SCBS

MARKET STRATEGY
4Q 2021

PAST PEAK
QE TAPERING
STAGFLATION
MARGIN PRESSURE
SUPPLY DISRUPTION

DOMESTIC REOPENING
EARNINGS QUALITY
EM ROTATION
DEFENSIVE GROWTH

4Q21 SCBS Strategy – Balancing Risk/Reward

Fears of stagflation. We see signs of stagflation, as the cost of production is trending upward while the demand side is pressured by some negatives such as the emergence of the Delta variant and the tightening of economic policy. Equity returns and Sharpe Ratios tend to decline in this phase of the cycle, as the mix of growth, inflation and policy stimulus becomes less favorable. Sectors expected to outperform during this cycle are utilities, tech, REIT, low beta, quality and large cap.

Leaving QE never easy for financial markets. The Fed chair signaled a cut in QE this year but is not rushing to raise interest rates as inflation will be transitory. We expect the Fed to actually start to curb QE in 4Q21. QE tapering may slow growth, adding risks to financial assets. When the central bank's total assets decline, market returns are muted. In addition, when the curve changes to either Bear or Bull flattening, overall returns of risky assets - including the SET - remain positive but decelerate to single-digit returns and defensive stocks like Commerce, F&B, and Healthcare are expected to outperform

No more lockdown. We are seeing rapid progress in vaccinations in much of the region and in Thailand. We continue to believe the Delta variant will prove less harmful for economies where immunity is high. The potential for higher growth as restrictions step down is still there. The main impact is to backload the recovery. We expect Thailand to ease restrictions on domestic travel in Nov 2021 and international in 1Q22.

More complexity as the economy slows and less stimulus hope. Worries have centered on the combination of slowing growth, including the risks from the Delta variant and China, and the beginning of the Fed's exit. The scenario is more complicated, with global growth set to slow as reopening and fiscal impulses begin to fade, and central banks turn their attention to eventual policy normalization.

DM to EM rotation. EM stocks are showing strength heading into 2022, backed by four factors: 1) stronger growth, 2) rising economic activities, 3) DMs have macro headwinds, and 4) cheaper valuation at P/E of 13x vs 19x for DMs.

Global cyclical peaking, domestic bottoming. Easing lockdown and rapid vaccinations will support recovery and lead earnings to bottom in 3Q21. Thus, stocks with high domestic exposure should outperform global cyclical - one of the most priced-in aspects after a multi-year rally, but which we expect to peak in 4Q21. We prefer domestic reopening over tourism plays due to 1) faster recovery, 2) stronger B/S, 3) more laggard in share price recovery, and 4) cheaper valuations.

Outlook for 2022. The growth and policy outlook will likely become less friendly. Service growth will offset manufacturing sector growth. We expect earnings growth of 9% YoY in 2022 on the back of GDP growth of 3.6%.

SET Index target. Our 2022 SET Index target based on fundamentals is 1,600. We believe the core portfolio should be defensive growth with a greater focus on conviction ideas from the post pandemic recovery theme such as technological innovation and green economy, with a tactical call on property and refineries.

Focusing on defensive, domestic reopening, high pricing power and earnings quality. We look at stocks in defensive sectors that 1) have high domestic exposure with clear and unique drivers, 2) remain competitive in the long-term, 4) have continuous earnings growth or recovery, 4) have limited financial risk or strong balance sheet, and 5) are laggard. Our top picks in 4Q21 are BEM, KCE, OSP, SECURE, and ZEN.

Economy

Summary: Global economy

In the third quarter of this year, the world economy and investment climate began to deteriorate after strong momentum in the first half of the year. GDP growth in many countries peaked in the second quarter, while purchasing managers' indices, especially in developed countries, fell, with China's PMI in contraction territory due to a renewed lockdown. In earlier strong-growth economies such as the US and China, recent figures have been disappointing, including job data in the US and retail sales in China. We expect the momentum to continue slower in the fourth quarter.

Meanwhile, inflationary pressure as a result of price increases in several commodities has become evident in numerous developed countries. In the US, CPI inflation in August, though subsided, is still uncomfortably high, while PPI inflation is at a historical high, giving a wider difference between the two rates. In China, the evidence is more severe, with manufacturers' inflation skyrocketing but consumer inflation remaining low, suggesting a squeeze in producer margins. This is a signal of stagflation - cost of production is trending upward while demand is pressured by negative factors such as the Delta variant and tightened economic policy.

In the US, the government is proposing a tax increase on those with higher income and corporates while the chairman of the US Federal Reserve announced that the Fed would begin scaling back its bond buying program (QE tapering) this year. In China, tighter regulation of financial institutions has affected risky business groups, especially real estate. An example is the Evergrande debacle: China’s second-biggest real estate business is now at risk of default on more than two-thirds of its US$300bn in outstanding debt. This is because, since 2020, the Chinese government has sought to limit borrowing by property developers and rule changes that are part of that wider campaign against indebtedness have nudged several real-estate groups, include Evergrande, into default.

The Chinese government is also tightening its grip on other businesses such as fintech, ride-hailing, online gaming and online tutorials. The recent announcement of a new policy doctrine, "Common Prosperity", which emphasizes equality by spreading wealth to all via taxing the rich and big business and increasing social support for the rest, will hurt the Chinese economic and investment picture in the medium term, though is good for the society in the long run.

Summary: Thailand’s economy

The latest Thai economic data showed some improvement after the number of new infections began to trend down to 13,000-15,000 case per day while vaccinations continue to grow at a daily level of more than 500,000 people per day. In response, the authorities announced some relaxation of lockdown measures in the dark-red provinces. However, economic data in July signaled a significant deterioration, especially the domestic consumption sector. Hence, we maintain our economic growth projection at about 1% this year, down from the 2% previously expected due to the recent lockdown. We believe that the outlook for the Thai economy hinges on the pandemic. Currently, the status of the pandemic and the gradual opening of economic activity are close to our model.

Although the trend of the short-term economic picture is beginning to look better, we still believe economic recovery will be very slow as a result of the authorities not making significant changes in economic policy. The Governor of the Bank of Thailand (BOT) has suggested that the Ministry of Finance borrow an additional Bt1trn to remove the "income hole" caused by the loss of labor income of about Bt1.3trn since last year - and this may reach Bt2.6trn next year.

In this regard, we have the same view as the governor, since we view that the size of the current fiscal measures (about Bt100bn) is relatively small compared to earlier ones. With current public debt at Bt8.8trn (56% GDP), our view is that there is still room for borrowing. We believe that if the government boosts spending by an additional Bt1trn, as suggested by the BOT governor, it would help cover over the income hole and give GDP growth upside of ~1.4%. However, we also believe that monetary policy can be of additional help, since there is room for an interest rate cut while inflation is not a risk. The latest Monetary Policy Committee (MPC) meeting, in which some members voted for a rate cut, indicates that some committee members take the same view.

At the same time, we believe the BOT policy rate will be left unchanged for the rest of the year since the majority of the MPC members view that financial measures, including a special loan facility, asset warehousing scheme, and other measures by specialized financial institutions (SFIs), would be more effective than a further reduction in the policy rate, which is already low.

Content

Global economy: Factors that will affect the global economy and investment in 4Q21

- Delta variant
- Stagflation fear
  - (Extra) 2021-22 oil/inflation/bond yield forecast
- Regulatory issues: Pose a greater risk to the economy and investment going forward

Thai Economy: Currently in line with our expectations, prospects depend heavily on COVID.

- 2Q21 Thai economic numbers reflect risks
  - economic data in July signal a significant deterioration
- 4Q21 Thai economic outlook depends on the outbreak
  - The status of the pandemic and gradual reopening are in line with our model, so we maintain our Thai economy forecast at 1% this year
- Factors to watch out for
  - Another wave of the pandemic
  - Progress in wholescale vaccination; and
  - Approval and disbursement of government economic stimulus measures
- Latest official Thai economic projections vs SCBS
- Special issue: The baht projection

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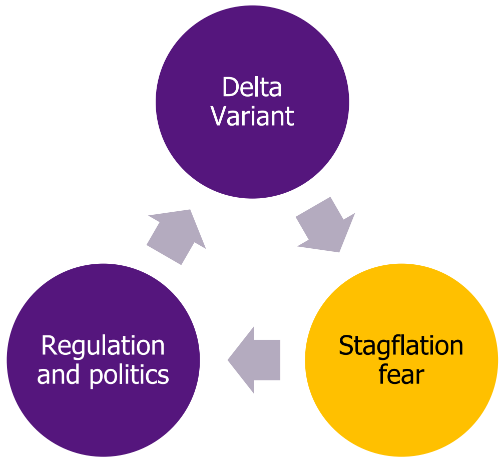
GLOBAL ECONOMY

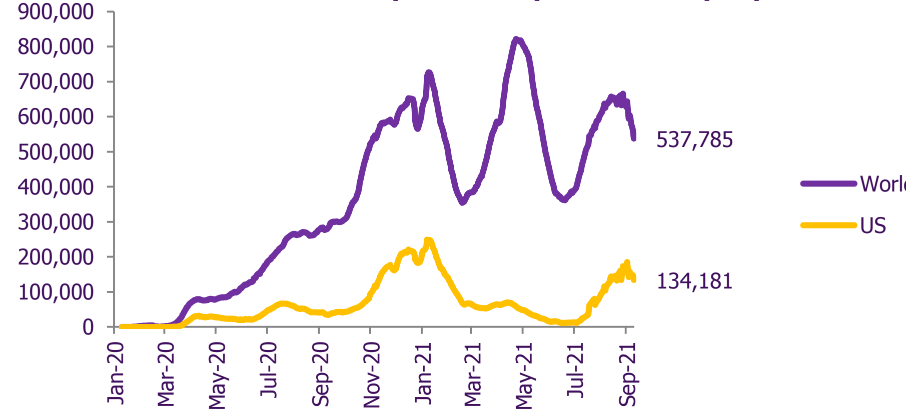
Factors that will affect the global economy and investment in the fourth quarter

(1) Delta Variant puts global economies at risk once again, but well-vaccinated DM groups don't need a lockdown as severe as EM Asia.

