



Weekly Market Wrap Up 13 Jan 2023

Key Takeaway on Early Week

US

- ดัชนี S&P 500 ส่งสัญญาณ Bullish แนะนำ Costco , NIKE , Carnival เน้นกลุ่ม Defensive และ Healthcare

EUROPE

- สัญญาณเศรษฐกิจเริ่มดีขึ้น โดยเฉพาะกลุ่มธนาคาร แนะนำชื้อกลุ่ม Luxury LVMH, Kering
- VIETNAM เก็งกำไร เลือก VEIL LN EQUITY (Dragon Capital)

CHINA

- กลุ่ม Deep discount valuation โดยเฉพาะ Baba , Tencent

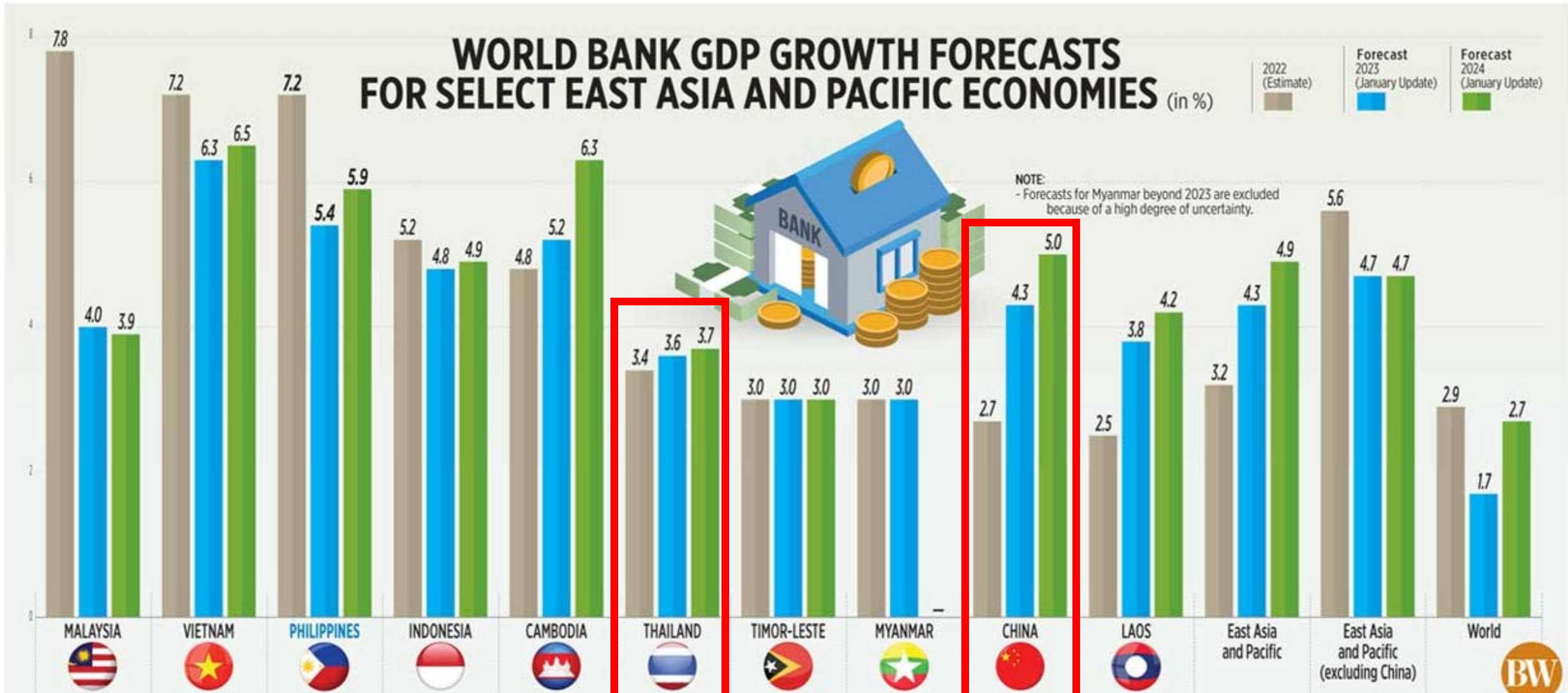
JAPAN

- MUFG ยังคงเป็น Top pick สำหรับหุ้นญี่ปุ่น

Mutual Fund

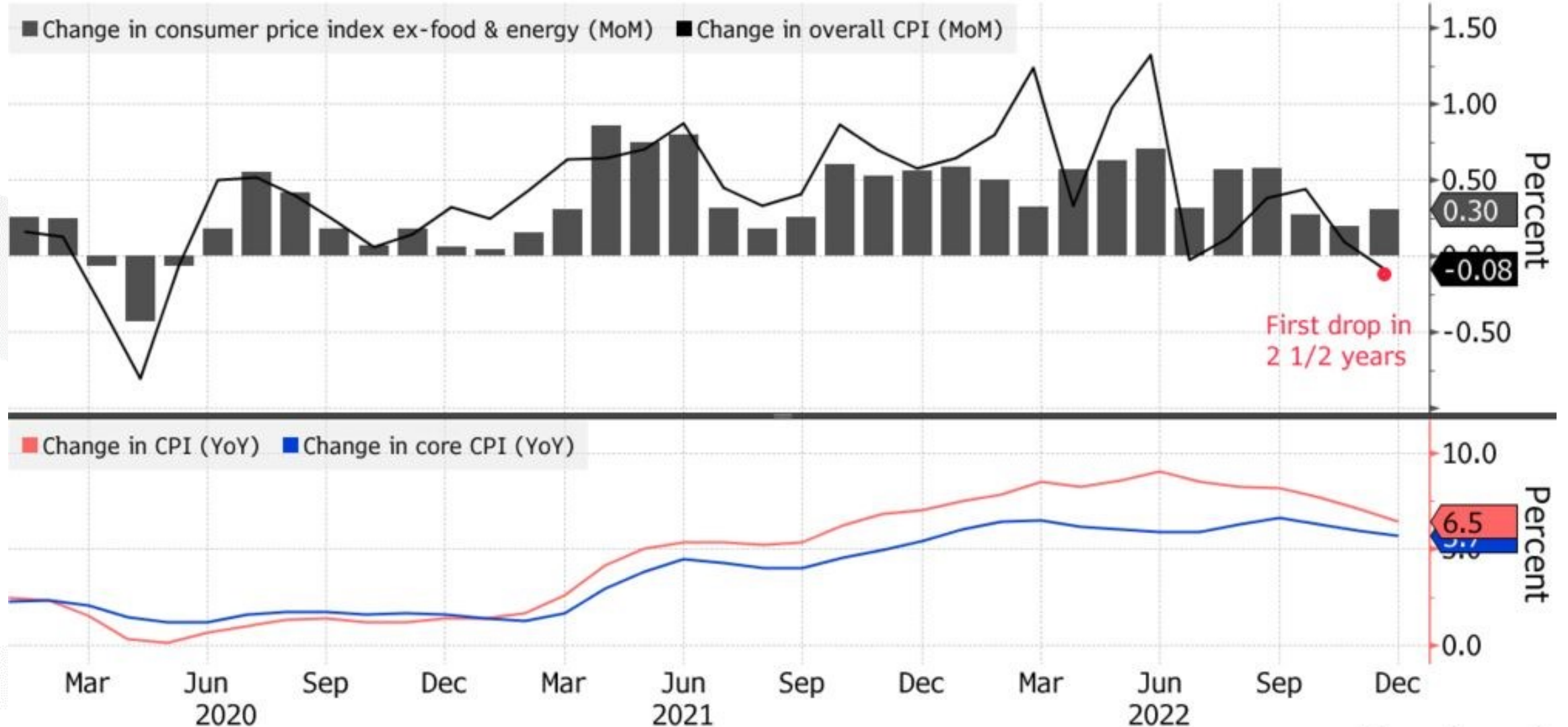
