

“October 2019 Investor Confidence Index rises slightly, staying neutral for the second month as investors pin their hopes on government policies. Meanwhile, investors voice concerns about international trade conflicts causing a regional economic downturn.”

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Paiboon Nalinthrangkurn, Chairman of the Federation of Thai Capital Market Organizations (FETCO), commented on the October 2019 FETCO Investor Confidence Index (ICI): “The Investor Confidence Index for the next three months increased slightly while staying in neutral territory for the second month. The survey found that investors anticipate the government policies will buoy investor confidence while international trade conflicts are the biggest drag on investor confidence.”

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

- FETCO Investor Confidence Index (ICI) for the next three months (through December 2019) for all groups of investors rose 8.64% to 111.62 remaining within the neutral zone (index range 80–119).
- Proprietary trader confidence index increased and remained in the neutral zone.
- Foreign investor confidence index dropped slightly but remained bullish.
- Retail investor confidence rose into the neutral zone.
- Local institutional investor ICI rose slightly and remained neutral.
- The sector drawing the most investor interest was Energy & Utilities (ENERG).
- The sector drawing the least investor interest was Steel (STEEL).
- Government policies are the factors with the biggest positive impact on the Thai stock market.
- International conflicts were the biggest drag on the Thai stock market.

“September survey results show the FETCO Investor Confidence Index (ICI) increasing slightly and staying neutral for the second month. Retail investors recovered and rose into the neutral zone from the previous month's bearish. Local institutional investor and proprietary

trader ICIs rose but remained in the neutral zone while foreign investor confidence dropped slightly but stayed bullish.

During September, the Stock Exchange of Thailand (SET) Index experienced stable movement in a slightly downward direction from the level of 1654 points. The SET Index gradually decreased in the second half of the month after the US Fed cut the policy rate 0.25% but did not signal further rate cuts, causing the SET Index to move in the range of 1630 points at the end of the month. Investment trends for the next three months show the factors bolstering investor confidence the most are government policies with the gradual implementation of economic stimulus measures followed by the domestic economy and capital inflows/outflows. However, investor confidence is primarily being dragged down by uncertainties over international conflicts, despite the US–China trade negotiations appearing more productive. Other factors negatively impacting investor confidence include the impact on the regional economies and the performance of listed companies. International economic factors that investors are closely monitoring include: progress in US–China trade negotiations in early October; the trend in BREXIT negotiations—after the British High Court's decision to reopen parliament—towards reducing the risk of a No-Deal BREXIT by October 31, 2019; the possible continuation of the US Federal Reserve's economic easing policy after its second policy rate cut in a year; and the EU's policy interest rate reductions and additional QE measures. Meanwhile, domestic issues being closely watched include the government's economic stimulus policy, consideration the draft Budget Act, and future interest rate policy.”

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