

BUY

Bad sign? Contraction in January loan growth

Maintain Buy on undervalued position. We maintain Buy on TISCO, as we believe the current share price overplays the potential slowdown in loan growth and deterioration in asset quality. At the same time, its January balance sheet suggests a downside risk to loan growth forecast.

FY Dec	Unit	2012	2013	2014F	2015F	2016F
Pre-provision profit	(Btmn)	5,627	8,390	8,922	9,636	10,641
Net profit	(Btmn)	3,705	4,249	4,544	5,277	5,759
PPP/Sh	(Bt)	7.73	10.48	11.14	12.03	13.29
EPS	(Bt)	5.09	5.31	5.67	6.59	7.19
BVPS	(Bt)	25.00	28.71	31.98	36.18	40.40
DPS	(Bt)	2.40	2.40	2.40	2.97	3.24
PER	(x)	7.47	7.16	6.70	5.77	5.28
P/PPP	(x)	4.92	3.63	3.41	3.16	2.86
EPS growth	(%)	13.42	4.26	6.93	16.15	9.13
PBV	(x)	1.52	1.32	1.19	1.05	0.94
ROE	(%)	21.54	20.63	18.70	19.34	18.79
Dividend yields	(%)	6.32	6.32	6.32	7.81	8.52

Bloomberg code	TISCO TB
Reuters code	TISC.BK
Risk rating	M
Mkt cap (%) SET	0.27
Sector % SET	16.85
Shares issued (mn)	801
Par value (Bt)	10
12-m high / low (Bt)	60.8 / 34.5
Avg. daily 6m (US\$m)	2.55
Foreign limit / actual (%)	49 / 43
Free float (%)	79.1
Dividend policy (%)	50

	1M	3M	12M
Absolute	-1.9	-10.6	-26.6
Relative to SET	-5.0	-2.5	-15.7

kittima.sattayapan@scb.co.th

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