- แนะนำถือต่อ ASP-EVOCHINA , TMB-ES-CHINA-A M-EUBANK KFJPSCAP
- หาจังหวะลดสัดส่วนกองทุนหุ้นญี่ปุ่น (ASP-NGF)

World bank GDP : Thailand and China had 2 years growth



US Consumer Price Data Consistent With Moderating Inflation

CPI figures suggest inflation has peaked, give Fed room to slow rate-hike pace



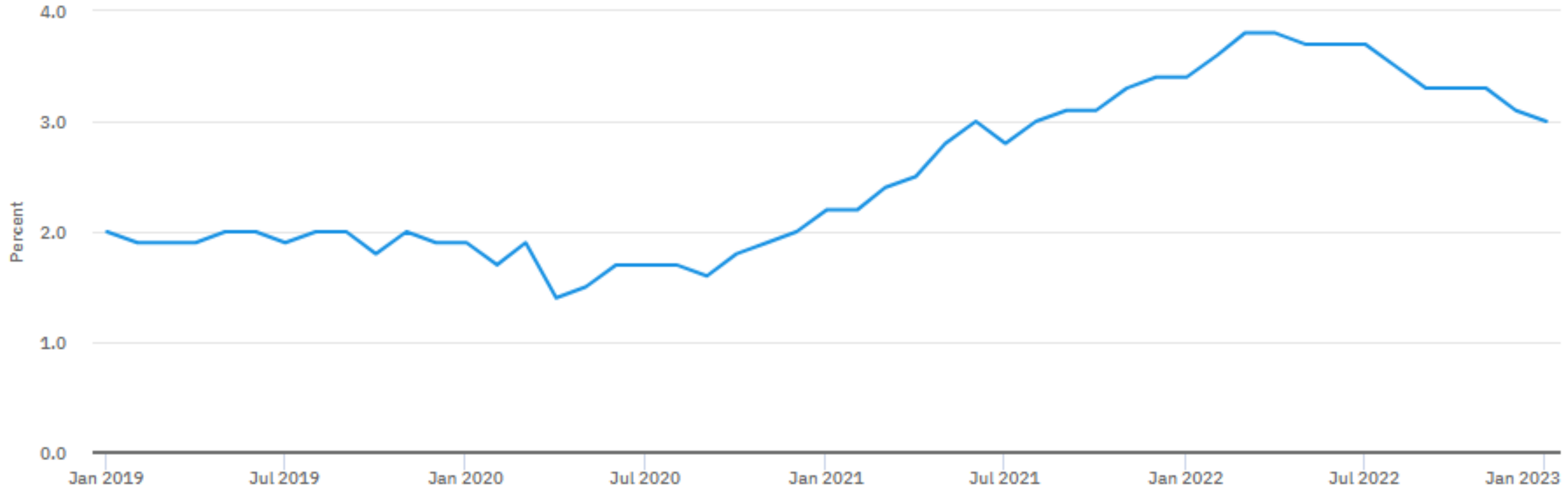
Source: Bureau of Labor Statistics

Bloomberg

Atlanta Fed Business Inflation Expectations came in at +3% versus a prior reading of +3.1%.

