

Lackluster

More government debt means new stimulus is coming
 China energy cuts - Iron ore, Coal, Al'um goes wild
 Foreigners return to Buy Thai stocks
 Reopening sentiment may be hit by poor econ, floods

Relative to the region, Thailand did well yesterday

Regional markets were down around 1%. SET Index has fallen 2 days in a row, mainly on disappointment on reopening delays, and ongoing Baht weakness.

Daily traded value fell 27% from previous day, yet still healthy at Bt99bn vs. yearly average of Bt91bn per day.

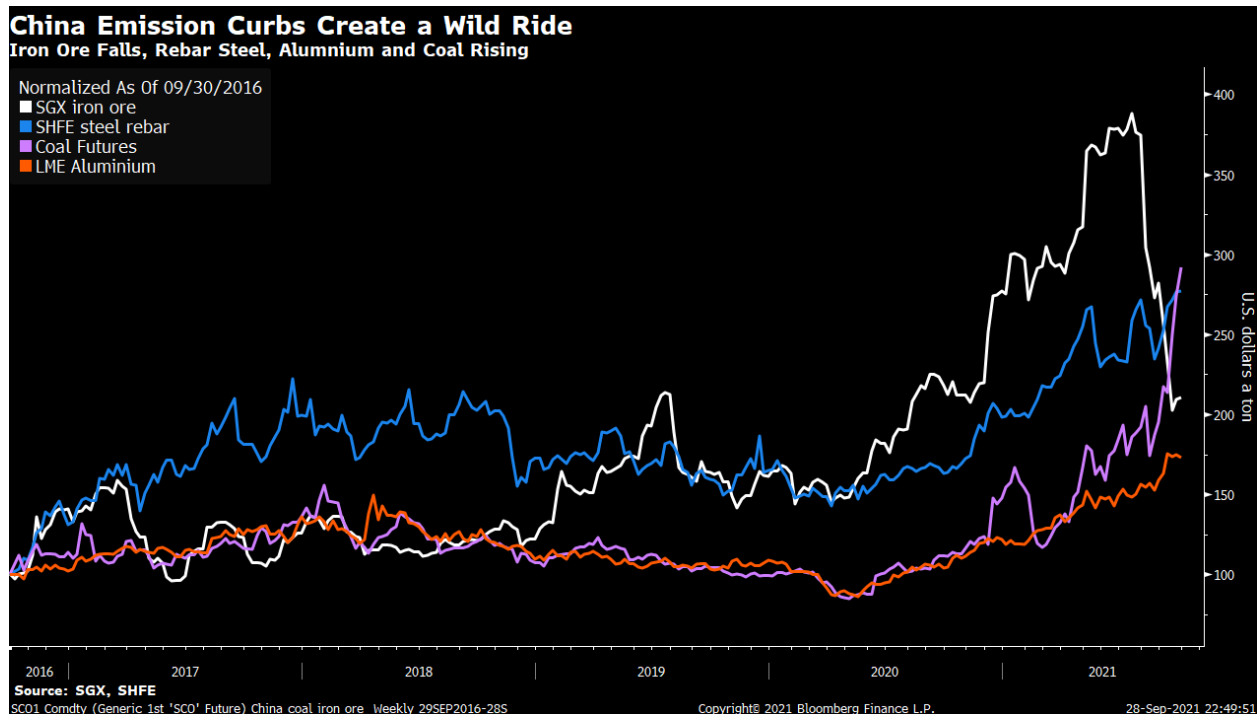
SET	SET50	SET100	Turnover
-0.22%	-0.31%	-0.24%	-27.14%
1,616.5	973.0	2,213.2	98.9bn
BRENT	COAL	BDI	BAHT
-1.07%	-0.90%	1.57%	-0.74%
79.3	75.4	4,717.0	33.76
RETAIL	LOCAL	FOREIGN	BROKERS
657.6m	-3,823.8m	3,335.6m	-169.5m

Govt approved Bt1.34trn in new borrowings next year

This is more than rise in debt ceiling recently to make room for Bt1.29trn. While this brings inflation in medium term, as Thailand faces labor shortage and has not invested in new capacity for years, it also means gov't will hand out more to help poor, SME, and perhaps invest in development projects. A reminder – possibilities of a general election next year are emerging (is it, next year? that late?), cash handouts will allow gov't to secure/lure vote bank.

China's power demand causing havoc in commodity markets

China's efforts to curb emissions are causing a havoc in the metals sector. As the government limits power supply to factories, the steel producers cut production hurting that has caused a mini collapse in iron ore price, but raised price for coal, aluminum, and steel rebars to at least 5 year high. A surprise element is shortage of food, that has caused Urea price to rise as demand for fertilizer grows. A few steel producers in Thailand are bound to benefit.



