

MARKET TALK

Investment Strategy



LTF selling vs Thai ESG Fund buying

Today the Constitutional Court will decide on Thirayut's petition to investigate Thaksin and Pheu Thai. Institutions fund flow will come from LTF selling and Thai ESG fund buying. Outstanding LTF AUM is B240bn, B167bn of which is redeemable in 2024 and all of which is redeemable in 2025. Thai ESG fund AUM at end-October was B11.6bn, B7.17bn of which was in ESG equity funds. In August-October 2024, Thai ESG fund AUM increased B3.5bn, half of which was buying went to ESG equity funds and the other half went to ESG fixed-income funds. Institutional fund inflow in Thai stock market is not strong yet.

Institutional and foreign fund inflow is still weak, pressured by political issues. SET Index today is expected around 1,435-1,450 pts. Top picks are BPP, CPALL, and INTUCH.

🕒 November 22, 2024

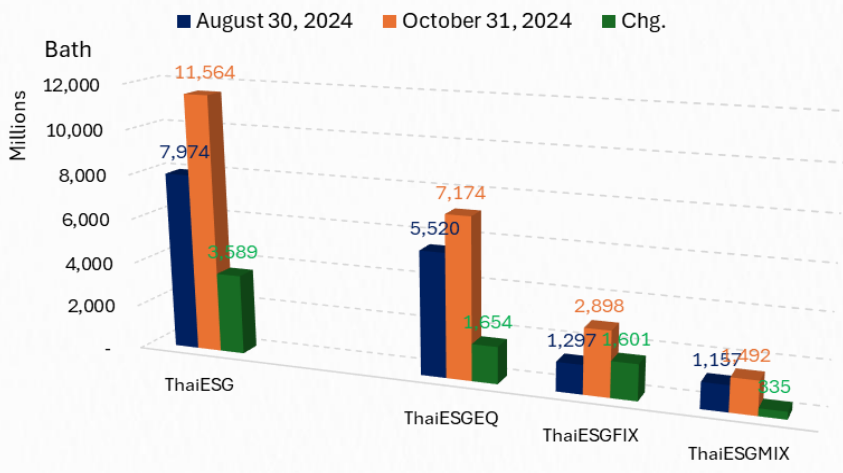
SUPPORT & RESISTANCE

SUPPORT	1,427-1,435
RESISTANCE	1,450-1,454

TOP PICKS

BPP	FV@B 13.00
CPALL	FV@ 91.00
INTUCH	FV@B 115.00

ESG EQUITY FUNDS VS ESG FIXED-INCOME FUNDS



Source: AIMC, ASPS Research

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MARKET TALK

Investment Strategy

Watch global issues

U.S. stock markets rose 0.1-1% yesterday as economic figures turned out strong. Latest initial jobless claim dropped 6,000 to 213,000, lower than 220,000 expected. U.S. existing home sales in October grew 3.4%mom, better than 2.9%mom expected and 1.0%mom drop in September.

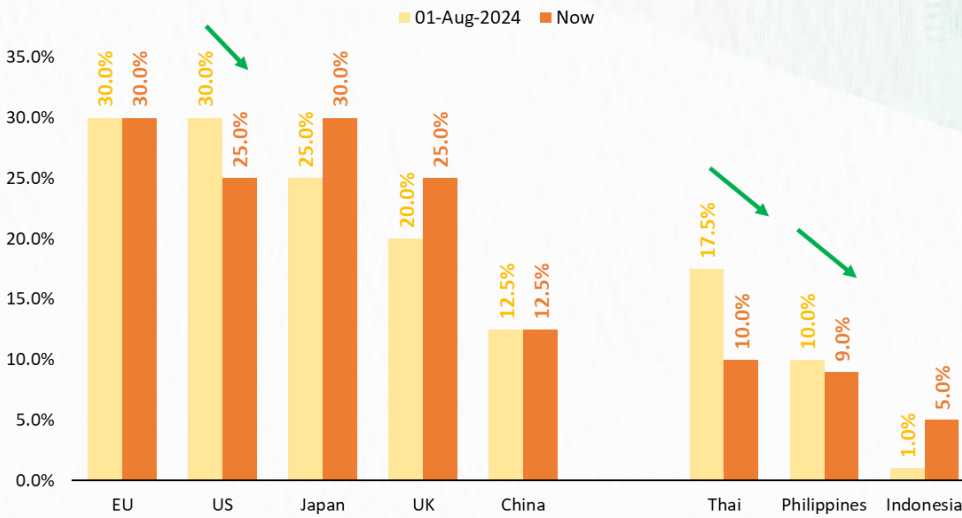
U.S. ECONOMIC INDICATORS

Date	Country	Economic index	Month	Actual	Consensus	Older	
Thursday	21 Nov 24	US	Initial Jobless Claims	Nov-16	213k	220k	217k
			Existing Home Sales MoM	Oct	3.40%	2.9%	-1.0%

Source: Bloomberg, ASPS Research

Bloomberg sees 25% chance of U.S. recession in the next one year, down from August projection.