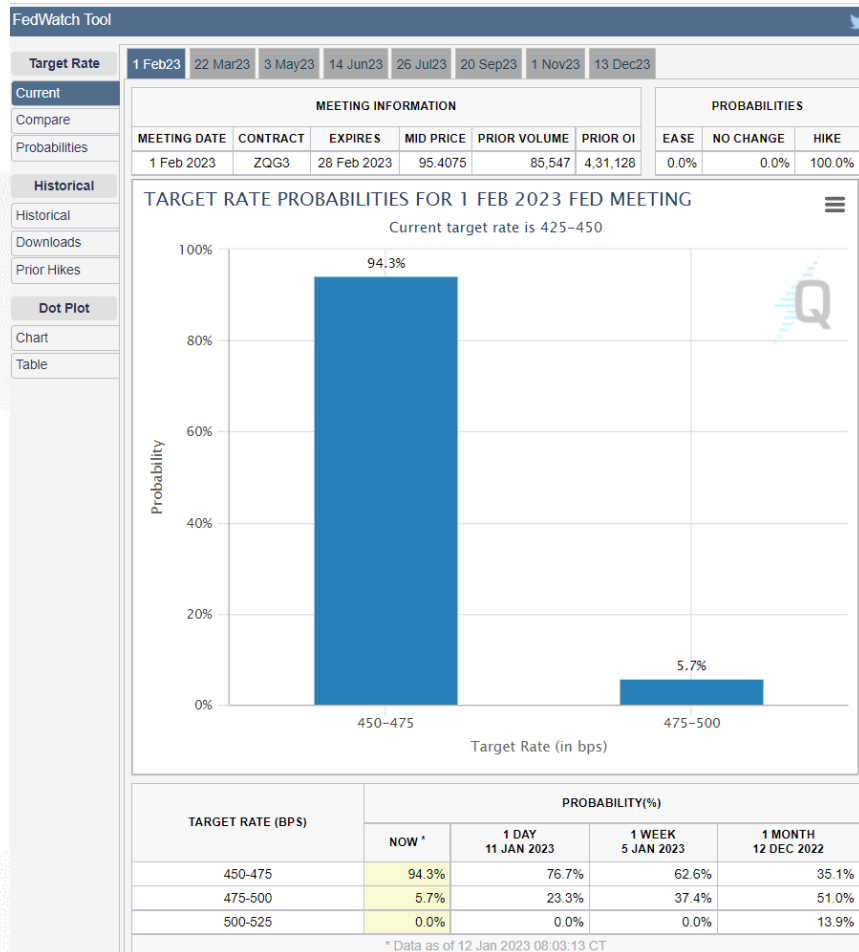
Year-Ahead Inflation Expectations

Export



Source: Atlanta Fed Business Inflation Expectations (BIE) Survey

US : Fed Fund Futures เริ่มเห็นสัญญาณลดลง



วันที่ 13 ม.ค. 66
หลัง CPI data

MEETING PROBABILITIES									
MEETING DATE	350-375	375-400	400-425	425-450	450-475	475-500	500-525	525-550	550-575
01-02-2023	0.0%	0.0%	0.0%	0.0%	94.3%	5.7%	0.0%	0.0%	0.0%
22-03-2023	0.0%	0.0%	0.0%	0.0%	21.9%	73.7%	4.4%	0.0%	0.0%
03-05-2023	0.0%	0.0%	0.0%	0.0%	15.2%	57.9%	25.5%	1.3%	0.0%
14-06-2023	0.0%	0.0%	0.0%	0.0%	13.7%	53.7%	28.7%	3.7%	0.1%
26-07-2023	0.0%	0.0%	0.0%	4.4%	26.6%	45.7%	20.6%	2.6%	0.1%
20-09-2023	0.0%	0.0%	1.9%	13.8%	34.6%	35.1%	13.0%	1.5%	0.1%
01-11-2023	0.0%	0.9%	7.7%	24.1%	34.9%	24.2%	7.3%	0.8%	0.0%
13-12-2023	0.9%	7.4%	23.4%	34.4%	24.7%	8.1%	1.1%	0.1%	0.0%














Underpricing Recession Risk

Morgan Stanley's Wilson sees recession risk fueling stock market declines in 2023



US Sector Rotation

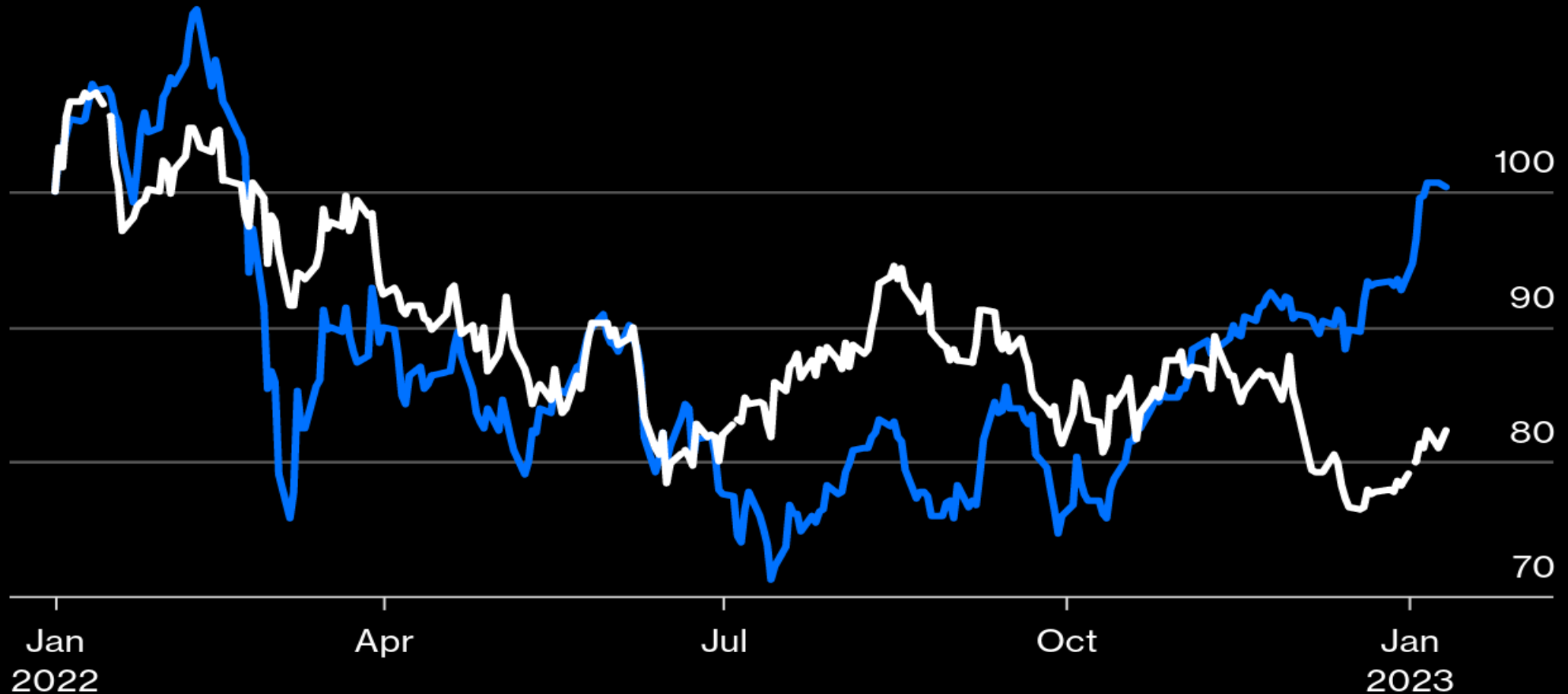
Period **5D** 01/05/23 - 01/12/23  **Total Return** Currency **LCL**