220,620,772 4,577,575

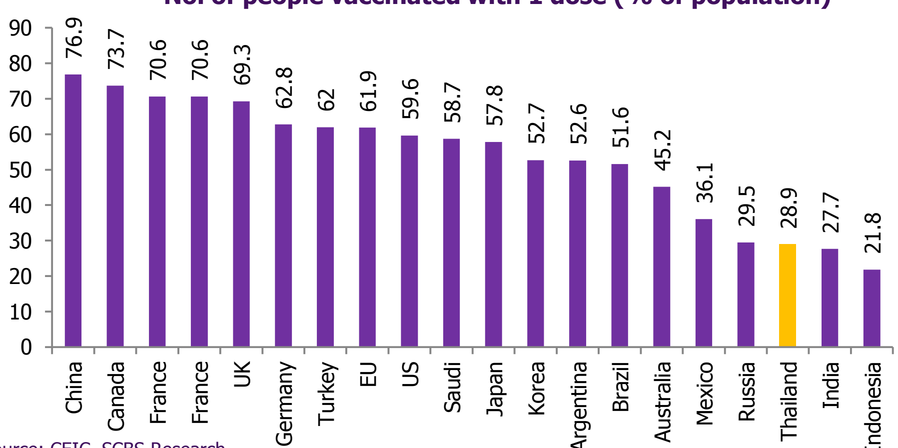


Global and US daily new case (Persons/ 7dayMA)



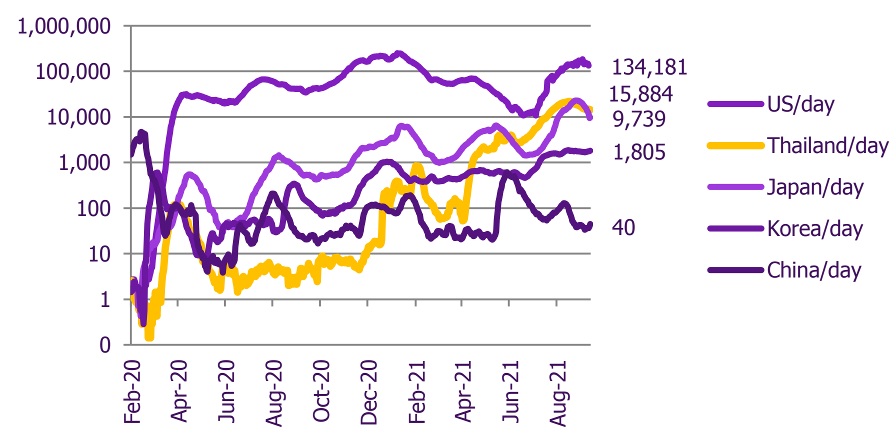
Source: CEIC, Bloomberg, SCBS Research

No. of people vaccinated with 1 dose (% of population)



Source: CEIC, SCBS Research

Daily new cases in selected countries (persons/7day avg.)



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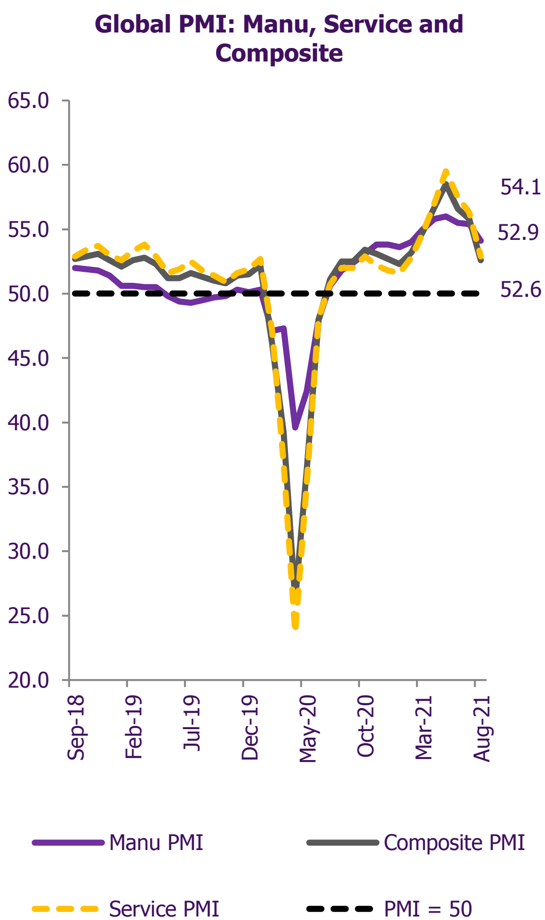
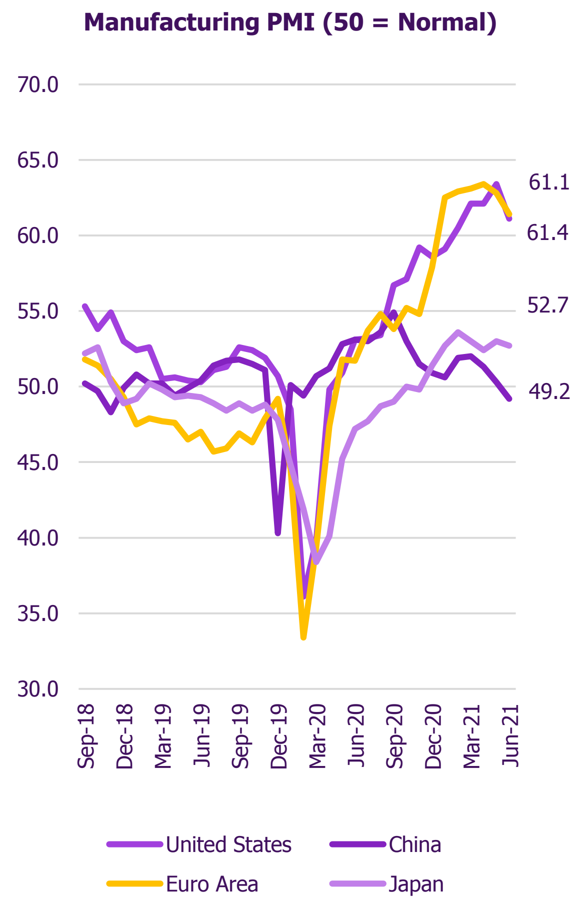
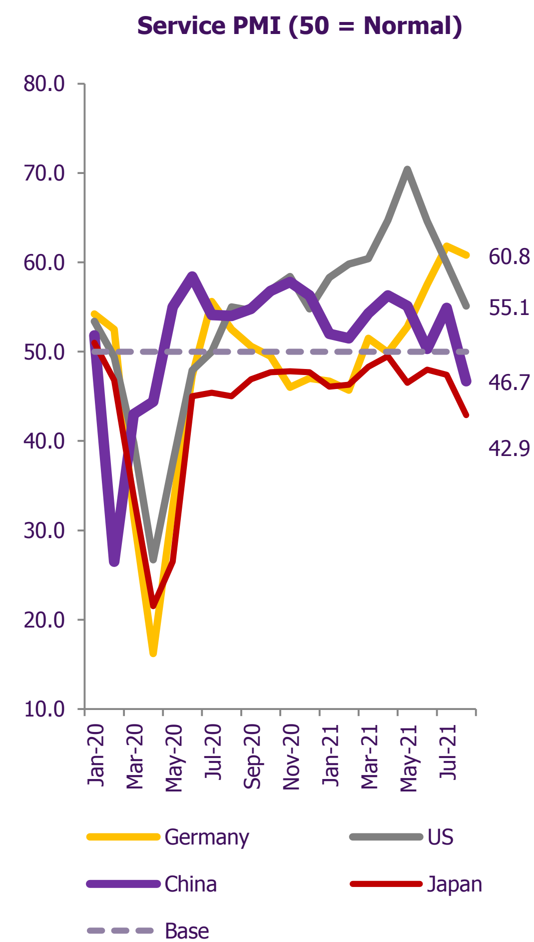
The global PMI picture also reflects a slowdown







Source: CEIC, Various Sources, SCBS Research

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Economic growth and projections for major world economies

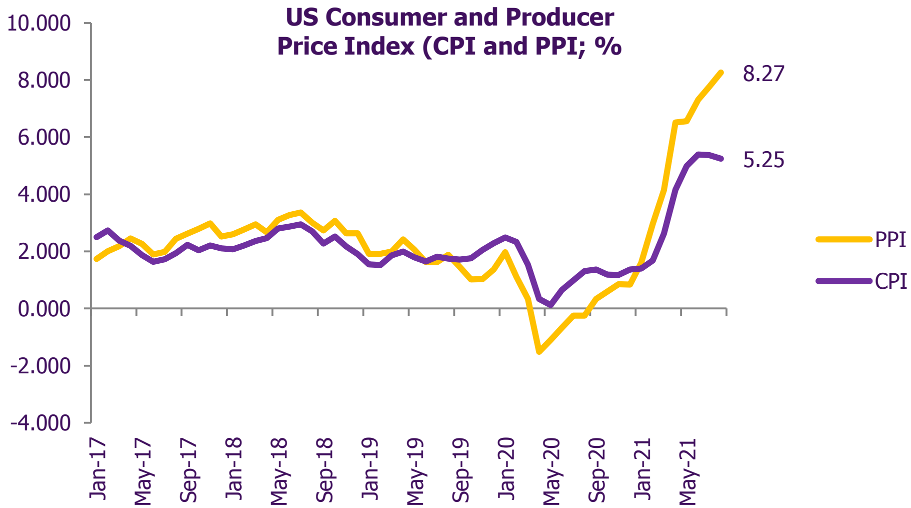
This indicates that the economy in 2H21 and 2022 will slow down from 1) base factors, 2) slower monetary and fiscal policy and 3) other risks.