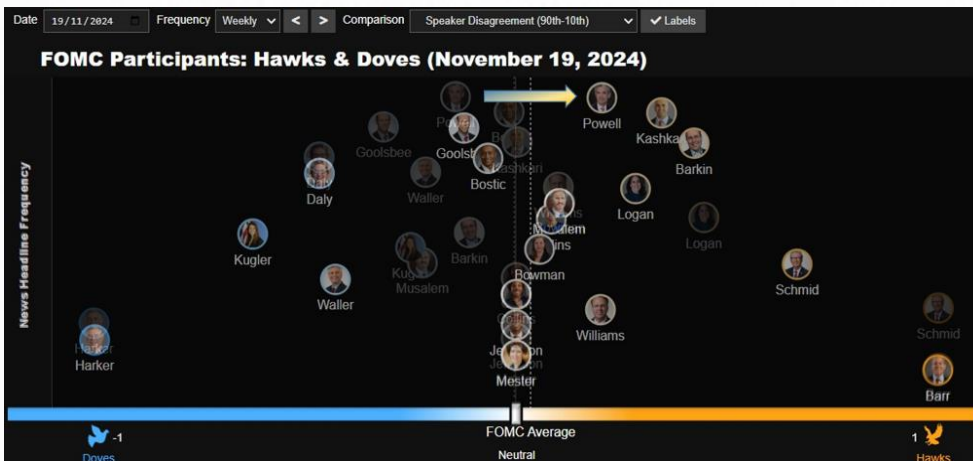
RECESSION RISK IN NEXT 1 YEAR



Source: Bloomberg, ASPS Research

Fed officials are more hawkish in November, Fed Chair Jerome Powell too.

FED OFFICIALS' OUTLOOKS



Source: Bloomberg, ASPS Research

MARKET TALK

Investment Strategy

Geopolitical risk from the Russia-Ukraine is escalating. Russia reportedly fired an intercontinental ballistic missile (ICBM) from its southern Astrakhan region at Ukraine. This is Russia's first use of ICBM that can carry nuclear warheads, but this missile was not armed with nuclear warheads. Markets are concerned that the conflicts will escalate further. Global oil demand tightens, so Brent and WTI crude oil prices rose 1.9% and 1.4% yesterday.

CHANGE IN COMMODITY PRICES

	Last	%Chg	%MTD	%YTD
BADI	1616	-0.68%	16.43%	-2.83%
Newcastle Coal	144.55	0.59%	-1.97%	5.40%
Cotton	69.19	1.07%	-0.55%	-4.58%
Natural Gas	3.414	2.25%	26.12%	3.53%
Soybean Meal	289.4	-0.65%	-3.95%	-3.42%
Rubber Block	188.3	-0.84%	-4.56%	20.63%
Sugar	21.38	-1.25%	-5.98%	3.24%
Rubber Sheet	233	-0.26%	0.00%	34.60%
Soybean	977.75	-1.29%	-1.68%	-21.95%
Brent	74.23	1.95%	1.46%	3.65%
WTI	70.14	0.06%	1.27%	2.11%

Source: Bloomberg, ASP Research

SET Index is pressured by geopolitical risk. As U.S. economic figures were strong, fund flow switches to U.S. stock markets and safe assets like USD. SET Index today is expected around 1,435-1,450 pts.

Constitutional Court sees Thirayut's petition today

Thailand's political issues must be watched closely since it affects SET Index. The Office of the Attorney General (OAG) rejected lawyer Thirayut Suwankesorn's petition (six allegations) to investigate Thaksin and Pheu Thai. Today, the Constitutional Court is set to decide on Thirayut's petition; it may accept or reject the case or partly accept some of the six allegations.

These overhang factors will weaken trading volume this morning until clarity is made. SET Index is expected to swing narrowly.