Return	Groups (11)	Return	Positive Price Return
	S&P 500 ECO SECTORS IDX	4.60%	
	All Groups		
1)	S&P 500 REAL ESTATE IDX	8.03%	
2)	S&P 500 INFO TECH INDEX	7.36%	
3)	S&P 500 CONS DISCRET IDX	7.25%	
4)	S&P 500 MATERIALS INDEX	7.15%	
5)	S&P 500 COMM SVC	5.29%	
6)	S&P 500 INDUSTRIALS IDX	4.39%	
7)	S&P 500 ENERGY INDEX	4.24%	
8)	S&P 500 FINANCIALS INDEX	3.62%	
9)	S&P 500 UTILITIES INDEX	2.94%	
10)	S&P 500 CONS STAPLES IDX	0.75%	
11)	S&P 500 HEALTH CARE IDX	0.23%	

European Banks Turn the Tables

A 40% rally has seen eurozone banks far outstrip their US counterparts

— FTSEurofirst 300 Eurozone Banks Index — KBW Bank Index

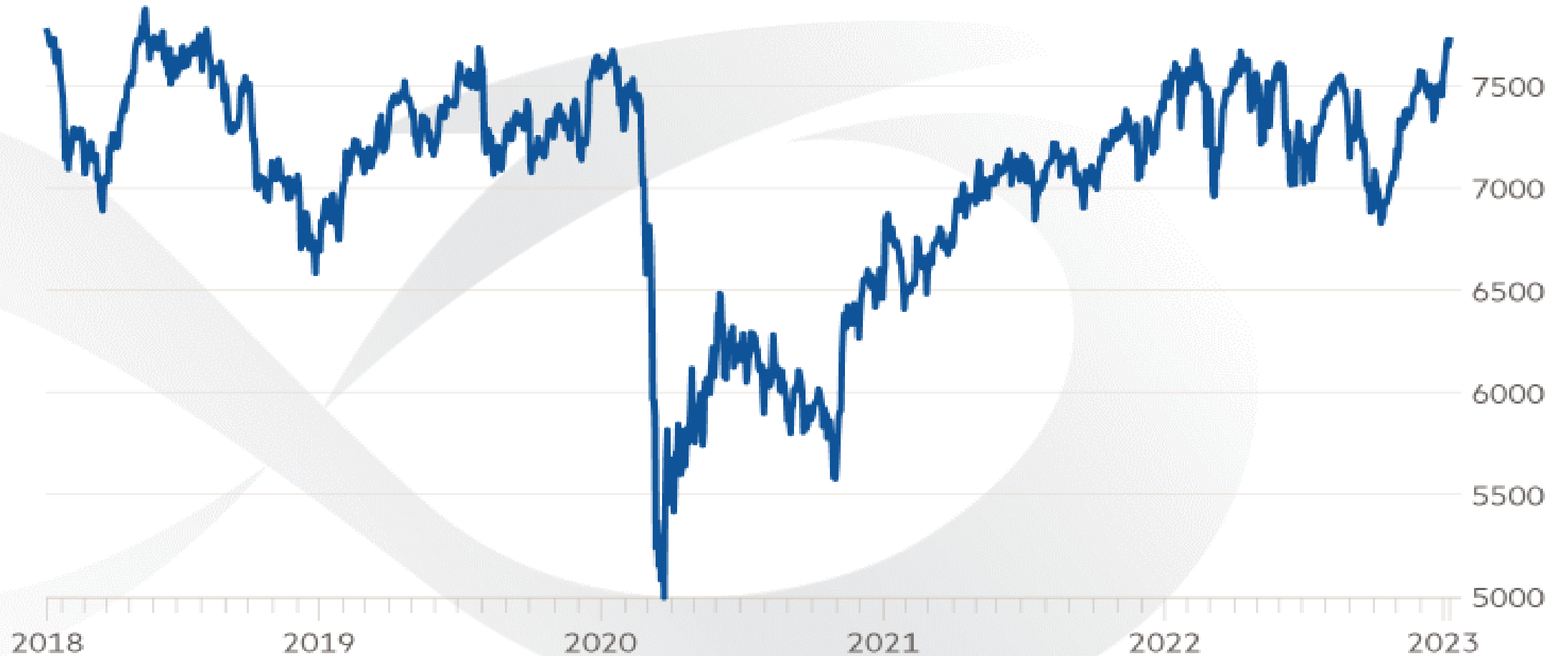


Source: Bloomberg

Rebased: 100 = 01/01/2022, priced in Euro terms

FTSE 100 within striking distance of all-time high

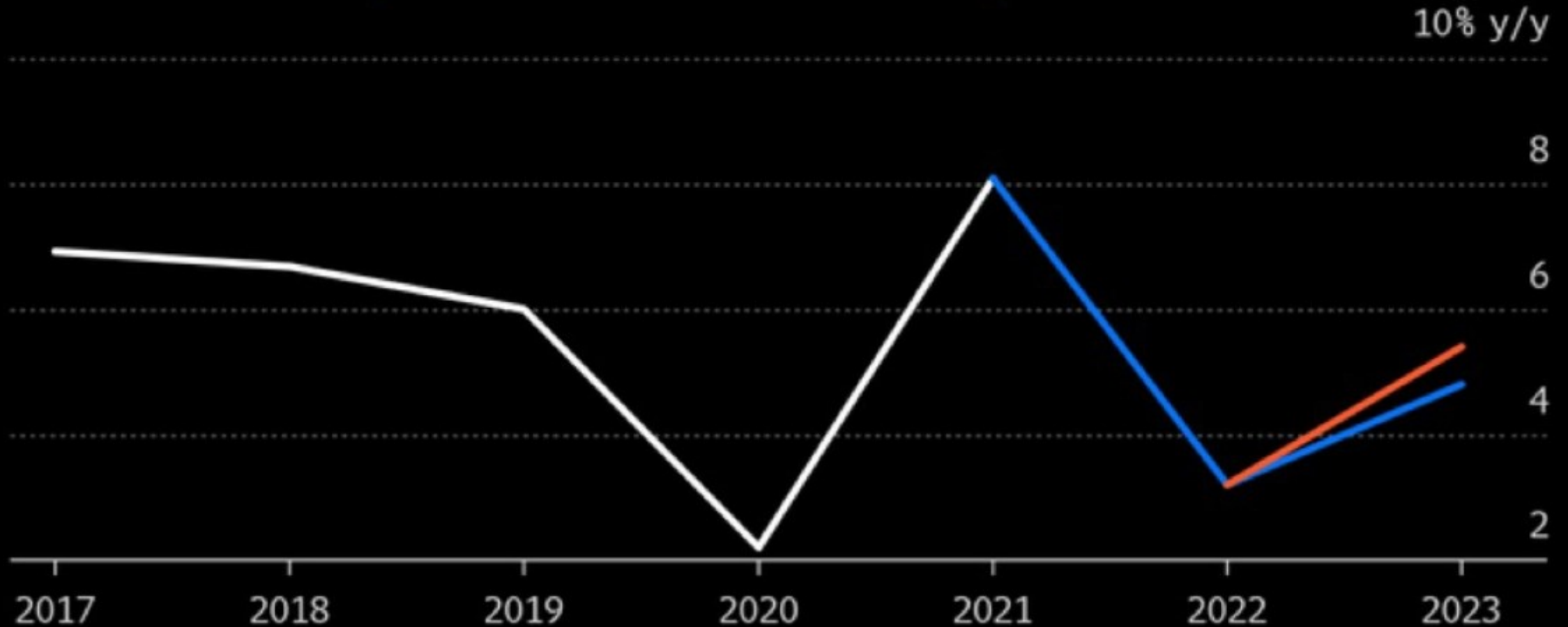
Previous peak was in May 2018



Returning Growth

Morgan Stanley sees above-consensus growth for China GDP in 2023

China annual GDP Economists' consensus forecasts Morgan Stanley forecasts



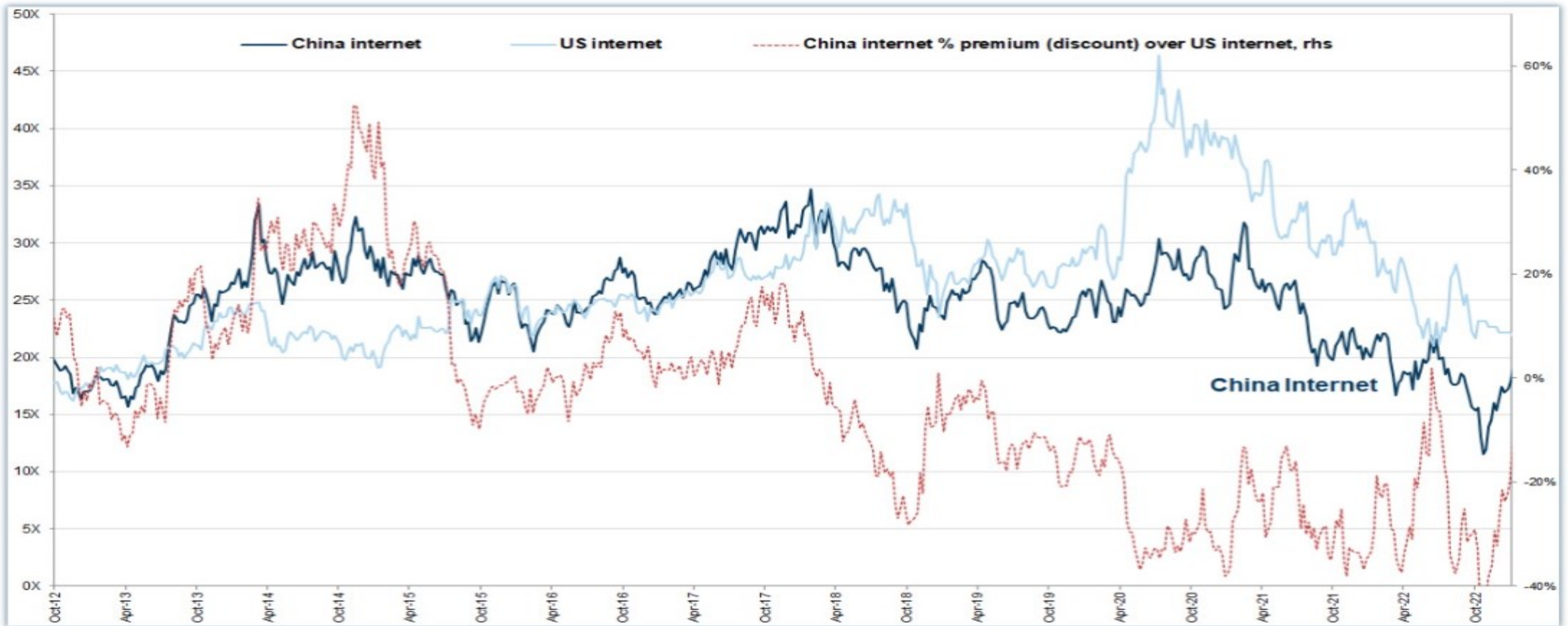
Source: Bloomberg, Morgan Stanley

Bloomberg

Goldman Sachs adds Alibaba to conviction buy list, says shares can rise more than 25%