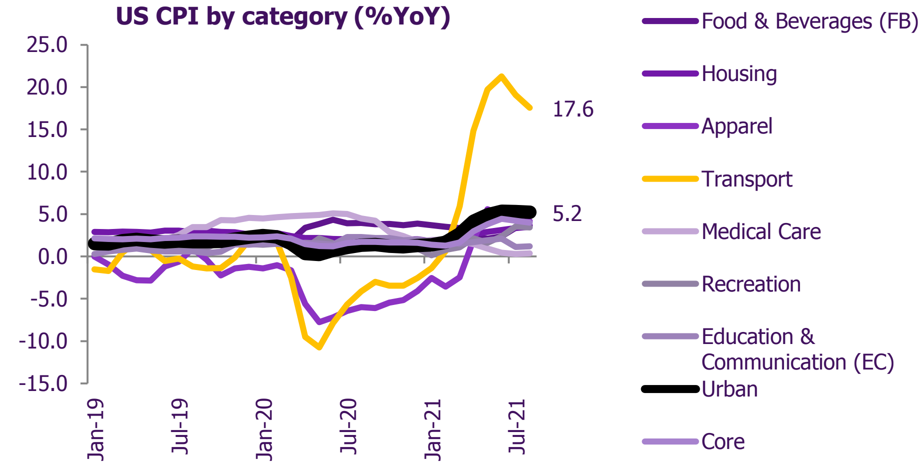
Major Economies' GDP Growth	Actual (YOY%)				IMF (Jul'21)	
	2019	2020	1Q21f	2Q21	2021f	2022f
Global GDP	2.8	-3.2	N/A	N/A	6.0	4.9
Advanced economies	1.6	-4.6	N/A	N/A	5.6	4.4
Emerging economies	3.7	-2.1	N/A	N/A	6.3	5.2
US	2.2	-3.5	0.3	12.5	7.0	4.9
Eurozone	1.3	-6.5	-1.2	13.8	4.6	4.3
Japan	0.0	-4.7	-1.3	7.6	2.8	3.0
China	6.0	2.3	18.3	7.9	8.1	5.7
Thailand	2.3	-6.1	-2.6	7.6	2.1	6.1

Source: IMF, SCBS Research

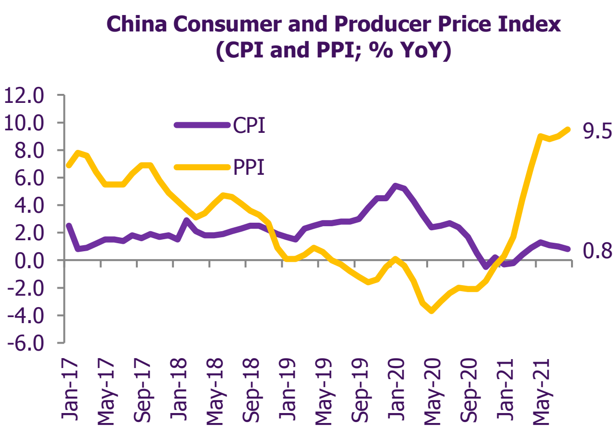
Stagflation is the biggest risk currently

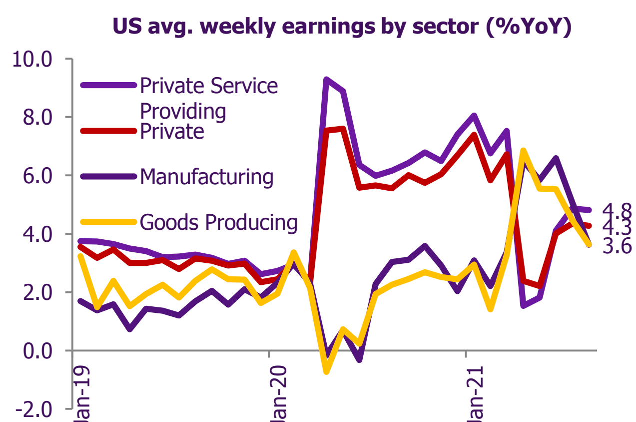
The difference between high PPI inflation (due to cost push), and moderately rising CPI inflation (due to comparatively weaker demand) implies a squeezed producer margin (which is a sign of stagflation).

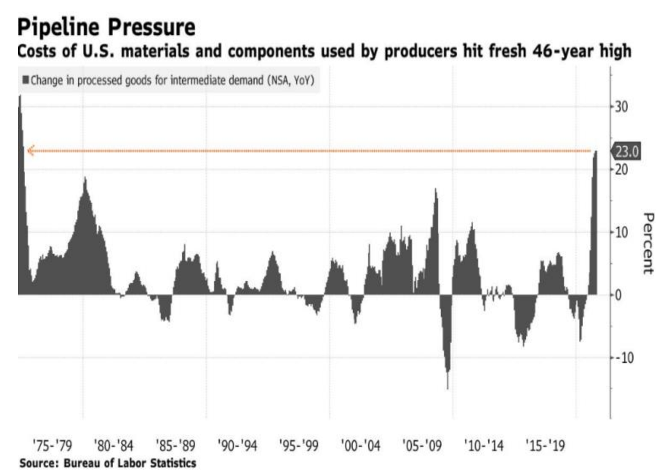




Source: CEIC, Bloomberg, SCBS Research

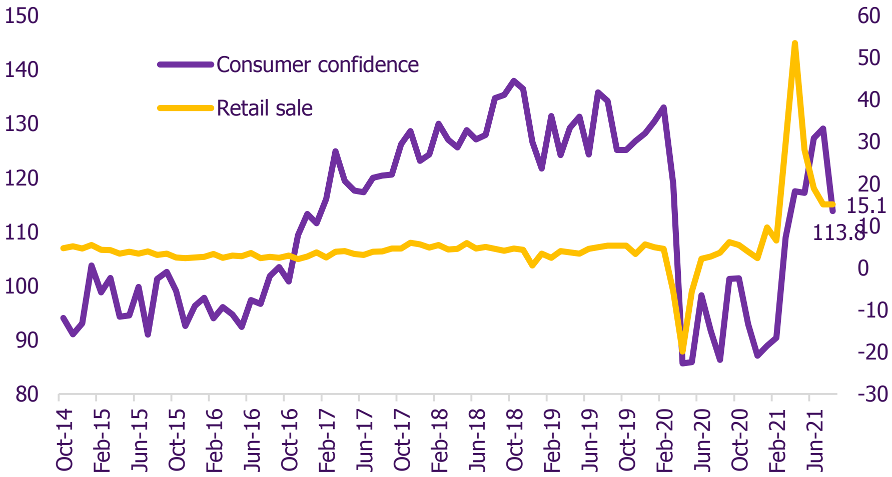




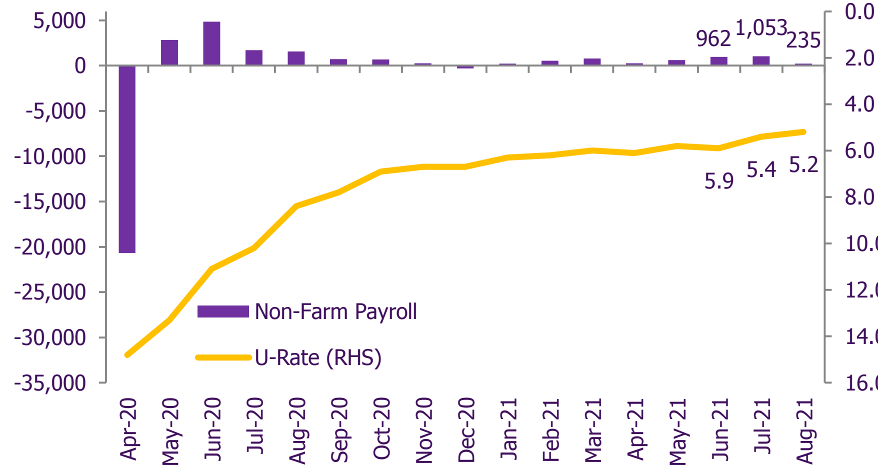


US and China economic indicators also weakened recently, signifying a (moderate) stagflation condition

US CB Consumer confidence and Retail Sales (pt, %YoY)

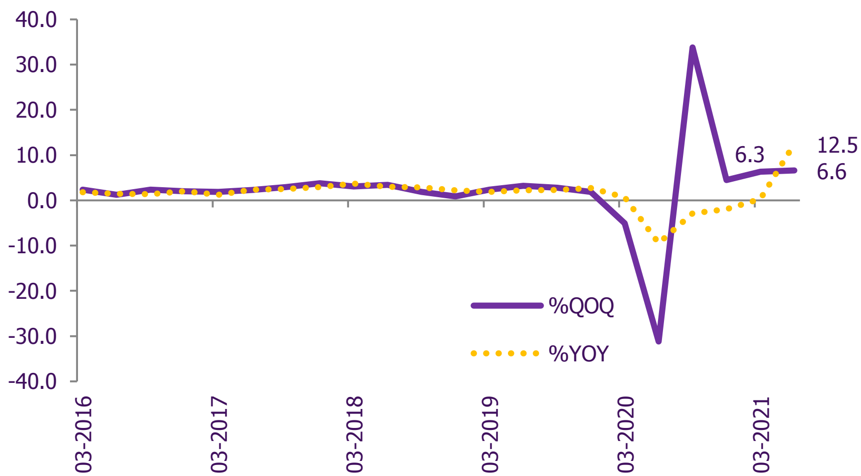


US NFP and U-rate ('000, %)

