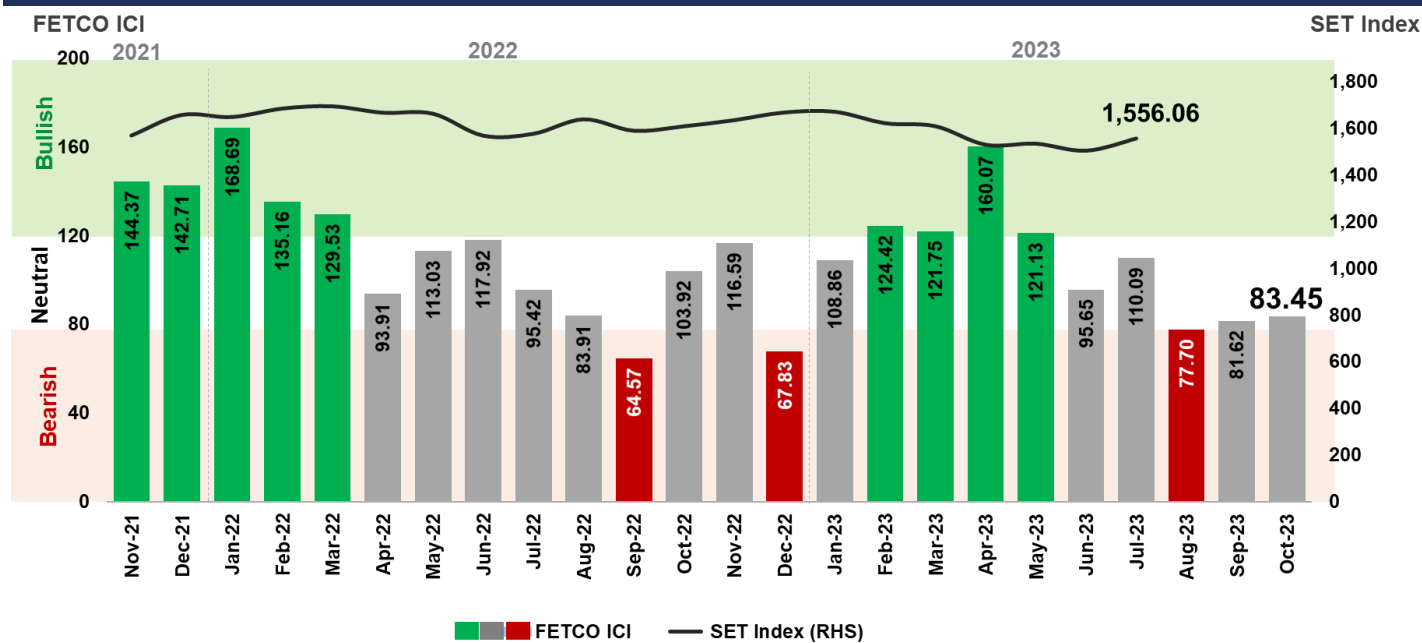


FETCO ICI Compared to SET Index



FETCO Investor Confidence Index (FETCO ICI) in July 2023 (conducted during 20-31 July 2023), which anticipated the market condition over the next three months, is at 83.45, up 2.2 percent from the previous month, hovering in “neutral” zone. Investors expect the government formation to be the most supportive factor, followed by tourism recovery and fund inflow. However, investors are most concerned about the uncertainty over the government establishment, followed by the announcement on financial transaction tax implementation and international conflicts.

The most attractive sectors to investors are Tourism & Leisure (TOURISM), Energy & Utilities (ENERG), and Electronic Components (ETRON), respectively. However, the least attractive ones include Banking (BANK), Food & Beverage (FOOD), and Home & Office Products (HOME).

Confidence of retail, proprietary and institutional investors is in “neutral” zone while that of foreign investors is in “bearish” zone.