Month end economic data release may hurt sentiment

Bank of Thailand is due to meet to decide on policy interest rate. Some analysts feel, BOT is better off cutting the policy rate by 25bp, though consensus forecast is to maintain at present 0.5%.

On 30th BOT is due to release Current Account balance for August. Bloomberg survey shows it may be deficit of \$1.5b, more than doubling from previous month's deficit of \$680m. This may put pressure on Baht which is worst performing currency in the region this month.

One day sell, other day buy

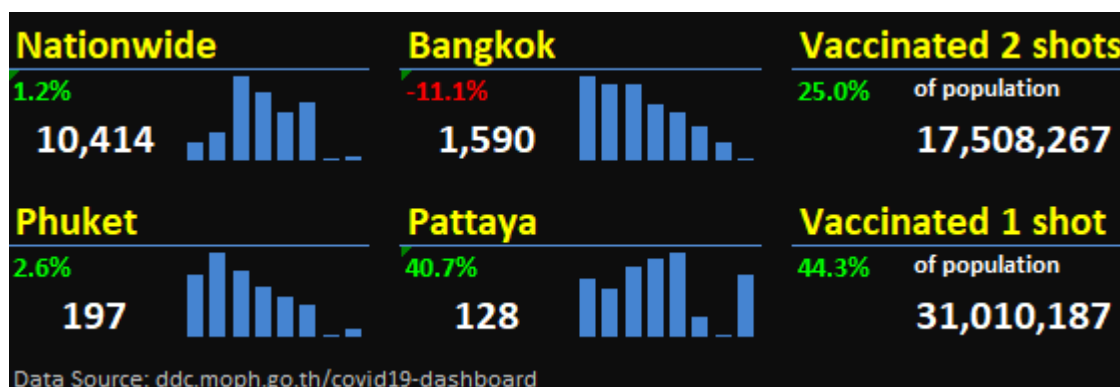
TRADING FLOW BY INVESTOR TYPE					
Investor Type	28-Sep-21	27-Sep-21	23-Sep-21	22-Sep-21	21-Sep-21
Local Institutions	-3,823.8	-2,097.5	-1,012.8	670.9	1,312.3
Foreign Institutions	3,335.6	-3,909.9	3,786.6	-1,025.2	684.3
Retail Investors	657.6	3,750.6	-3,902.1	-93.5	-1,557.1
Brokers' Portfolio	-169.5	2,256.8	1,128.3	447.8	-439.5
SET Index	1,616.5	1,620.0	1,631.2	1,619.6	1,614.9

Amount in million baht, Index in points

Foreigners returned to buy Thailand yesterday with net buy of Bt3.3bn having net sold Bt3.9bn on the preceding day. On both days, this week, SET Index has slid off into negative territory in the post lunch session. Local funds have net sold on both days this week. Foreigners bought PTTGC, PTTEP, and PTT worth Bt5.0bn in 5days as per NVDR data

Covid Infections – Bangkok is good, Phuket/Pattaya on the rise

A glance at the bar charts next to the numbers in the pictographic below tells you changes in daily infections past few days. Data for Pattaya city is not very reliable – so yesterday's dip may be a data mess.



Stocks in Play

Regional Contain ↓ Bt48.5 (--4.3) -8.1%

Precious Shippin ↓ Bt19.5 (--0.3) -1.5%

Investors continue selling shipping stocks on fears that iron ore price fall will hurt shipping freight.