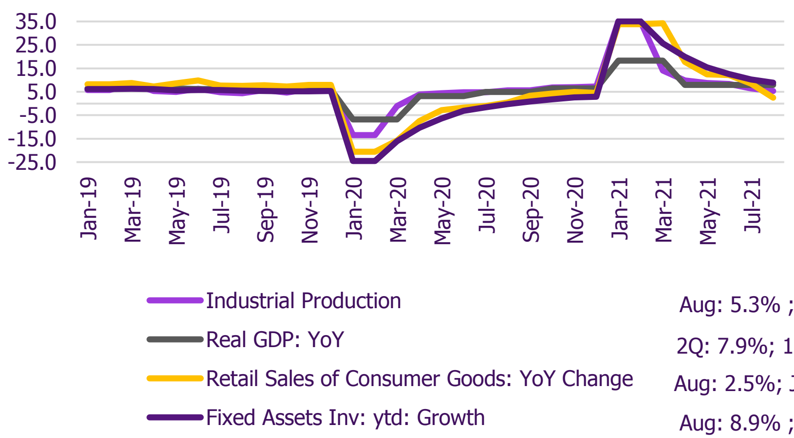


Source: CEIC, Bloomberg, SCBS Research

US GDP Growth (%, QoQ, SAAR vs YoY)



China GDP growth, retail sales, fixed asset investment and industrial production (% YoY)



Aug: 5.3% ; July:

2Q: 7.9%; 1Q: 18.3%

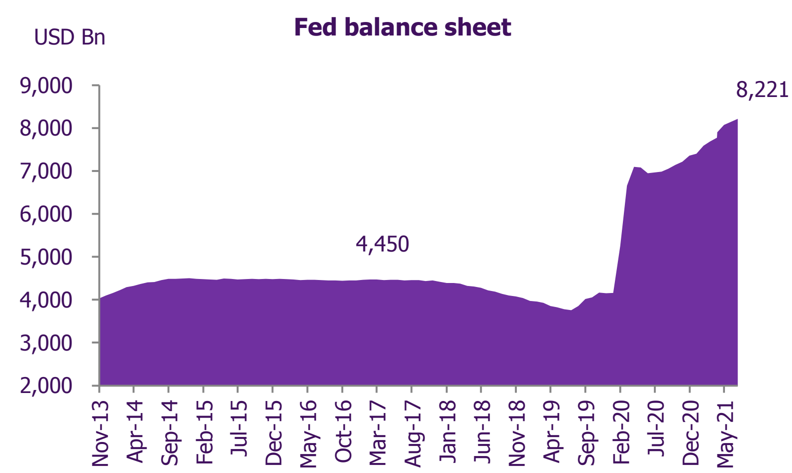
Aug: 2.5%; July : 8.5%

Aug: 8.9% ; July 10.3%

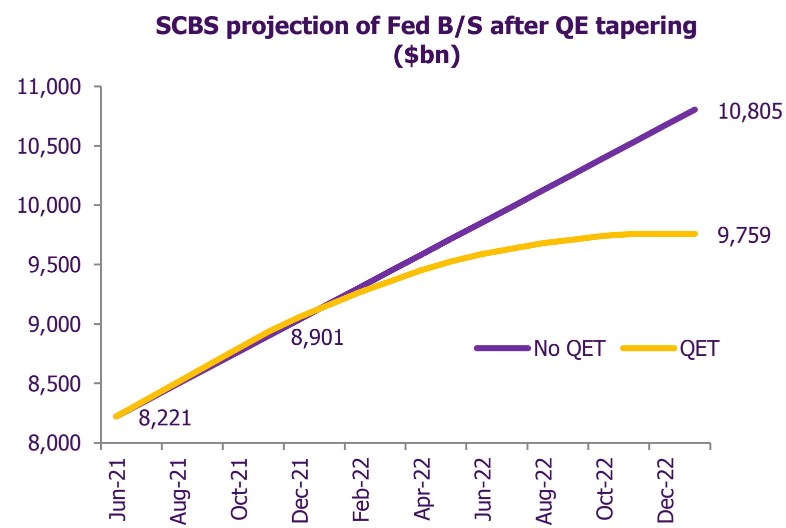
The signal from Jackson hole was in line with market expectations

The Fed chair signaled a cut in QE this year but no rush to raise interest rates, inflation will be temporary.
We expect the Fed to actually step QE down later this year.

Meeting	Treasury reduction	MBS reduction	Net balance ($bn)
Nov. 2-3, 2021	-	-	8,936
Dec. 14-15, 2021	-10	-5	9,064
Jan. 25-26, 2022	-10	-5	9,177
Mar. 15-16, 2022	-10	-5	9,290
May. 3-4, 2022	-10	-5	9,569
Jun. 14-15, 2022	-10	-5	9,637
Jul. 26-27, 2022	-10	-5	9,690
Sep. 20-21, 2022	-10	-5	9,781
Nov. 1-2, 2022	-10	-5	9,759
Dec. 13-14, 2022	0	0	9,759
Jan., 2023	0	0	9,759



Source: CEIC, Various Sources, SCBS Research



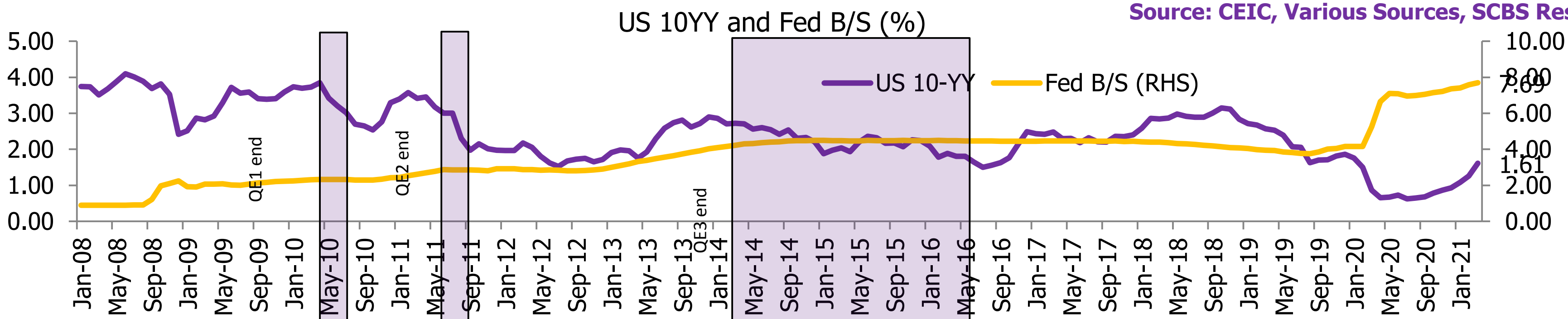
Conditions for Fed B/S and QE tapering projection

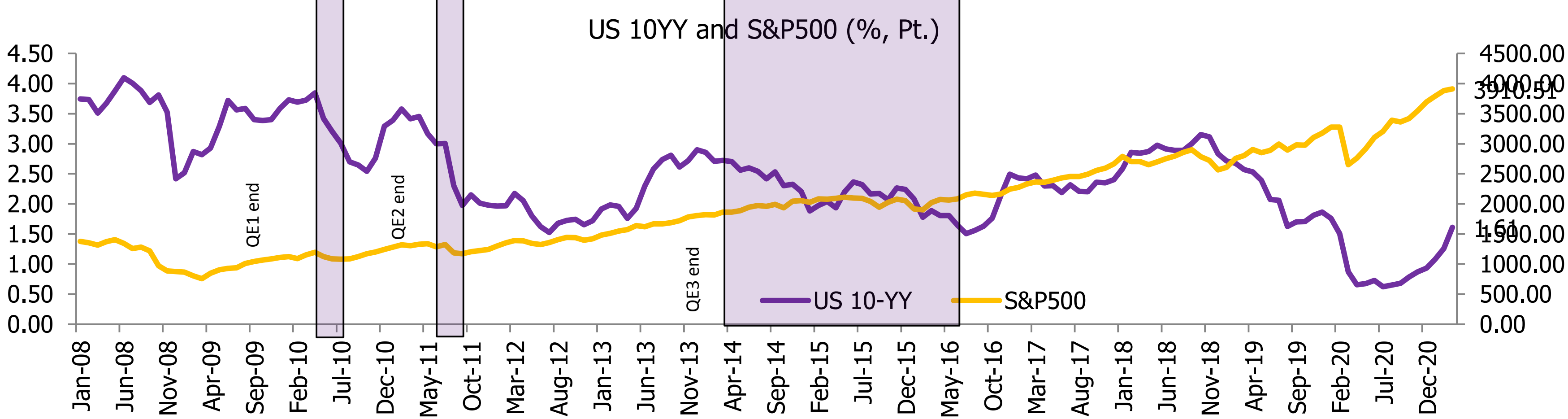
1. Fed B/S increases by avg. US$136bn/mth.
2. Assume QE tapering starts in Dec 2021
3. Amount of QE tapering: US$10bn for Treasury, US$5bn for MBS
4. Tapering will take place each month an FOMC meeting takes place
5. B/S change per month will fall from +US$136bn/mth to +US$121bn/mth in Dec 2021 and to 0 in Jan 2023.
6. Fed B/S will be US$9,759bn, instead of US$10,805bn without tapering.