Exhibit 21: China Internet median 1-year forward P/E vs. US Internet

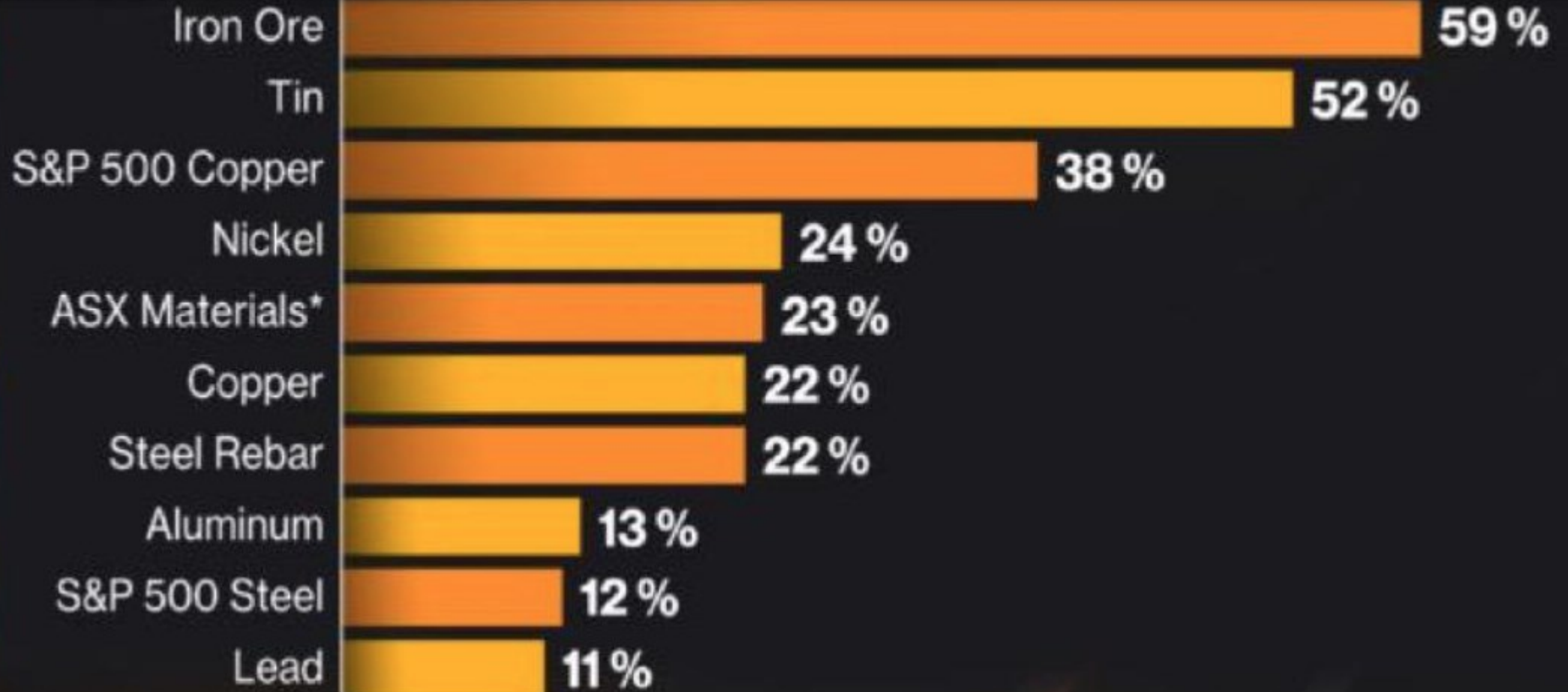
China Internet now trades at a c.20% discount to US internet