FETCO INVESTOR CONFIDENCE INDICES

RETAIL ICI	93.94	↔
PROPRIETARY ICI	112.50	↔
LOCAL INSTITUTES ICI	100.00	↔
FOREIGN ICI	66.67	↓

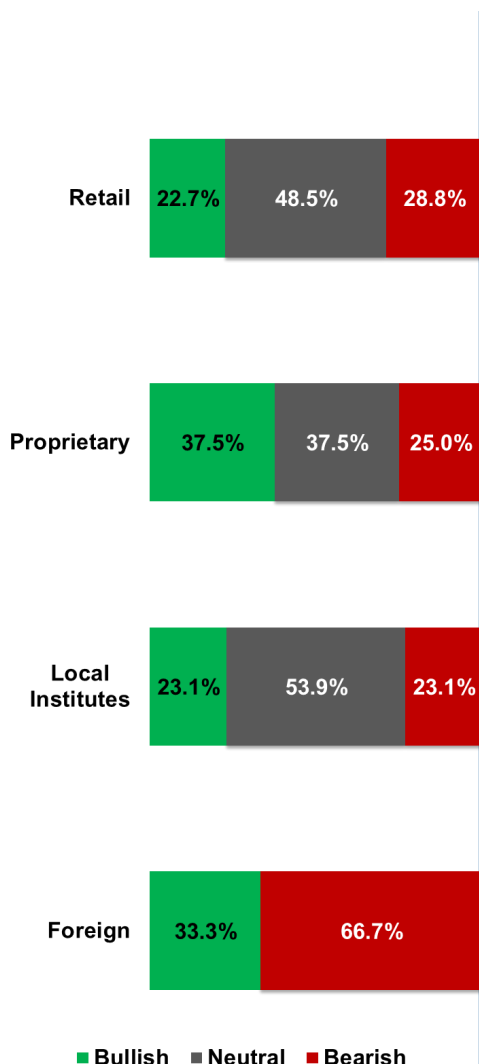
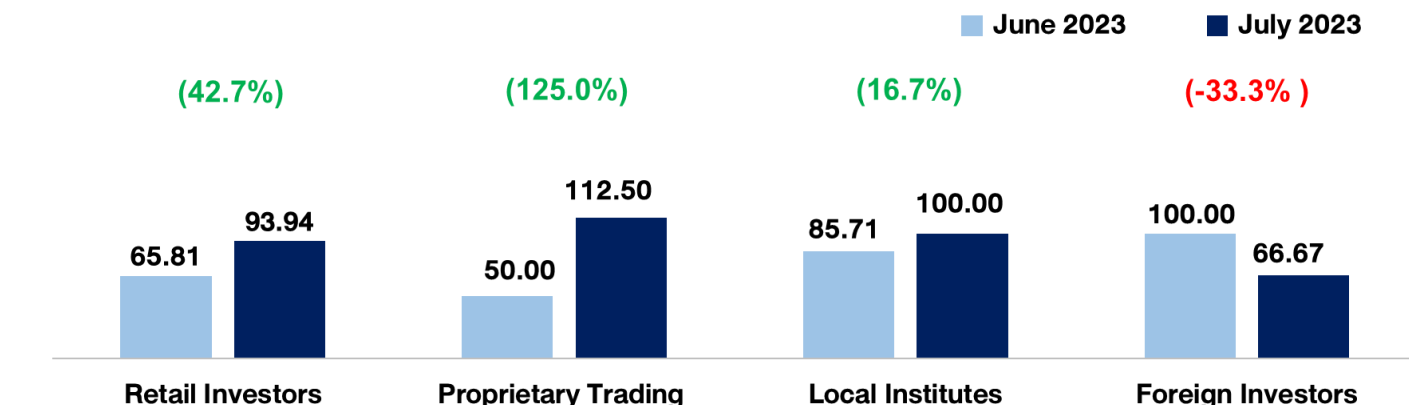
FETCO ICI Criterion

(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 results in July 2023 show that only foreign investor's confidence is down, falling 33.3 percent to 66.67 while confidence of other investor types is up, retail investors rose 42.7 percent to 93.94, proprietary investors jumped 125.0 percent to 112.5 and institutional investors increased 16.7 to 100.00.

SET Index was fluctuated throughout July 2023, hit by uncertainty over the government formation, delay in prime minister selection and continued foreign net sell. Sentiment was dampened further as Thailand's 2023 GDP forecast was revised down to 3.5 percent, from previous forecast of 3.6 percent in April, as a result of lower revenue generated from tourism sector. Moreover, exports continued to contract for six consecutive months. At month-end, the SET Index closed at 1,556.06, up 3.5 percent from a month earlier. Average daily trading in July 2023 was at THB 46,002 million. Foreign investors continued their sell-off for six straight months, cashing out THB 12,558 million in July and THB 118,181 million for the first seven months of this year.