Various risks will cause market volatility going forward

	B/S chg			S&P chg			10YY chg			FMS biggest risk
	Start	End	Chg	Start	End	chg	Start	End	chg	
1/2010 - 9/2010	2.25	2.35	+.10	1124	1112	-12	3.73	2.65	-1.1	End of QE, budget deficit
6/2011 - 9/2011	2.87	2.85	-.02	1287	1173	-114	3.00	1.98	-1.0	EU fiscal debt crisis
3/2014 - 7/2016	4.23	4.46	+.23	1864	2149	+285	2.72	1.50	-1.2	China hard landing

Source: CEIC, Various Sources, SCBS Research



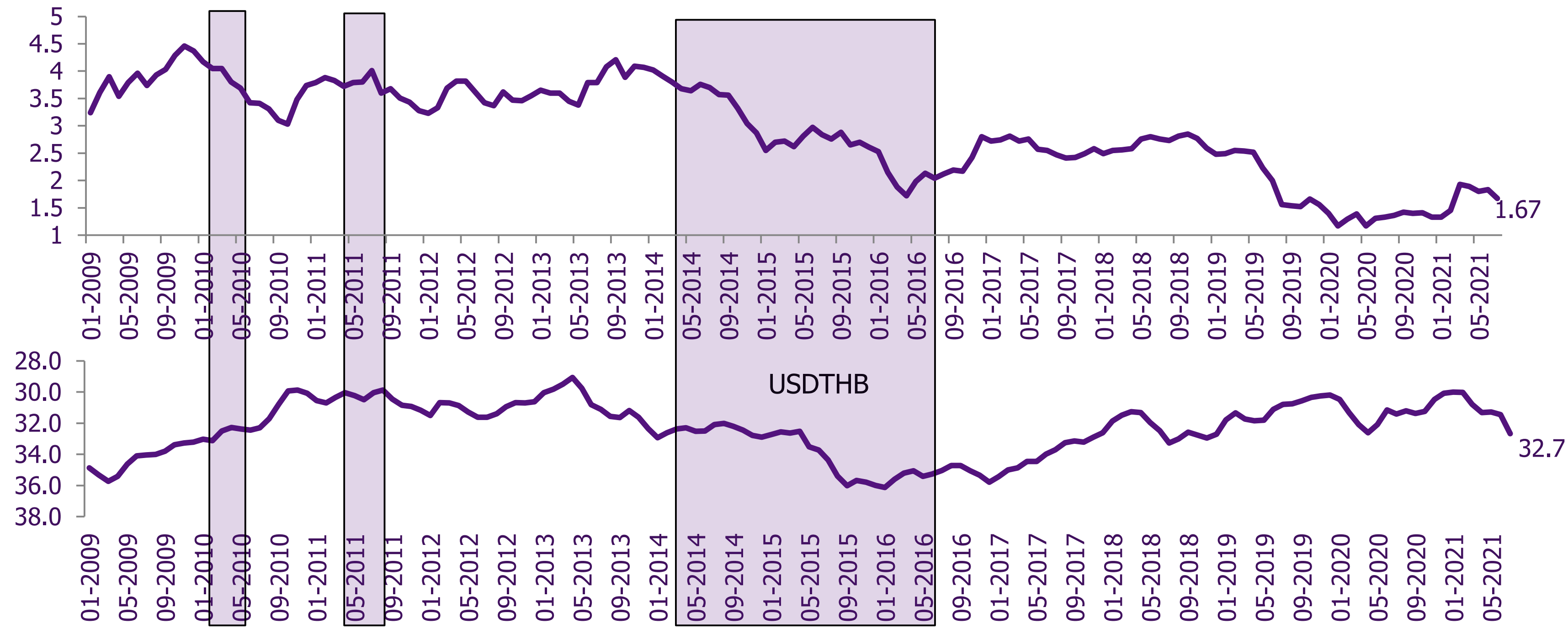


QE tapering: Impact on Thai economy and financial market
Stocks may not be hit hard, baht may depreciate, yield may decline

	SET			USDTHB			TH10YY chg			Thai Market Risk
	Start	End	Chg	Start	End	Chg (%)	Start	End	chg	
1/2010 - 9/2010	696	975	+279	33.0	30.8	+6.6	4.17	3.10	-1.1	EU fiscal debt crisis
6/2011 - 9/2011	1,041	916	-125	30.5	30.5	+0	3.80	3.68	-0.1	EU fiscal debt crisis
3/2014 - 7/2016	1,376	1,524	+148	32.4	35.0	-8.0	3.80	2.04	-1.8	Political Crisis/ NCPO

Thailand's 10-Yr Bond yield (%)

Source: CEIC, Various Sources, SCBS Research



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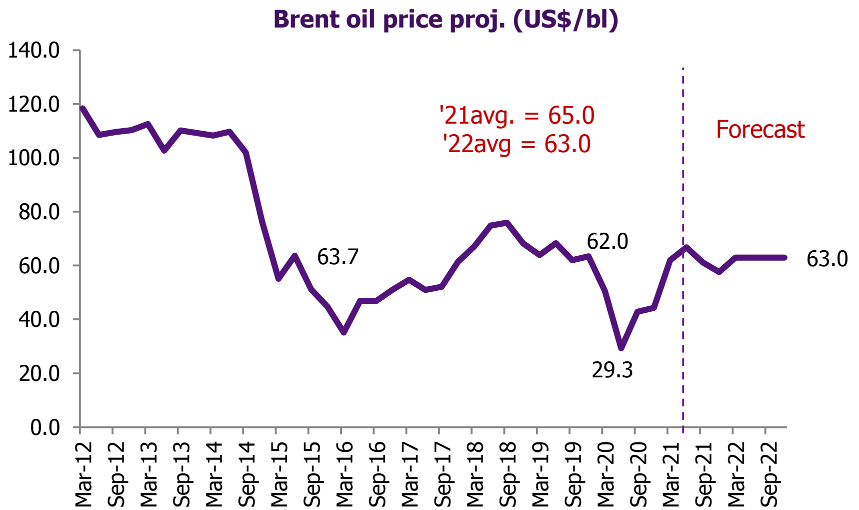
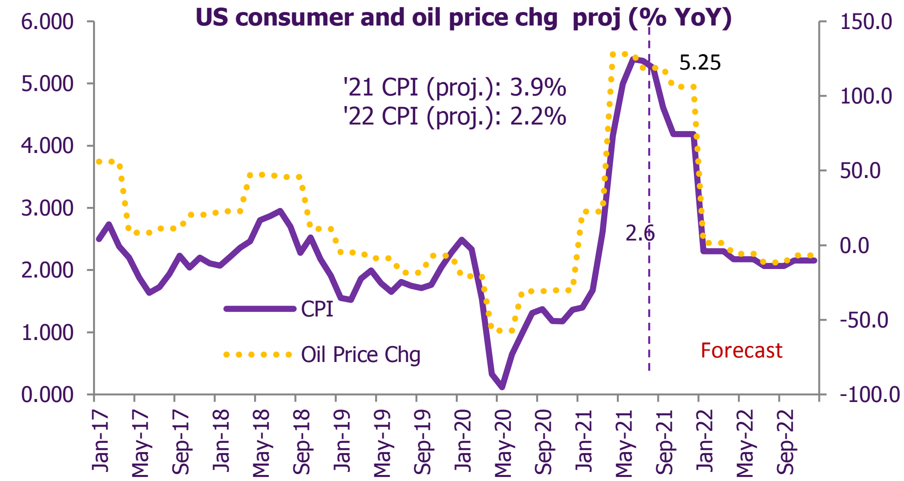
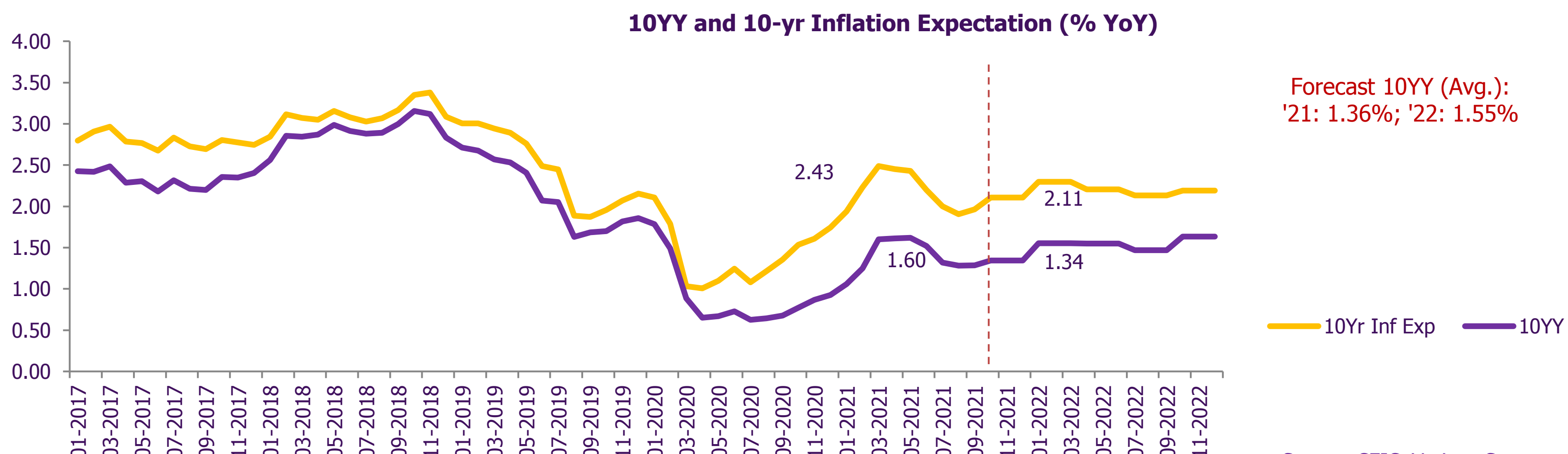
2021-22 Oil/Inflation/Bond yield forecast:

Our prelim forecasts: 2022 oil prices may drop slightly from this year due to demand & supply rebalancing, inflation to decline, US 10-year yield may be range bound.