Source: BBG, Data compiled by Goldman Sachs Global Investment Research

THE CHINA REOPENING EFFECT

Metals plays from Nov. 1 to Jan. 11



SOURCE: * ASX 200 Materials Equity Index

Oil Futures Rise

Crude is heading for a sixth straight increase

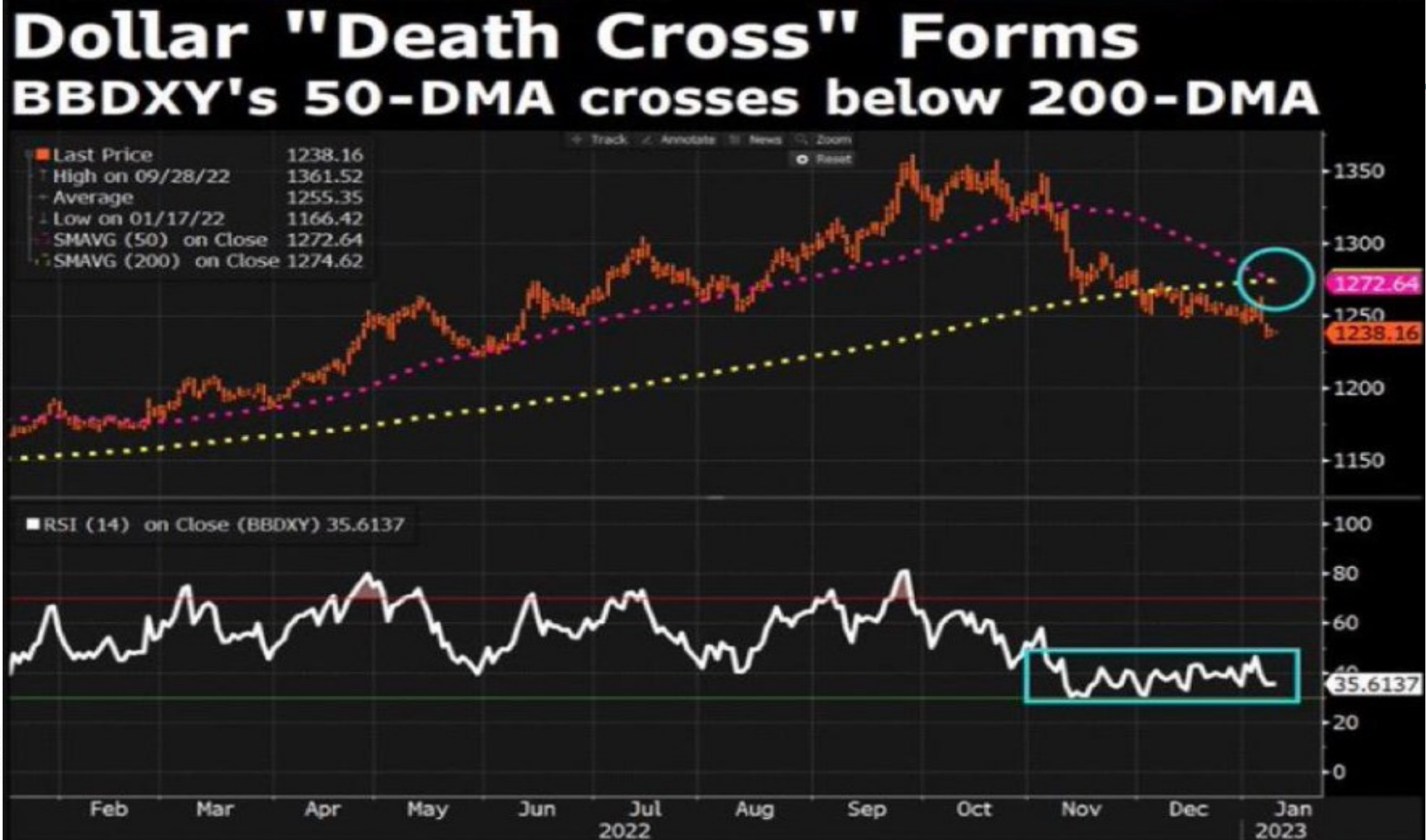


Source: ICE, Nymex

Bloomberg



Source: Bloomberg



TSMC Reports Fourth Quarter

FOURTH QUARTER RESULTS

- ↑ Net income NT\$295.9 billion, +78% y/y, estimate NT\$287.8 billion
- ↑ Gross margin 62.2% vs. 60.4% q/q, estimate 60.1%
- ↑ Operating profit NT\$325.04 billion, +78% y/y, estimate NT\$319.95 billion
- ↑ Operating margin 52% vs. 50.6% q/q, estimate 50%
- ↓ **Sales NT\$625.5 billion, estimate NT\$636.02 billion**

2022 YEAR RESULTS

- ↓ **Sales NT\$2.26 trillion, +42% y/y, estimate NT\$2.28 trillion**
- R&D expenses NT\$163.3 billion, +31% y/y, estimate NT\$157.75 billion
- Capital expenditure \$36.29 billion vs. \$30.04 billion y/y, estimate \$35.66 billion

Auto shipments to grow again this year

Taiwan Semiconductor Manufacturing Co. expects a further easing to a chip crunch that's restricted production in the global automotive industry, including for giants like Toyota Motor Corp. and General Motors Co.

The shortage of crucial semiconductors for cars has persisted for over a year. In November, Ford Motor Co. Chief Executive Officer Jim Farley warned about supplies of legacy, or more mature, silicon. Vietnamese electric-vehicle maker VinFast said it was forced to delay rollouts of SUVs in Europe and Canada.

“Automotive demand continued to increase and today we’re still probably not supplying 100% of the wafers they want, but it’s improving,” TSMC Chief Executive Officer C. C. Wei told analysts on a conference call. “We expect the shortage to be relaxed quickly. We expect auto shipments to grow again this year.”

TSMC Revenue breakdown

2330 TT Equity 96) Actions ▾ 97) Export ▾ 98) Settings

39) ADJ Taiwan Semiconductor Manufacturing Co Ltd IFRS 16 ? Acct Consolidated ▾ Periods 5 Annuals ▾ Cur FRC (TWD) ▾

1) Key Stats 2) I/S 3) B/S 4) C/F 5) Ratios 6) Segments 7) Addl 8) ESG 9) Custom

11) By Measure 12) By Geography 13) By Segment















In Millions of TWD except Per Share

	2018 Y		2019 Y		2020 Y		2021 Y		2022 Y	
12 Months Ending	12/31/2018		12/31/2019		12/31/2020		12/31/2021		12/31/2022	
▾ Revenue	1,031,473.6	100.0%	1,069,985.4	100.0%	1,339,254.8	100.0%	1,587,415.0	100.0%	—	
▾ Semiconductor Chips	911,296.4	88.3%	927,317.4	86.7%	1,178,456.3	88.0%	1,405,300.3	88.5%	—	
▾ Others	120,177.2	11.7%	142,668.1	13.3%	160,798.5	12.0%	182,114.8	11.5%	—	
▾ Revenue - Supplementary Breakdown	1,031,473.6	100.0%	1,069,985.4	100.0%	1,339,254.8	100.0%	1,587,415.0	100.0%	2,263,891.0	100.0%
▾ HPC (High Performance Computing)	341,910.2	33.1%	315,822.3	29.5%	439,810.0	32.8%	587,780.1	37.0%	928,195.0	41.0%
▾ Smartphone	466,452.3	45.2%	523,612.9	48.9%	645,303.6	48.2%	695,091.2	43.8%	882,917.0	39.0%
▾ Internet of Things	65,091.3	6.3%	86,342.7	8.1%	110,355.2	8.2%	133,006.0	8.4%	203,750.0	9.0%
▾ Automotive	51,709.8	5.0%	47,914.5	4.5%	44,367.6	3.3%	67,076.4	4.2%	113,195.0	5.0%
▾ Others	47,839.8	4.6%	42,559.7	4.0%	44,862.8	3.3%	48,884.1	3.1%	67,917.0	3.0%
▾ Digital Consumer Electronics	58,470.2	5.7%	53,733.4	5.0%	54,555.7	4.1%	55,577.2	3.5%	67,917.0	3.0%