MARKET TALK

Investment Strategy

CONSTITUTIONAL COURT'S DECISION

Lawyer Thirayut Suwanakesorn's six complaints over
Thaksin's influence on Pheu Thai Party

(24 Sep 2024)

Complaints filed to the Attorney General

(10 Oct 2024)

Complaint filed to the Constitutional Court

(22 Oct 2024)

The Constitutional Court asked the Attorney General
to report back and gather evidence **within 15 days**

(8 Nov 2024)

The Attorney General sent the response letter to
the Constitutional Court
The complaint was rejected.

*** 22 Nov 2024 ***

Constitutional Court considers to accept or
not accept the complaint

Source: ASPSP Research

Thai ESG fund not fully boosting SET Index

At the final bend of 2024, investors are buying tax-saving funds. In 2024, there are 40 new Thai ESG funds with holding period of only five years and tax deduction up to B300,000. However, Thai ESG funds may not boost SET Index much at the final bend of 2024 and the beginning of 2025.

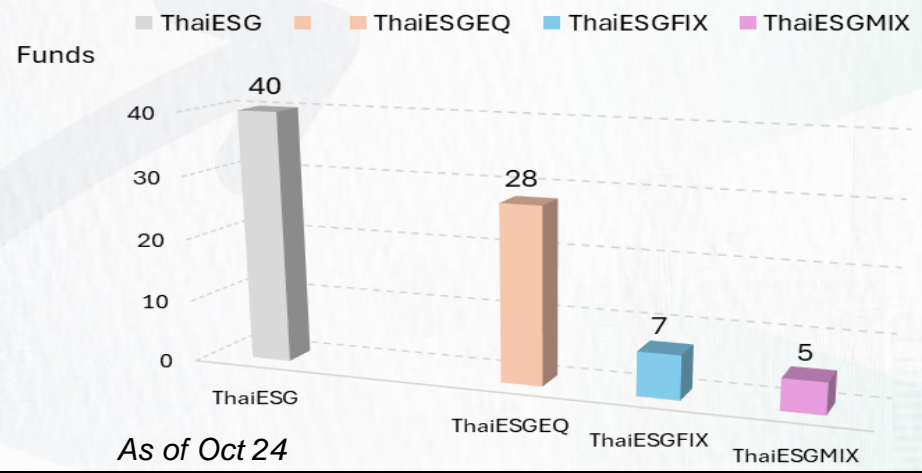
1) **Investors are buying Thai ESG funds that invest in bonds.** Out of 40 ESG funds, seven funds are fixed-income funds (focusing on bonds) and three of which are among the top five Thai ESG funds.

In the past two months (Sep-Oct 2024), both ESG equity funds and ESG fixed-income funds were with fund inflow of B1.6bn, reflecting that half of fund inflow goes to Thai ESG stocks.

MARKET TALK

Investment Strategy

THAI ESG FIXED-INCOME FUNDS

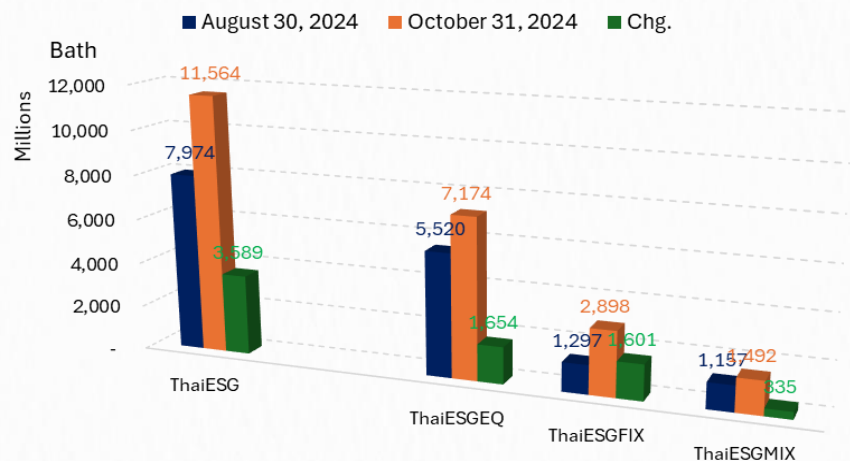


No.	Symbol	AMC	Classification	NAV	NAV/Unit
1	K-TNZ-ThaiESG	KASIKORN AM	ThaiESGEQ	2,193,689,523	10.64
2	KKPGB THAI ESG	KIATNAKIN PHATRAAM	ThaiESGFIX	1,618,798,341	10.56
3	B-TOP-THAIESG	BBLAM	ThaiESGEQ	1,539,313,230	10.63
4	K-ESGS-ThaiESG	KASIKORN AM	ThaiESGFIX	937,132,073	10.32
5	B-SI-THAIESG	BBLAM	ThaiESGFIX	760,885,025	10.39

