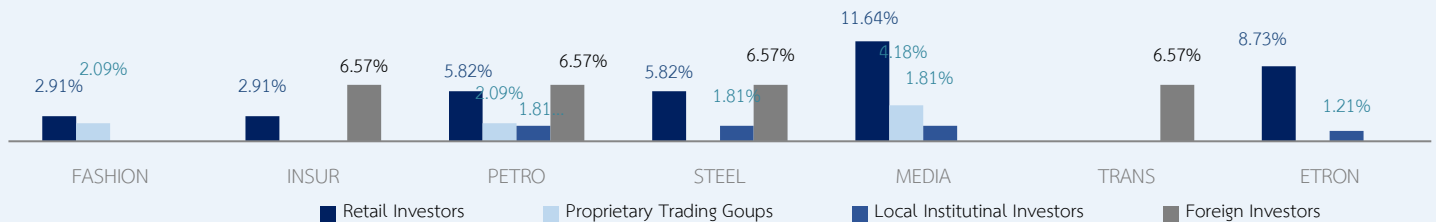
#### Local Institutional Investors

Consider the Commerce sector as having the most attractive investments, followed Banking.

#### Foreign Investors

View the Commerce sector as the most interesting for investments, followed by Food & Beverage and Transportation & Logistics.

### Industrial Sectors Least Attractive to Investors



#### Retail Investors

Consider the Media & Publishing sector as most unattractive for investing, followed by Electronic Components and Steel.

#### Proprietary Traders

Find the Media & Publishing sector the least interesting for investing, followed by Fashion and Petrochemicals and Chemicals.

#### Local Institutional Investors

Believe that the Media & Publishing sector provides unattractive investment options, followed by Steel and Petrochemicals & Chemicals.

#### Foreign Investors

See the Steel, Petrochemicals & Chemicals, and Transportation & Logistics sectors as offering few 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.

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