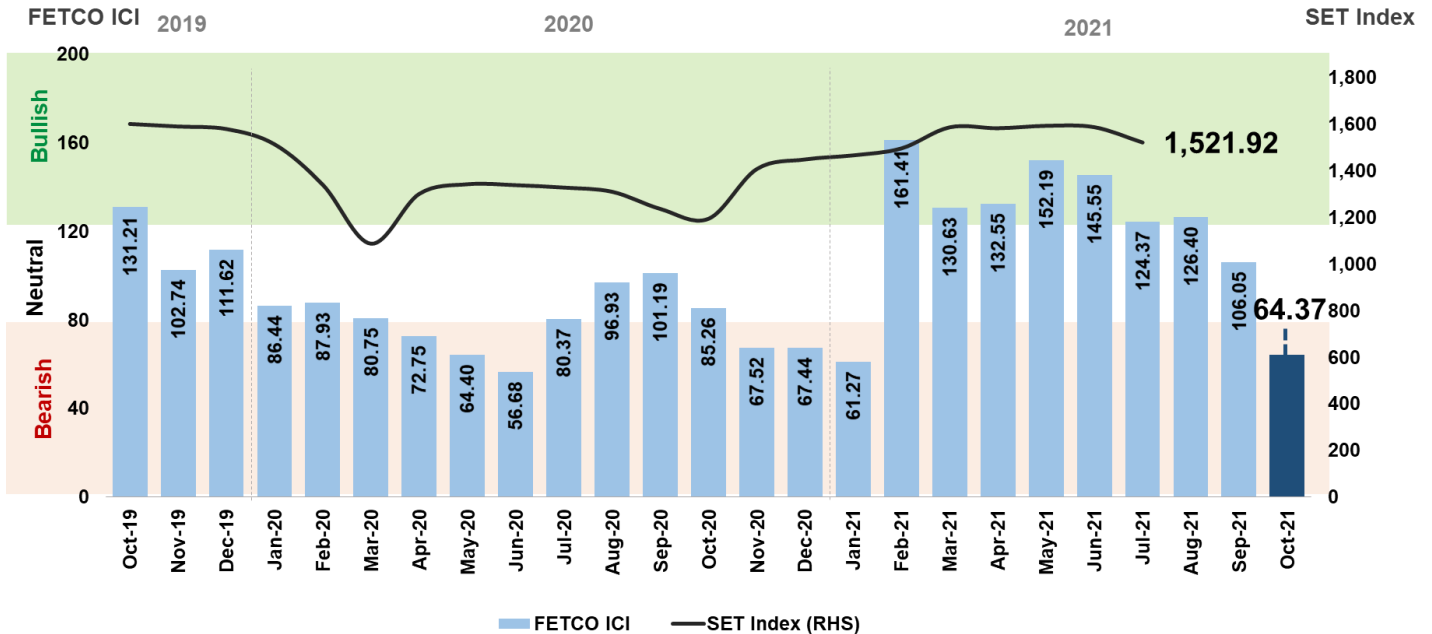


FETCO ICI Compared to SET Index



The FETCO Investor Confidence Index (FETCO ICI) for the next three months is at 64.37, dropping 39.3 percent from the previous month, and enters “bearish” zone. COVID-19 vaccine distribution to help ease COVID-19 situation is the most supportive factor investors have anticipated, followed by pace of local economic recovery and how government’s policies will shore up the economy. However, worsening COVID-19 pandemic in Thailand, followed by international conflicts and the country’s economic retreat are the most concerning factors.

The most attractive sector to investors is Electronic Components (ETRON), followed by Health Care Services (HEALTH) and Banking (BANK). However, the least attractive ones include Fashion (FASHION), Tourisms & Leisure (TOURISM), and Media & Publishing (MEDIA).

Confidence of investors across all types is subdued to “bearish” zone.