As of 22Nov24

Source: AIMC, ASPS Research

ESG EQUITY FUNDS VS ESG FIXED-INCOME FUNDS



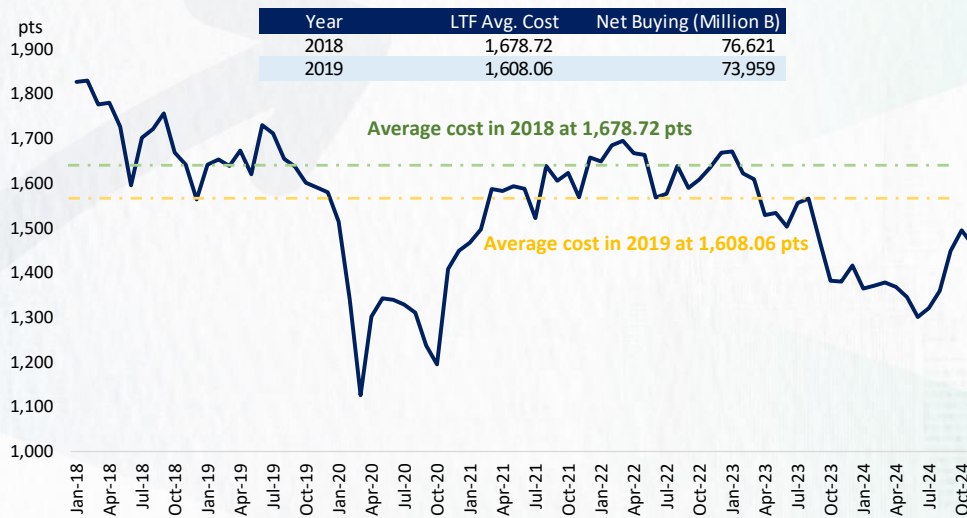
Source: AIMC, ASPS Research

2) Fund inflow in Thai ESG partly comes from selling (redemption) of matured LTFs, mainly from redeemable LTFs bought in 2018 worth B75.6bn. LTFs bought in 2018 still show loss, at average cost based on SET Index of 1,678 pts. However, investors may sell LTFs and switch to ESG fixed-income funds, weakening SET Index.

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Investment Strategy

AVG. COST OF LTF IN 2018-2019

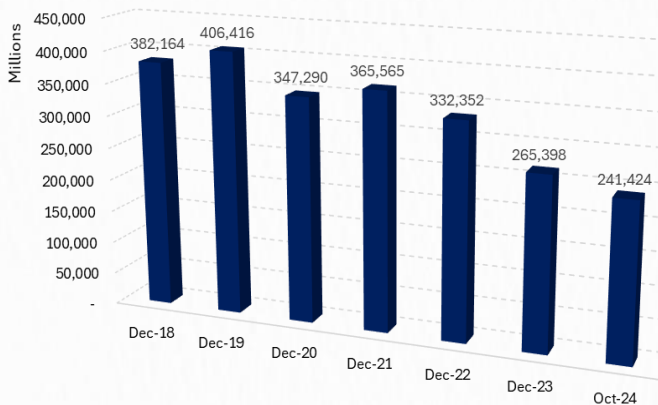


Source: Fed Watch Tool, ASPS Research

3) In early-2025, LTF worth over B240bn will reach maturity (redeemable).

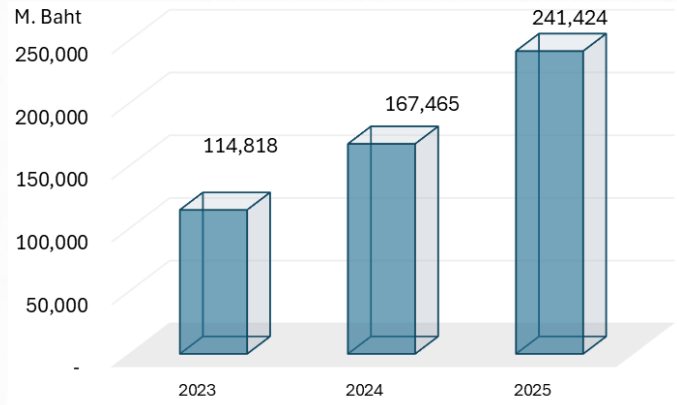
Outstanding LTF assets under management (AUM) decreased from B406bn in 2019 to B265bn in 2023 and B240bn in October 2024, while redeemable LTF AUM increases from B114bn in 2023 to B169bn in 2024 and B241bn. Thus, SET Index in early-2025 will be pressured by LTF redemption, since investors mostly sell tax-saving funds at the beginning of a year.