Source: CEIC, Various Sources, SCBS Research

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3) Regulatory issues will pose a greater risk to economy and investment

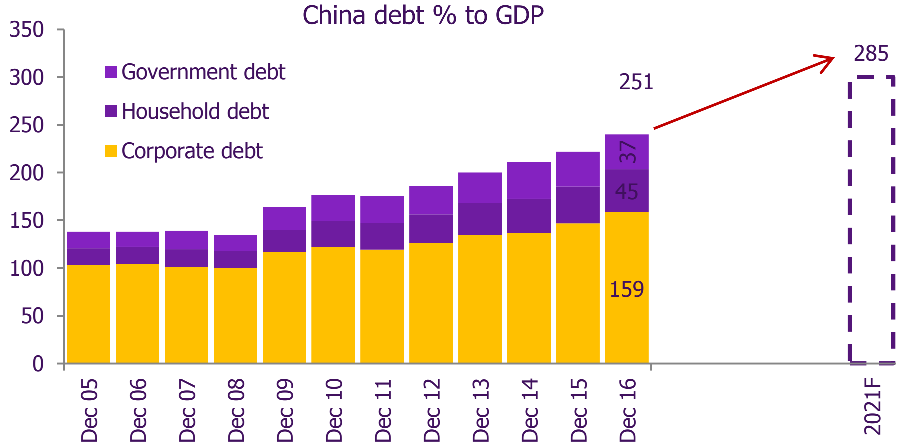
We believe regulations governing online-related businesses such as fintech, delivery, games, leisure, tutoring businesses will be more intense

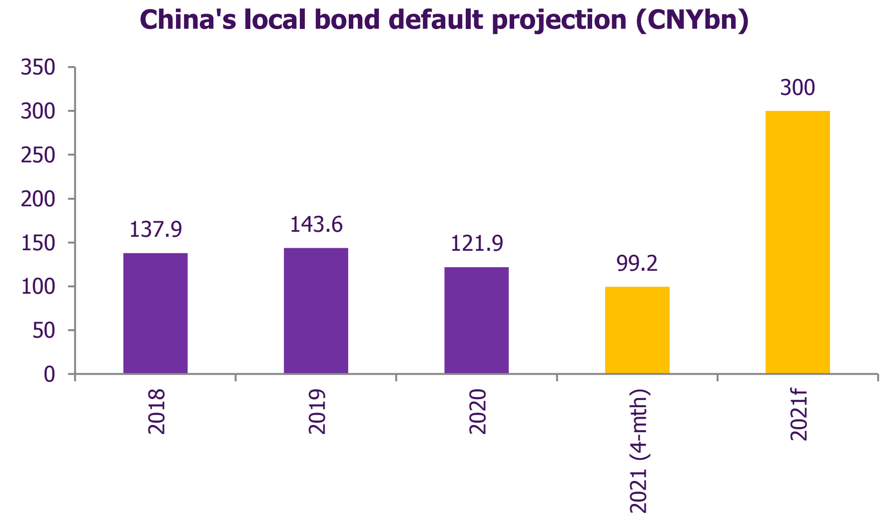
Date	Regulation
Nov 2020	- Released proposal for anti-monopoly rules and sought public comments specifying "pick one of two" and "price discrimination based on big data" - Halted Ant Group's IPO - Fines of RMB500k each for 3 acquisition/JV cases in the internet space related to failing to report market concentration data, including Alibaba, China Literature
Feb 2021	- CBIRC further tightened the regulations on online lending business by commercial banks
Mar 2021	- Imposed fines on five community group purchase companies for improper behavior such as dumping and price fraud, including Meituan Youxuan
Apr 2021	- Imposed fines on Alibaba for monopolistic behaviors over "choose two from one" - Announced anti-monopoly investigation against Meituan over alleged practice of "pick one from two"
May 2021	- CAC inspected and announced violations in personal data collection by 33 apps across input method editors and navigation apps. - Announced fines for Alibaba-backed Zuoyebang and Tencent-backed Yuanfudao of Rmb2.5mn each on misleading pricing and false marketing
June 2021	- CAC inspected and announced violations in personal data collection by 129 apps across fitness, news, online streaming, app store, and female health, including Keep, Huya, etc
July 2021	- Merger of Huya Company and Douyu International forbidden by SAMR - Strengthen regulations for domestic businesses listed overseas to enhance data security and prevent violation of securities laws according to a document jointly released by CPCCC and State Council - CSRC is reportedly working to change the overseas listing rules implemented in 1994 that now require VIE structures to seek approval before an overseas IPOCAC - CAC Removes Didi From app store after international IPO - Announced the tutoring business as a non-profit business
Aug 2021	- Announced that gaming business is "spiritual opium" - The government allows young people to play games for 3 hours per week - The government and the Communist Party proclaimed the Common Prosperity Policy, emphasizing equality by spreading wealth to all people. The government has signaled that higher incomes will be taxed and will ensure that most of the property in the country is not concentrated in the hands of the rich minority.

Source: GS, Various Sources, SCBS Research

China: Financial risk is another risk to watch, though we believe it is manageable

In 2021, the combined national debt has soared to nearly 300% of GDP, so the government tightened its lending limits to limit the risk of a bubble bursting. This creates more risks in three areas: local government companies, real estate and mining groups.





Source: IMF, CEIC, Bloomberg, SCBS Research

However, we believe that Chinese authorities will manage large, financially crippled companies that, if left unmanaged, may go bankrupt and cause systemic risk. The government may help via facilitating a haircut. Currently, Chinese authorities are now helping Huarong Asset Management, while reportedly discussing ways to minimize risk from the Evergrande debacle.

中国华融
CHINA HUARONG

恒大集团
EVERGRANDE GROUP

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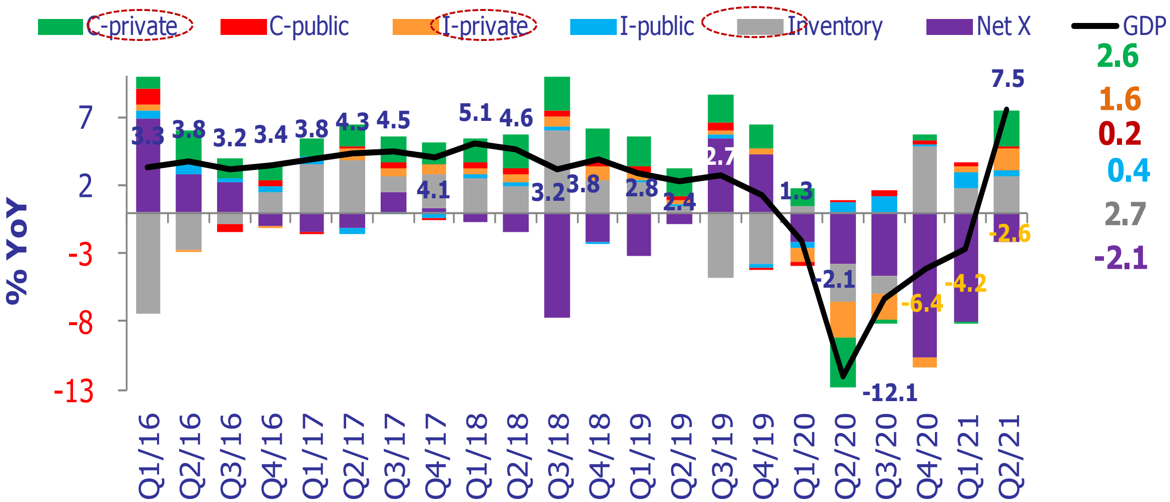
THAI ECONOMY

2Q21 Thailand GDP grew 7.5% YoY, in line with our expectation and higher than market estimate of 6.4%, but NESDC downgraded its Thai economic forecast.

Contribution to Thailand's GDP Growth

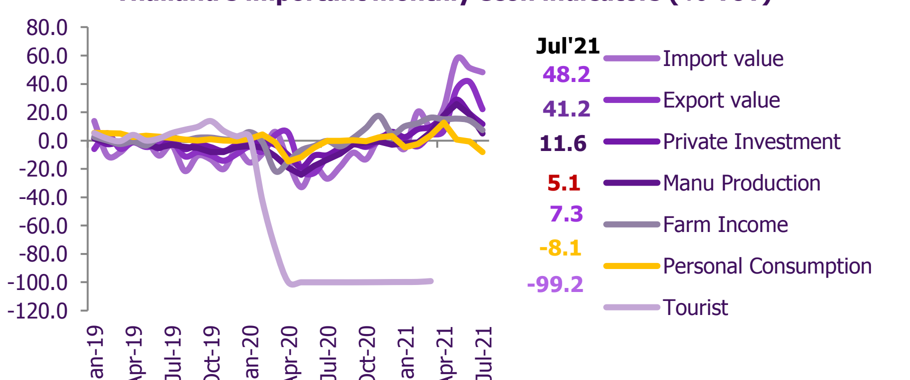


- The Thai economy in 2Q21 expanded 7.5% (YoY) primarily off a low base. Private consumption, private investment and inventory accumulation are key elements of the growth, while lower exports of goods and services than in imports (from the loss in tourism revenue which is export of services) caused net exports to be negative.
- Inventory increased, mainly from export products such as jewelry, plastics, synthetic rubber, computers and automobiles. Inventory fell mainly in agricultural products, which indicates perhaps not much concern about export shortage due to COVID.

Quarterly GDP indicates that the Thai economy has not yet entered a technical recession, but private consumption and investment have entered a recession (as measured by being negative for two consecutive quarters), with monthly data in July decelerating significantly.