FETCO INVESTOR CONFIDENCE INDICES

RETAIL ICI	65.79	↓
PROPRIETARY ICI	50.00	↓
LOCAL INSTITUTES ICI	57.89	↓
FOREIGN ICI	66.67	↓

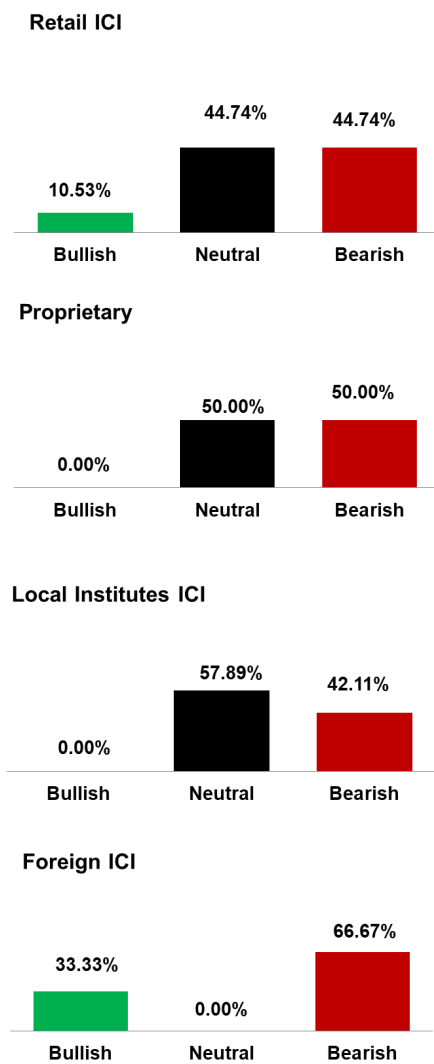
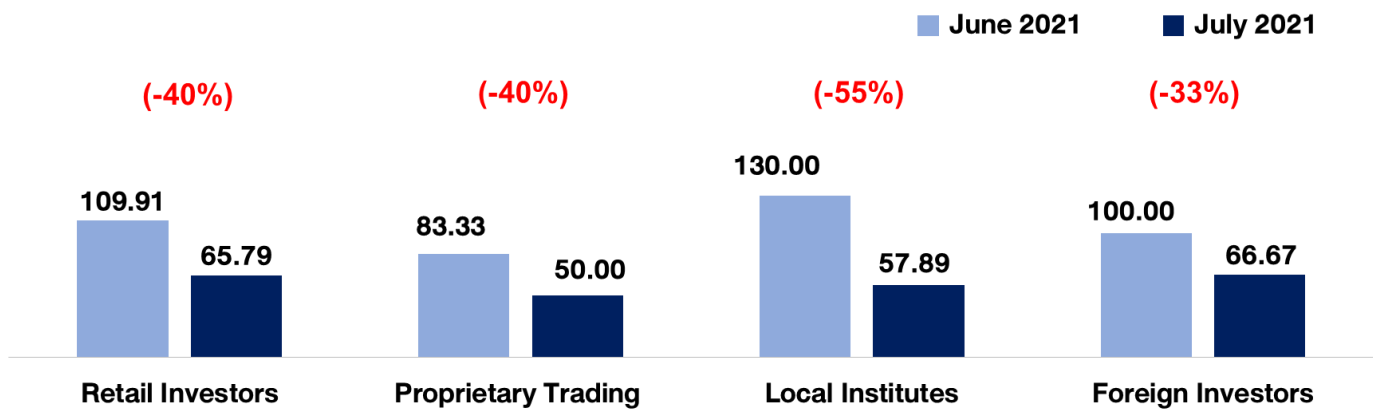
FETCO ICI Criterion

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

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.

Research Contributors

Trends in Investor Confidence by Type of Investor



The survey result in July 2021 shows that the confidence of retail investors declines 40 percent to 65.79. That of proprietary traders slides 40 percent to 50.00. Investor confidence of institutional investors declines 55 percent to 57.89 while that of foreign investors drops 33 percent to 66.67.

COVID-19 confirmed cases in Thailand spiked in July in parallel with the rise of the number of deaths. Coupled with disputable vaccine procurement and distribution, the SET Index was suppressed throughout the month. Especially the latter half of July, the benchmark index was pressured further following the lockdown measures to curb the COVID-19 infection. Weakening Thai Baht against the US dollar saw fund outflow of around THB 17.7 billion in July. However, the government’s supporting measures worth of THB 42 billion to aid people and businesses impacted from the lockdown measures, which took effect in 10 red zone provinces, as well as utilities electricity and utility bill relief partially helped cushioned the downside. In addition, major Central Banks including Fed and ECB keeping their dovish approach to shore up economic recovery amid heightened risks helped ease some anxiety. As a result, the SET Index closed at 1,521.92, down 4.15 percent from the preceding month.