OUTSTANDING LTF AUM



Source: AIMC, ASPS Research (Oct 2024)

REDEEMABLE LTF AUM



Source: AIMC, ASPS Research (Oct 2024)

Thai ESG funds will not boost SET Index much for the rest of 2024 since half of fund inflow will go to the bond market. Investors may sell matured LTF and switch to Thai ESG fixed-income funds. Moreover, LTFs worth B240bn are redeemable and ready for sell in early-2025.

STOCK CALENDAR

🕒 22 พฤศจิกายน 2567

November 2024				
Monday	Tuesday	Wednesday	Thursday	Friday
<p>18</p> <p>XD DCC @B0.02</p> <p>New shares trading MILL 137,000,000 shrs (pp) W 1,740 shrs (w)</p>	<p>19</p> <p>Last trading day MILL-W7</p> <p>XD ANI @B0.20 CPNCG @B0.2508 INETREIT @B0.20 KTBSTMR @B0.1760 TPCH @B0.128</p> <p>XN CPNCG @B0.0153</p> <p>New shares trading JCKH 1,800 shrs (w)</p>	<p>20</p> <p>Last trading day LPF (swap to AXTRART)</p> <p>XD BOFFICE @B0.1515 ICN @B0.10 SINGTEL80 @tba SRS @B0.075 SUN @B0.15</p> <p>XE MILL-W7 1:1w @B0.40 (final, "SP")</p> <p>New shares trading SABUY 760,000,000 shrs (pp)</p>	<p>21</p> <p>New list - REIT CPTREIT 967m units, B9.655 par</p> <p>Last trading day LHPF (swap to LHRREIT)</p> <p>Delist CPTGF (swap to CPTREIT)</p> <p>XD DDD @B0.10 M-II @B0.175 MSFT80X @tba PSL @B0.10 RCL @B0.50 SAV @B0.30 SPRIME @B0.125 UAC @B0.25 WHA @B0.0669 WHAIR @B0.2229 WHAUP @B0.06</p> <p>XR HEALTH 1:2n @B2.00</p> <p>New shares trading BTS 3,892 shrs (w) LHSC 290,000,000 units MBK 1,372,250 shrs (w)</p>	<p>22</p> <p>XD ALLY @B0.13 AMATAR @B0.16 ICHI @B0.60 PR9 @B0.15 PTL @B0.20 SRIPANWA @B0.1064 SUPEREIF @B0.1338 SUTHA @B0.08</p> <p>XN HYDROGEN @B0.147</p>
<p>25</p> <p>XD ADD @B0.05 BRI @B0.03 DMT @B0.21 IVL @B0.175 PLANB @B0.1166 SPC @B0.80 WHABT @B0.175 WHART @B0.193</p> <p>XN B-WORK @B0.1671 BTSGIF @B0.195</p> <p>Conversion INET-W3 1:1w @B4.00 (final)</p> <p>Name chang SMD old SMD100 new</p>	<p>26</p> <p>Delist INET-W3</p> <p>Last trading day ABM-W1</p> <p>XD AIMIRT @B0.215 AMIMCG @B0.08 AMARC @B0.02 BKKCP @B0.16 CPNREIT @B0.2213 FPT @B0.305 MEDEZE @B0.08 PTG @B0.10 SMD @B0.50 STEG19 @tba TPRIME @B0.1044 VL @B0.02</p> <p>XN BRRGIF @B0.20 CPNREIT @B0.0447 TPRIME @B0.0361</p> <p>Conversion SCN-W3 1:1w @B1.00 (final)</p>	<p>27</p> <p>Delist SCN-W3</p> <p>XD CPR @B0.754 EGATIF @B0.0077 EPG @B0.06 FTI @B0.03 IMPACT @B0.11 KAMART @B0.10 KBSPIF @B0.246 LHHOTEL @B0.335 LHK @B0.12 MGC @B0.09 PRI @B0.375 SEAOL @B0.10 TTLPF @B0.5468</p> <p>XE ABM-W1 1:1w @B1.80 (final, "SP")</p> <p>XN EGATIF @B0.14</p> <p>XR VS 5:4n @B0.50</p>	<p>28</p> <p>XD FVC @B0.01 HANA @B0.25 LH @B0.15 LPH @B0.05 NETEASE80 @tba NOBLE @B0.085 ORI @B0.021 QHHRREIT @B0.19 SPI @B0.20</p> <p>XR PLANET 3:1n @B2.00</p> <p>XW PLANET 1 existing:1PLANET-W2</p>	<p>29</p> <p>XD ESTEE80X @tba KOB0X @tba M-II @B0.2335 PROSPECT @B0.216</p> <p>XN M-PAT @B0.03</p> <p>XW X 3 existing: 1W</p> <p>Conversion ACC-W2 1:1w @B1.00 BC-W2 1:1w @B2.00 CGH-W5 1:1w @B1.00 CHO-W4 1:1w @B0.23 CPANEL-W1 1:1w @B5.00 CSC-P 1:1 ECF-W5 1:1w @B0.55 EFORL-W6 1:1w @B2.50 GLORY-W1 1:1w @B1.00 HYDRO-W2 1:1w @B0.40 K-W3 1:1w @B3.00 PEER-W1 1:1w @B3.00 (final) SSP-W2 1.21:1w @B16.529 TFG-W4 1:1w @B3.80 TM-W1 1:1w @B2.50</p>