TSMC Revenue breakdown

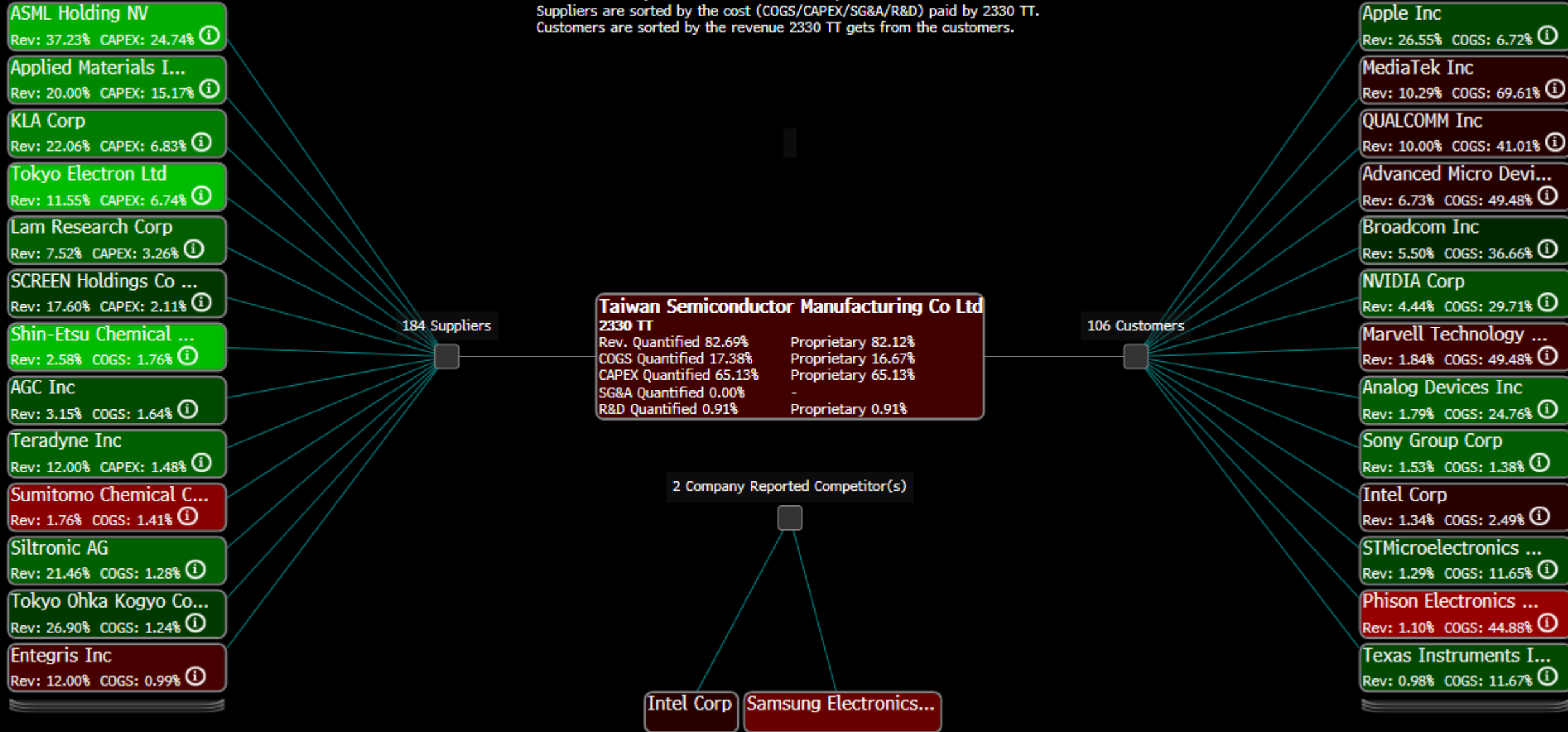
In Millions of TWD	2018 Y	2019 Y	2020 Y	2021 Y	2022 Y	2023 Y Est
12 Months Ending	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
Highlights						
▼ Adjusted Basic EPS	13.54	13.32	19.97	23.01	39.20	36.05
Adjusted Basic EPS - POP	2.34%	-1.62%	49.92%	15.22%	70.36%	-8.03%
▼ Revenue	1,031,473.6	1,069,985.0	1,339,255.0	1,587,420.0	2,260,000.0	2,381,198.2
Revenue - POP	5.53%	3.73%	25.17%	18.53%	42.37%	5.36%
▼ Inventory Days (EOP)	70.61	52.47	80.03	91.79	88.17	85.03
Inventory Days (EOP) - POP	26.38%	-25.70%	52.54%	14.69%	-3.95%	-3.56%
▼ Segment Revenue	1,031,473.6	1,069,985.0	1,339,255.0	1,587,420.0	2,260,000.0	2,381,198.2
Segment Revenue - POP	5.53%	3.73%	25.17%	18.53%	42.37%	5.36%
▼ Smartphone	466,452.3	523,612.9	645,303.6	695,091.2	882,917.0	917,159.3
Smartphone - POP		12.25%	23.24%	7.72%	27.02%	3.88%
▼ High Performance Computing	341,910.2	315,822.3	439,810.0	587,780.1	928,195.0	969,461.6
High Performance Computin...		-7.63%	39.26%	33.64%	57.92%	4.45%
▼ Internet of Things	65,091.3	86,342.7	110,355.2	133,006.0	203,750.0	206,691.4
Internet of Things - POP		32.65%	27.81%	20.53%	53.19%	1.44%
▼ Automotive	51,709.8	47,914.5	44,367.6	67,076.4	113,195.0	115,132.2
Automotive - POP		-7.34%	-7.40%	51.18%	68.76%	1.71%
▼ Digital Consumer Electronics	58,470.2	53,733.4	54,555.7	55,577.2	67,917.0	
Digital Consumer Electronics...		-8.10%	1.53%	1.87%	22.20%	
▼ Others	47,839.8	42,559.7	44,862.8	48,884.1	67,917.0	80,720.2
Others - POP		-11.04%	5.41%	8.96%	38.93%	18.85%

TSMC Revenue breakdown

In Millions of TWD		2017 Y	2018 Y	2019 Y	2020 Y	2021 Y
12 Months Ending		12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
Regional Breakdown						
	▼ Total Revenue	977,447.2	1,031,473.6	1,069,985.0	1,339,255.0	1,587,420.0
	Total Revenue - POP	3.11%	5.53%	3.73%	25.17%	18.53%
	▼ Taiwan	90,129.4	78,260.8	84,255.3	129,082.9	203,963.8
	Taiwan - POP	-29.07%	-13.17%	7.66%	53.20%	58.01%
	▼ America	620,948.7	632,821.5	634,713.0	817,911.0	1,015,996.4
	America - POP	1.73%	1.91%	0.30%	28.86%	24.22%
	▼ China		175,794.2	208,101.4	233,783.4	164,552.1
	China - POP			18.38%	12.34%	-29.61%
	▼ Europe, Middle East & Africa	68,538.4	71,068.4	67,568.2	70,213.4	89,010.1
	Europe, Middle East & Africa ...	18.08%	3.69%	-4.93%	3.91%	26.77%
	▼ Japan		58,125.9	57,468.6	63,299.2	71,920.9
	Japan - POP			-1.13%	10.15%	13.62%
	▼ Other Region	3,353.7	15,402.8	17,879.0	24,965.0	41,971.9
	Other Region - POP	-39.62%	359.28%	16.08%	39.63%	68.12%

2330 TT's Exposure to Related Companies:

Suppliers are sorted by the cost (COGS/CAPEX/SG&A/R&D) paid by 2330 TT. Customers are sorted by the revenue 2330 TT gets from the customers.



TSM US +6.38%