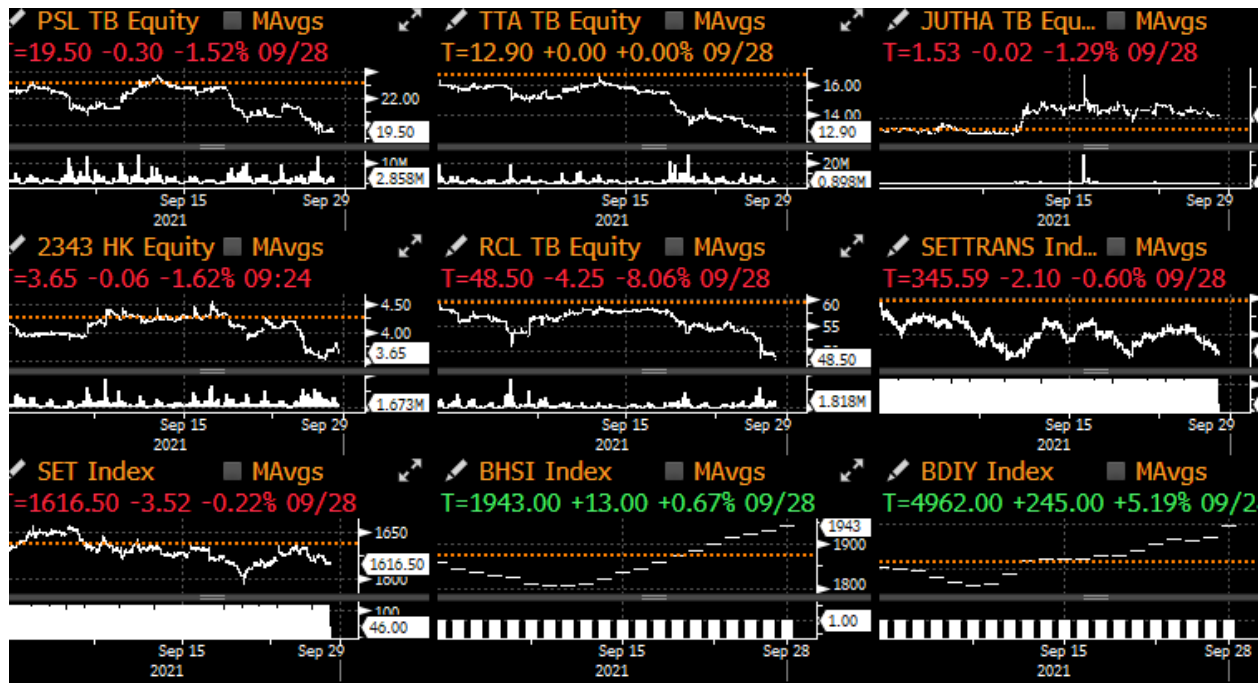
According to industry experts and the shippers themselves, iron ore transport is being replaced by transport of food as shortages in China (Urea and other fertilizers prices in China have risen sharply anticipating increased demand for agri produce).

Further, rising natural gas prices in Europe is upping coal volume as people replace electricity with coal to remain warm. This is raising coal price, and shipping freight. Unlike in the past, most shippers have not locked the freight rate for long term, thereby enjoying the ride.

Analysts remain bullish on PSL the most – with 6 Buys, and TP of Bt26.

RCL has 1 buy with TP of Bt75 (wow..) – this stock is not well covered by analysts due to limited access to management.

Look at the recent price changes and the two freight indices – which are in green



Siam Comm Bk Pcl ↓ Bt125 (--3) -2.3%

SCB - Foreigners have been selling last 3 days. Based on data from change in foreign holding, foreigners sold Bt388m yesterday, while Bt330m worth was shorted. Note that some of short sales may be part of foreign net sell.

Xspring Capital ↑ Bt3.18 (+0.3) 8.9%

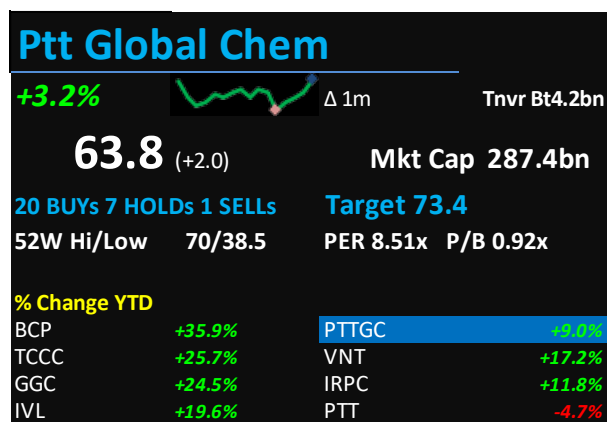
Xspring – A strong recovery after a mini collapse past few days, and some media reports say it does not compete with SCB’s new plans to enter crypto space.

True Corp Pcl ↑ Bt4 (+0.2) 4.7%

TRUE – First it was the DTAC- SCB merger news, now it is speculation that SCB will tie up with TRUE for some business to balance out its ties with AIS for digital banking. These could be just invented hopes as SCB is already the prime banker for TRUE, and manages TRUE sponsored infrastructure fund, DIF.