December 2024				
Monday	Tuesday	Wednesday	Thursday	Friday
<p>2</p> <p>Last trading day APURE-W3 JMT-W4</p> <p>XD NIKE80X @tba</p>	<p>3</p> <p>Last trading day GIFT-W2 META-W7 TMI-W2 TVDH-W4</p> <p>XD TNH @B0.60</p> <p>XE APURE-W3 1.03948:1w @B6.734 (final, "SP") JMT-W4 1.00267:1w @B89.75998 (final, "SP")</p>	<p>4</p> <p>XE GIFT-W2 1:1w @B1.60 (final, "SP") META-W7 1:1w @B0.36 (final, "SP") TMI-W2 1:1w @B1.00 (final, "SP") TVDH-W4 1:1w @B0.40 (final, "SP")</p> <p>XW B52 2.0533534129:1w</p> <p>XD AOT @B0.79</p>	<p>5</p> <p>PUBLIC HOLIDAY (H.M. King Bhumibol Adulyadej The Great's Birthday / National Day / Father's Day)</p>	<p>6</p> <p>XD BKNG80X @tba</p> <p>Conversion A5-W3 1:1w @B8.30 (final) AKS-W5 1.07:1w @B0.026 (final) DEMCO-W7 1:1w @B3.50 (final)</p>
<p>9</p> <p>XD GOOG80X @tba</p>	<p>10</p> <p>PUBLIC HOLIDAY (Constitution Day)</p>	<p>11</p> <p>XW NDR 2 existing: 1NDR-W3</p> <p>Conversion NER-W2 1:1w @B5.50</p>	<p>12</p> <p>Conversion IIG-W1 1:1w @B32.00 MILL-W7 1:1w @B0.40 (final)</p>	<p>13</p>
<p>16</p> <p>XW TGE 20 existing: 1TGE-W2</p>	<p>17</p> <p>Last trading day PLANB-W1</p>	<p>18</p> <p>XE PLANB-W1 1:1w @B8.00 (final, "SP")</p> <p>XR HYDRO 1:4n @B0.10</p>	<p>19</p> <p>Conversion ABM-W1 1:1w @B1.80 (final)</p>	<p>20</p>
<p>23</p> <p>Delist ABM-W1</p>	<p>24</p> <p>XR NUSA 5:1n @B0.20</p> <p>XW COMAN 2 existing:1COMAN-W1 NUSA 1 existing: 1NUSA-W6</p>	<p>25</p> <p>Conversion LIT-W2 1:1w @B2.00</p>	<p>26</p> <p>Conversion APURE-W3 1.03948:1w @B6.734 (final) JMT-W4 1.00267:1w @B89.75998 (final)</p>	<p>27</p>
<p>30</p> <p>Conversion GIFT-W2 1:1w @B1.60 (final) META-W7 1:1w @B0.36 (final) TMI-W2 1:1w @B1.00 (final) TVDH-W4 1:1w @B0.40 (final)</p>	<p>31</p> <p>PUBLIC HOLIDAY (New Year's Eve)</p>			

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