%QoQ_SA	1Q2021	2Q2021
Priv. cons.	-0.6	-2.5
Public cons.	-0.3	1.2
Priv. inv.	-0.5	-2.5
Public inv.	17.5	3.3
X of G&S	8.9	10.8
M of G&S	12.5	4.7
GDP	**0.2**	**0.4**

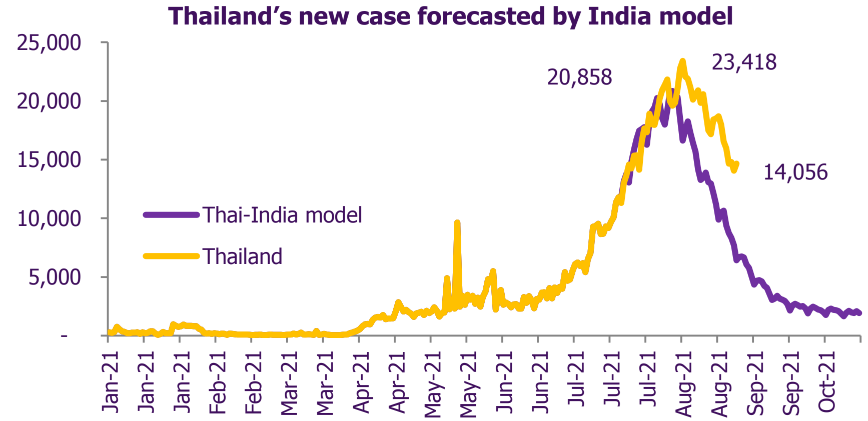
Thailand's important monthly econ indicators (% YoY)

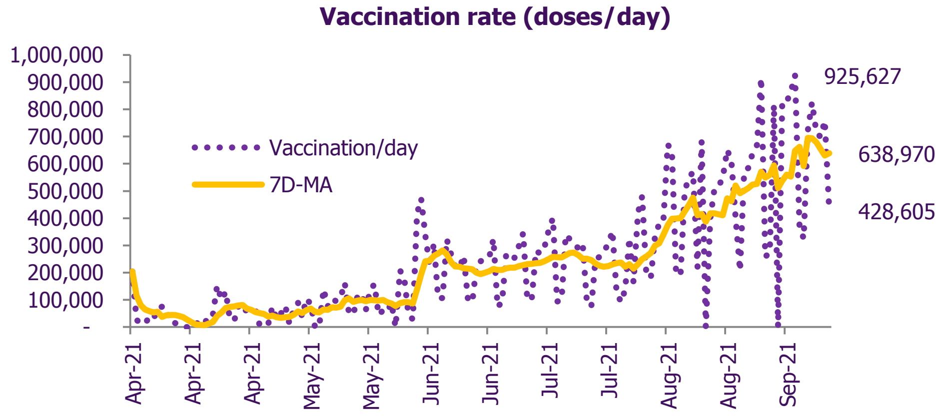


Source: CEIC, NESDC, SCBS Research

The outlook of the Thai economy depends on what happens with COVID.

Currently, the status of the pandemic and loosening of the lockdown are in line with our model, so we maintain our forecast for the Thai economy at 1% this year

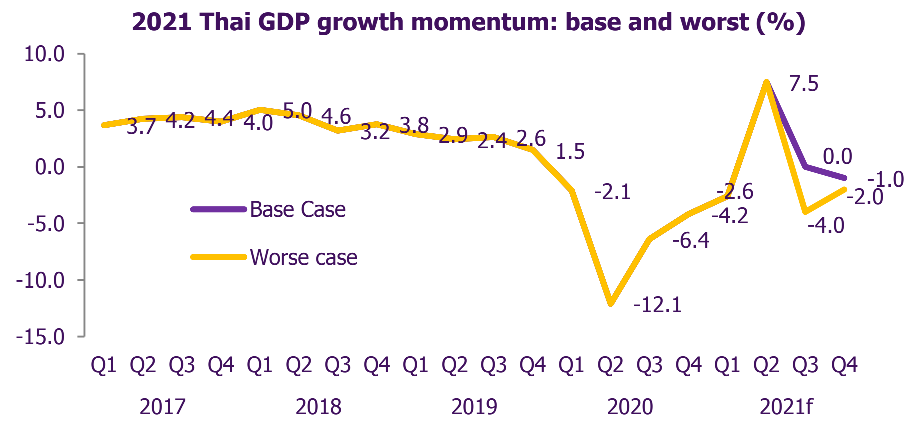




Source: CEIC, NESDC, SCBS Research

At present, the COVID-19 situation is close to our hypothesis (India model).

1. Number of daily new cases has fallen to 13,000-15,000, while the India model is about 8,000-10,000 per day.
2. Vaccination rates continue to increase, which will help reduce public health pressure in the future.
3. The easing of lockdown at the beginning of September was in line with our expectations. Assuming no new wave, we believe economic activity will return to some extent in the 4th quarter.



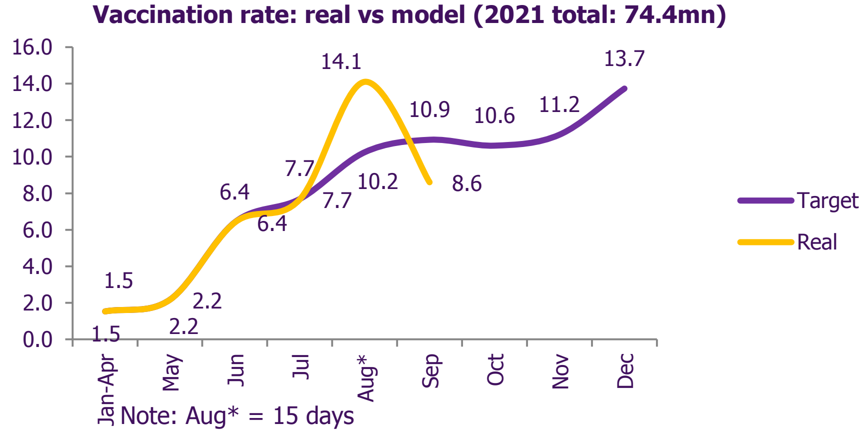
- We maintain our Thai GDP forecast for this year at 1.0%, with an exacerbated risk of -0.3% if there is a virulent new wave.
- There are three negative risks that may lead the economy to contract this year: 1) another wave in the provinces and in the dark red provinces, 2) delays in vaccine doses expected in 4Q21, especially the Pfizer and Moderna vaccines; and 3) no increase in economic stimulus measures from those already present. In our view, it will take at least Bt300bn for each month of lockdown to stimulate the economy in this round (currently around Bt141bn).

SCBS

Factors to watch out for:

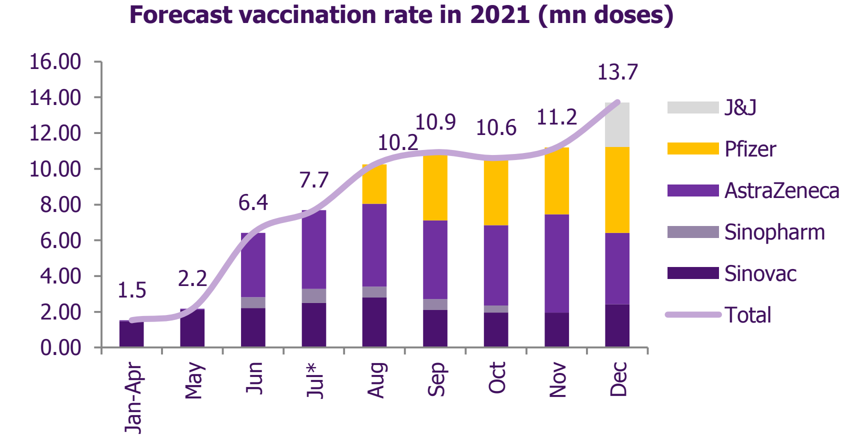
1) A new virulent wave of COVID after the lockdown, 2) vaccination progress, and 3) government economic stimulus measures

Vaccination rates exceeded our expectations in Q2

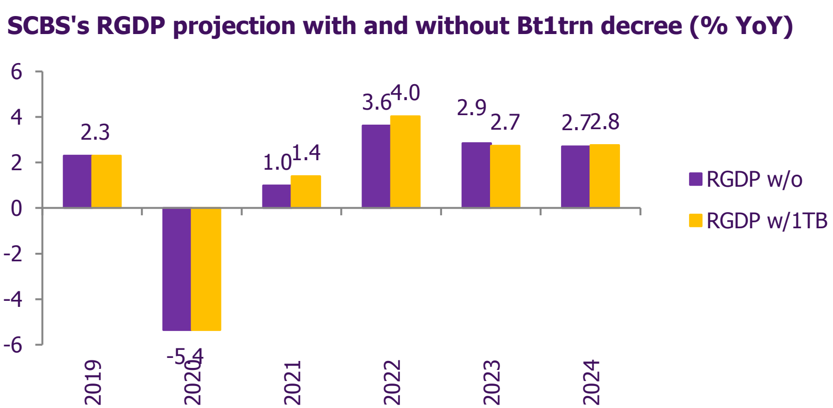


Note: Aug* = 15 days

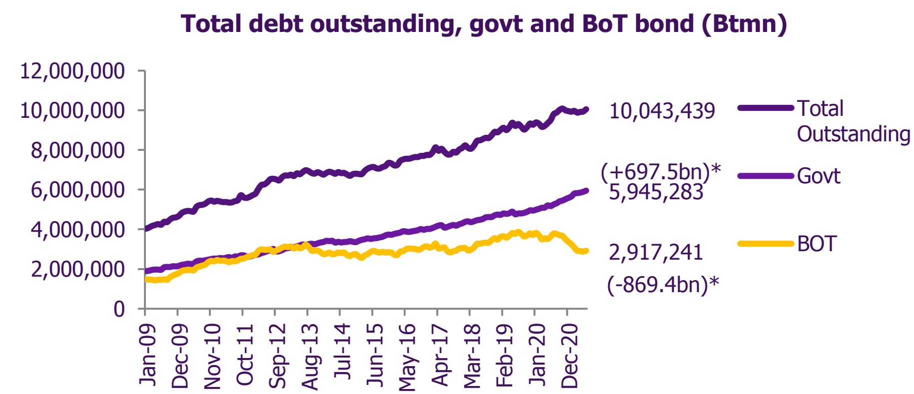
We have raised our vaccination estimate to 74.5mn doses



We believe that if the government adds another Bt1trn in fiscal stimulus, it could help cover up the "income hole" and give GDP this year a 1.4% upside.