Eyes are on the Jackson Hole Symposium, which will be held during 26-28 August 2021, as investors anticipate QE tapering signal from Fed. Direction of China’s control over investment in Chinese securities, especially in Technology sector, will also be monitored. In addition, conflicts among OPEC members, which might trigger global oil prices to volatile are on the watch. Locally, how private consumption will be hit following tightening restriction control to curb COVID-19 spread, is the cue to follow. With the currently worsening COVID-19 situation, the government’s plan to fully reopen the country within this year is unlikely to be on track. Therefore, the stimulus moves from the fiscal policies will be watched closely as it will impact Thailand’s path to economic recovery.

Note: The domestic institutional group includes asset management companies, government pension fund, insurance companies and life insurance.

Most Influential Factor Driving the Stock Market

Retail Investors

- Most view the vaccination plan to ease Covid-19 situation as the important factor boosting investor confidence, followed by domestic economic recovery and government policy.

Proprietary Traders

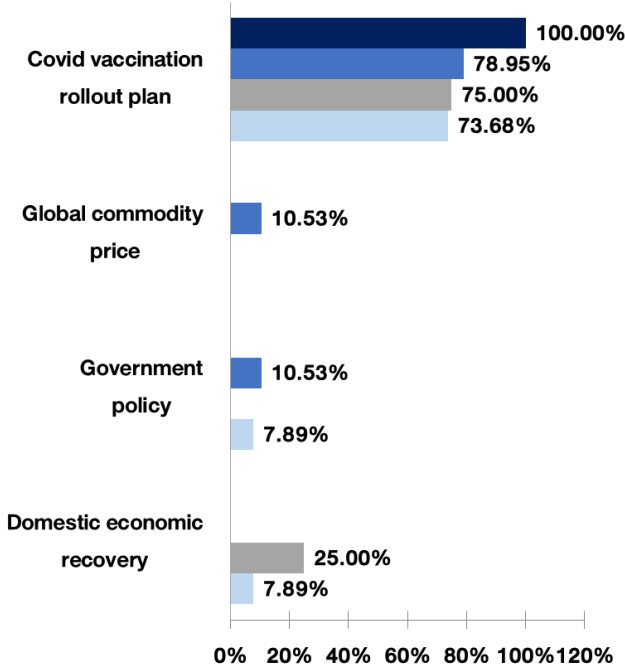
- See the vaccination plan to ease Covid-19 situation as the most supporting investor confidence, followed by domestic economic recovery.

Local Institutional Investors

- Consider the vaccination plan to ease Covid-19 situation as having positive impact on investor confidence, followed by government policy and global commodity price.

Foreign Investors

- Believe that the vaccination plan to ease Covid-19 situation is only factor bolstering investor confidence.



■ Foreign Investors ■ Local Institutional Investors
■ Proprietary Traders ■ Retail Investors

Most Important Factors Impeding the Stock Market

Retail Investors

- Consider the current Covid-19 situation as the biggest factor dragging down investor confidence, followed by the domestic economic slowdown, listed companies' performance and US economic situation.

Proprietary Traders

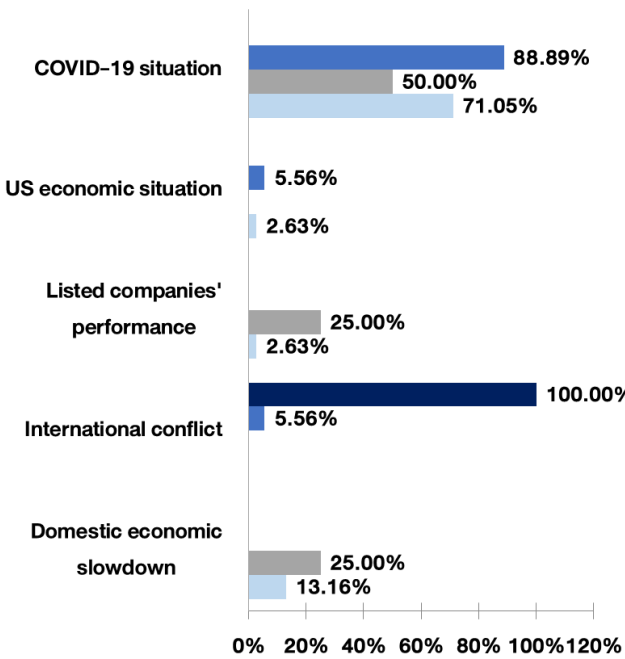
- See the current Covid-19 situation and fund outflow as the primary factors weighing down investor confidence, followed by listed companies' performance and domestic economic slowdown.