External factors to monitor include Fed's monetary policy, where investors anticipated that Fed is still far from turning to dovish move as growing U.S. economy may trigger inflation return. China's economic slowdown, which hurts Thailand's exports and tourism is also on the watch. Domestically, eyes are on the prime minister selection and government formation. Any further delay may impact the economic growth and 2024 fiscal budgeting. Unfavorable sentiment is also hinged upon political conflicts, which may lead to unrest, slowing exports as a result of stronger Baht, sluggish economies of trading counterparties, that are trying to weather through inflation pressure and high level of interest rate environment. Sagging confidence may further be dented by slower-than-expect tourism expansion.

Most Influential Factor Driving the Stock Market

Retail Investors

- Most view new government formation the as the important factor boosting investor confidence, followed by tourism recovery and fund inflow.

Proprietary Traders

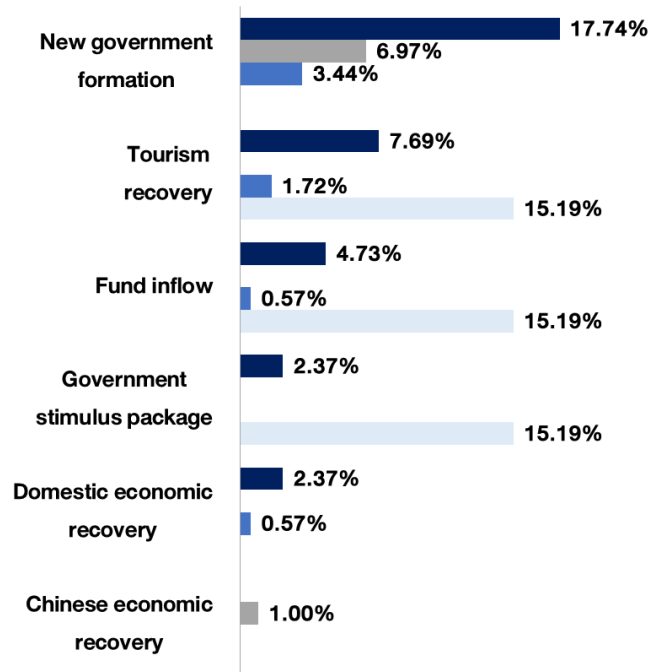
- See new government formation as most supporting investor confidence, followed by Chinese economic recovery.

Local Institutional Investors

- Consider new government formation as having positive impact on investor confidence, followed by tourism recovery, fund inflow and domestic economic recovery.

Foreign Investors

- Believe that tourism recovery, fund inflow and government stimulus package are the most important factors bolstering investor confidence.



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

Most Important Factors Impeding the Stock Market

Retail Investors

- Consider the uncertainty over the government formation as the biggest factor dragging down investor confidence, followed by government plan to collect financial transaction tax and international conflict.

Proprietary Traders

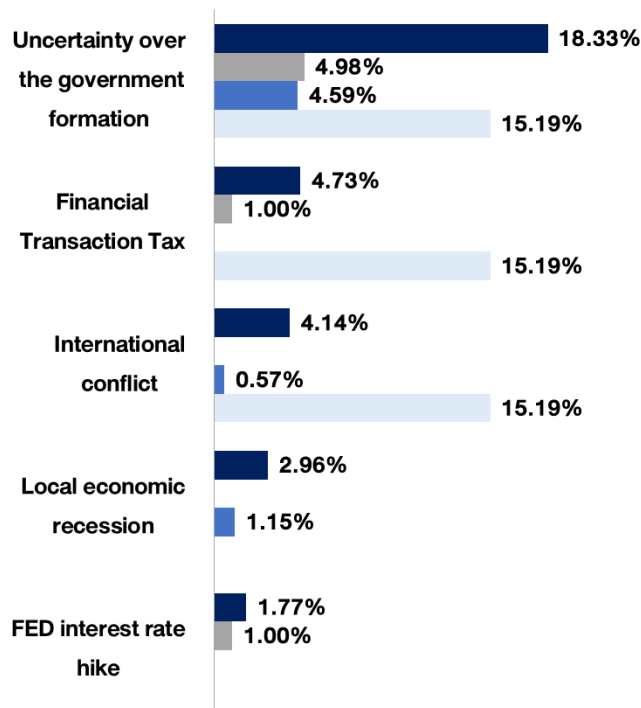
- See the uncertainty over the government formation as the primary factors weighing down investor confidence, followed by government plan to collect financial transaction tax and FED's interest rate hike.