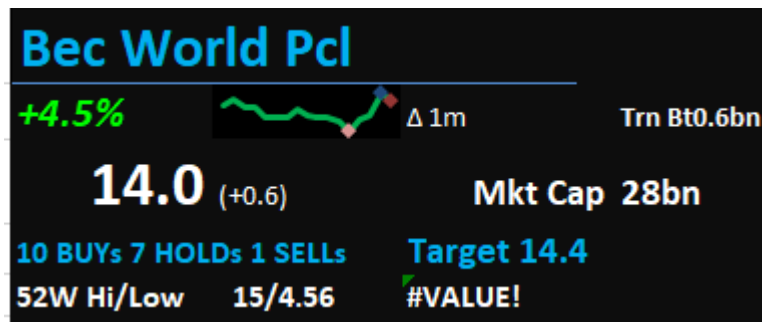
Ptt Global Chem ↑ Bt63.75 (+2) 3.2%

PTTGC – It announced end of its Bt1.3bn share sale of treasury shares program. This removed an overhang, allowing shares to rise as its fundamentals are improving. e



Bec World Pcl ↑ Bt14 (+0.6) 4.5%

BEC – No specific news, looks like retail speculation that reopening will boost media spending. Its share price has been rising this year from a low of Bt4.56.



Sansiri Pub Co ↑ Bt1.22 (+0) 0.8%

SIRI – Plans to install 1,500 EV chargers within its projects. You may hear many developers follow SIRI to install EV charging stations. SIRI share price is now being linked with XPG share price moves following its investment in the latter’s crypto currency platform.

Ichitan Group Pc ↑ Bt11.2 (+0.2) 1.8%

ICHI – In news again with rehash of same news that it will expand its retail distribution by aggressive marketing next quarter. It also has plans to sell CBD-infused beverages early next year.

Brokers Picks

Eastern Polymer ↓ Bt11 (--0.3) -2.7%

EPG – Recent slide in share price on fears of impact from rising oil price are baseless

Jaymart Pcl ↑ Bt38.75 (+0.3) 0.6%

JMART – Sees no impact from SCB crypto venture or ban of Cryptos by China

Bangkok Chain Ho ↓ Bt21.5 (--0.1) -0.5%

Chularat Hospita ↑ Bt3.74 (+0.1) 1.6%

Bangkok Dusit Md ↓ Bt22.7 (--0.1) -0.4%

Bumrungrad Hospi ↓ Bt145.5 (--1.5) -1%

Buy healthcare stocks are medical tourism and pent-up demand for other procedures will return with a bang

Most Traded and UP and Down Data

TOP 10 MOST TRADED					
Name	Last price	%Ch	Turnover	vs 5ADT %	52W high
Stock Exch Of Thai Index	1,616.5	-0.00			1,658.1
Thai Set Total Val Trds		-27.14	98.9	-8.8	175.3
Kasikornbank Pcl	133.00	-1.48	6,160.3	-46.01	153.00
Ptt Pcl	40.5	0.00	4,308.0	30.34	45.0
Ptt Global Chem	63.75	3.24	4,212.8	99.42	70.00
Ptt Expl & Prod	119.0	1.71	4,160.4	91.34	125.0
Siam Comm Bk Pcl	125.00	-2.34	3,670.1	-60.45	137.00
True Corp Pcl	4.0	4.71	3,557.1	-14.87	4.0
Banpu Pub Co Ltd	12.90	2.38	2,517.7	70.14	13.90
Bangkok Bank Pub	118.0	-0.42	2,079.2	-49.46	134.5
Thai Oil Pcl	53.00	0.95	1,522.4	33.01	66.00
Siam Cement Pcl	406.0	-1.93	1,463.3	43.27	474.0

Price in baht, Turnover in million baht, Index in points 28-Sep-21

TOP 10 - MOST UP / DOWN*					
Name	Last price	%Ch	Name	Last price	%Ch
Xspring Capital	3.2	+8.90	Regional Contain	48.50	-8.06
Star Petroleum R	10.1	+6.88	Cimb Thai Bank P	0.91	-6.19
Sri Trang Gloves	31.8	+5.83	Jasmine Telecom	55.00	-4.35
Forth Corp Pcl	18.3	+5.78	Eastern Polymer	11.00	-2.65
True Corp Pcl	4.0	+4.71	Tmbthanachart Ba	1.12	-2.61
Bec World Pcl	14.0	+4.48	Bangkok Airways	11.30	-2.59
Sri Trang Agro	33.5	+3.88	Frasers Property	12.30	-2.38
Ptt Global Chem	63.8	+3.24	Siam Comm Bk Pcl	125.00	-2.34
Esso Thailand	8.4	+3.09	Bank Ayudhya Pcl	33.00	-2.22
Stark Corp Pcl	5.0	+2.90	Home Product Cen	13.50	-2.17

Price in baht, Turnover in million baht, Index in point, mkt cap > \$500m 28-Sep-21