Local Institutional Investors

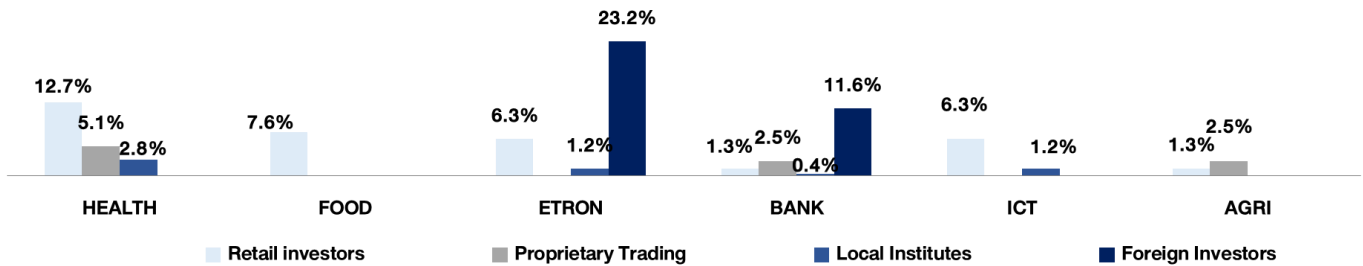
- Believe that the current Covid-19 situation has the greatest negative impact on investor sentiment, followed by international conflict and US economic situation.

Foreign Investors

- View the international conflict as the most dragging down investor confidence.

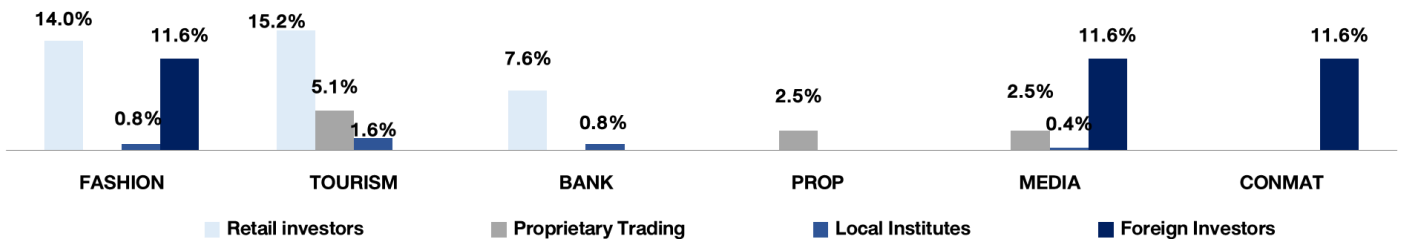


Most Attractive Sectors to Investors



- Retail Investors** See the Health Care Services sector as offering the most interesting investment opportunities, followed by Food sector, Electronic Components sector and Information & Communication Technology sector.
- Proprietary Trading** Believe the Health Care Services sector is the most attractive for investors, followed by Banking sector and Agribusiness sector.
- Local Institutes** Consider the Health Care Services sector as having the most attractive investments, followed by Electronic Components sector and Information & Communication Technology sector.
- Foreign Investors** View the Electronic Components sector as most attractive investment, followed by Banking sector.

Least Attractive Sectors to Investors



- Retail Investors** Consider the Tourism & Leisure sector as most unattractive for investing, followed by Fashion sector and Banking sector.
- Proprietary Trading** Find the Tourism & Leisure sector as the least interesting for investing, followed by Property development sector and Media & Publishing sector.
- Local Institutes** Believe that the Tourism & Leisure sector provides unattractive investment option, followed by Fashion sector and Banking sector.
- Foreign Investors** See Fashion sector, Media & Publishing sector and Construction Materials sector as offering few investment opportunities of interest.

Disclaimer
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.

Federation of Thai Capital Market Organization (FETCO)

✉ FETCO@set.or.th

☎ 02 009 9520
02 009 9506
02 009 9484



Research Contributors