Local Institutional Investors

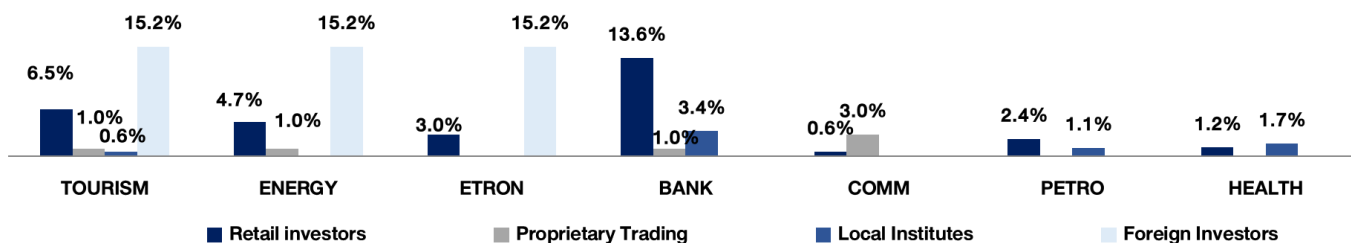
- Believe the uncertainty over the government formation has the greatest negative impact on investor sentiment, followed by local economic recession and international conflict.

Foreign Investors

- View the uncertainty over the government formation, government plan to collect financial transaction tax and international conflicts dragging down investor confidence.



Most Attractive Sectors to Investors



Retail Investors

See the Banking sector as offering the most interesting investment opportunities, followed by Tourism & Leisure sector and Energy & Utilities sector .

Proprietary Trading

Believe the Commerce sector is the most attractive for investors, followed by Tourism & Leisure sector, Energy & Utilities sector and Banking sector.

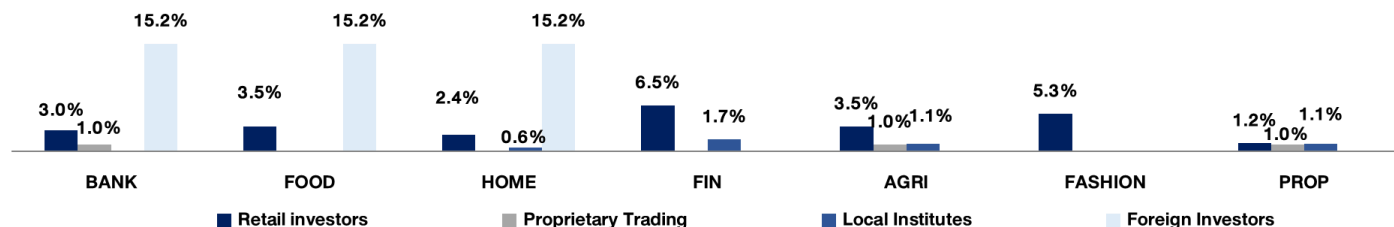
Local Institutes

Consider the Banking sector as having the most attractive investments, followed by Healthcare sector and Petrochemical Sector.

Foreign Investors

View the Tourism & Leisure sector, Energy & Utilities sector and Electronic components sector are as most attractive investment.

Least Attractive Sectors to Investors



Retail Investors

Consider the Fashion sector is as most unattractive for investing, followed by Mining sector and Steel sector.

Proprietary Trading

Find the Steel sector, Mining sector, Finance & Securities sector and Energy & Utilities sector are as the least interesting for investing.

Local Institutes

Believe that the Energy & Utilities sector provides unattractive investment options, followed by Steel sector and Finance & Securities sector.

Foreign Investors

See the Steel sector, Mining sector and Packaging 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.

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