The Bank of Thailand has made a de facto easing in monetary policy to a certain extent (by reducing bond issuance), but further easing contribute more to the Thai economy



Source: BOT, *since Jul 2020

Source: CEIC, Various Sources, BOT, SCBS Research

Latest official Thai economic projections vs SCBS

Macro growth projection	Actual 2019	Actual 2020	FPO (Jun'21) 2021f	NESDC (Aug'21) 2021f	BOT (Jul'21) 2021f	SCBS (Jul'21) 2021f	SCBS (Jul'21) 2022f
GDP growth	2.3	-6.1	1.3	1.0	0.7	1.0	3.6
Private investment	2.7	-8.4	4.1	4.7	N/A	3.9	7.3
Public investment	0.1	5.7	9.5	8.7	N/A	9.1	5.1
Private consumption	4.0	-1.0	2.5	1.1	N/A	1.2	4.2
Public consumption	1.7	0.8	9.5	4.3	N/A	3.1	2.5
Export value in US$ terms (%)	-3.3	-6.6	16.6	16.3	N/A	15.0	2.0
Import value in US$ terms (%)	-5.6	-13.5	23.5	20.1	N/A	18.2	3.3
Current account to GDP (%)	7.0	3.3	-0.5	-2.0	N/A	-2.0	3.5
Headline inflation (%)	0.7	-0.8	1.2	1.3	N/A	1.2	1.4
USD/THB	31.0	31.3	31.5	31.8	N/A	31.5	32.0
Policy rate (%)	1.25	0.50	0.50	N/A	N/A	0.50	0.50
No. of inbound tourists (mn)	39.8	6.7	0.3	0.2	0.2	0.3	8.0

Source: CEIC, NESDC, BOT, FPO, SCBS Research

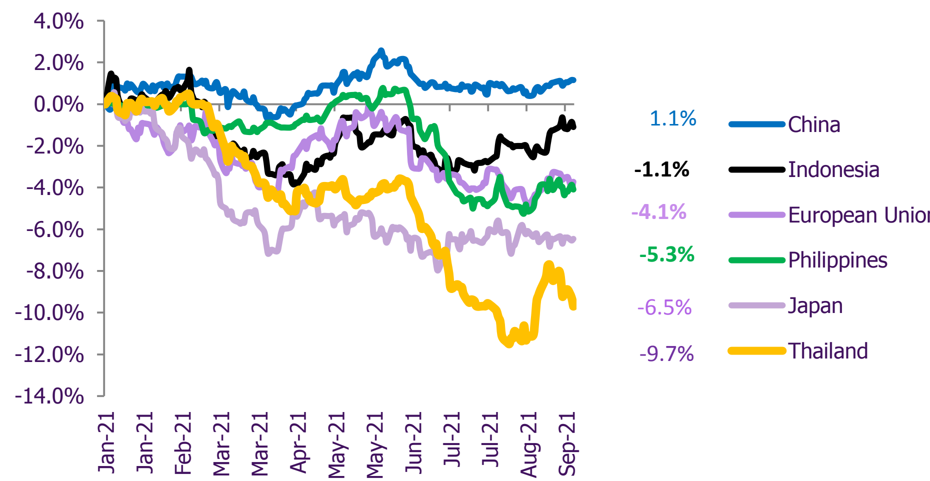
SCBS

Thai baht situation and trend forecast in 2021 (1)

Thai baht situation

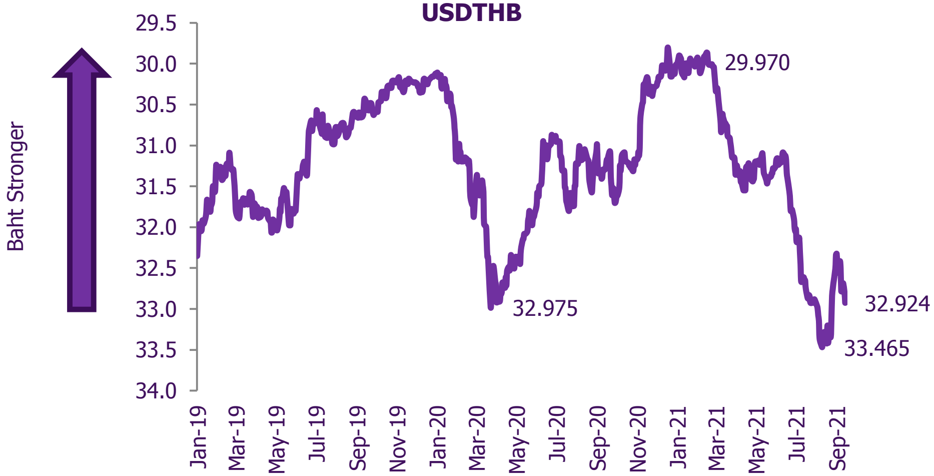
1. YTD the baht has depreciated the most in the region at 9.7%. Its neighbors and the euro weakened in the range of 1 to 6.5% (average about -5.5%), excluding the RMB, which strengthened slightly due to a strong economy and exports.
2. The reason behind the regional currency weakness is the strong dollar on the back of a recovering economy and the Fed's monetary policy outlook, where the dollar YTD (DXY) is up 2.9%.
3. In our view, the baht is weaker than the region due to 1) a more accommodative monetary policy (this can be seen in a reduction in the BOT's acquisition of bonds, which increases liquidity in the system) and 2) a current account deficit, which is the consequences of lost tourism revenue (service account).

Local currency against USD (% since Jan 1, 2021)

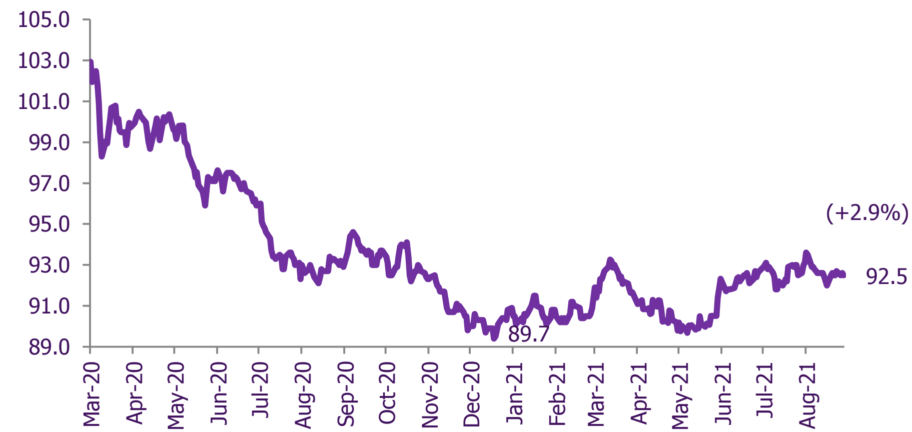


Source: CEIC, Bloomberg, CNBC, SCBS Research

USDTHB



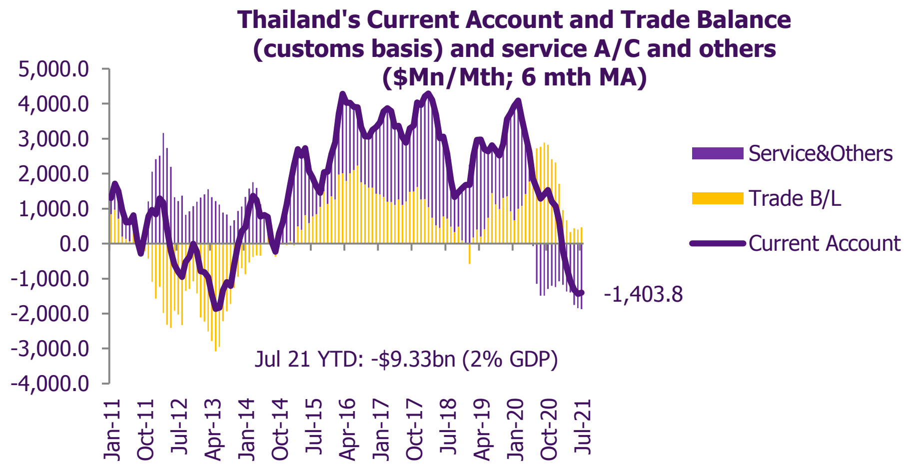
Dollar Index (DXY)

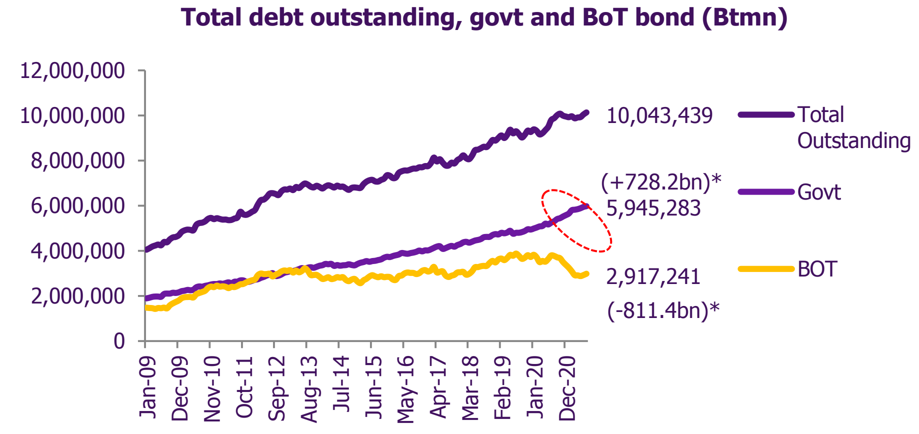


SCBS

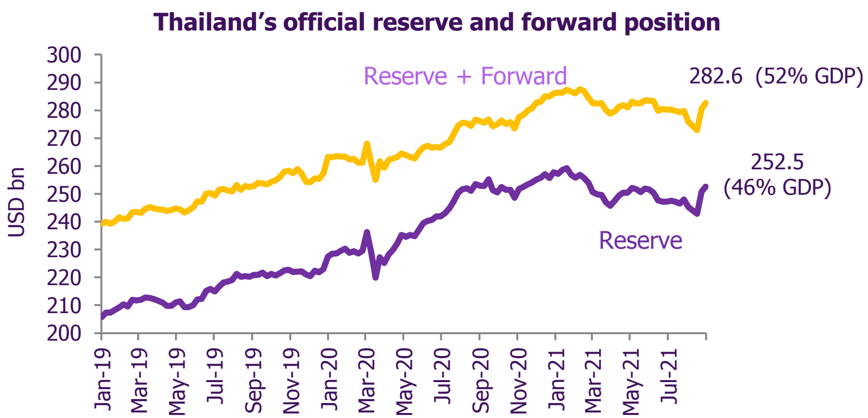
Thai baht situation and trend forecast in 2021 (2)

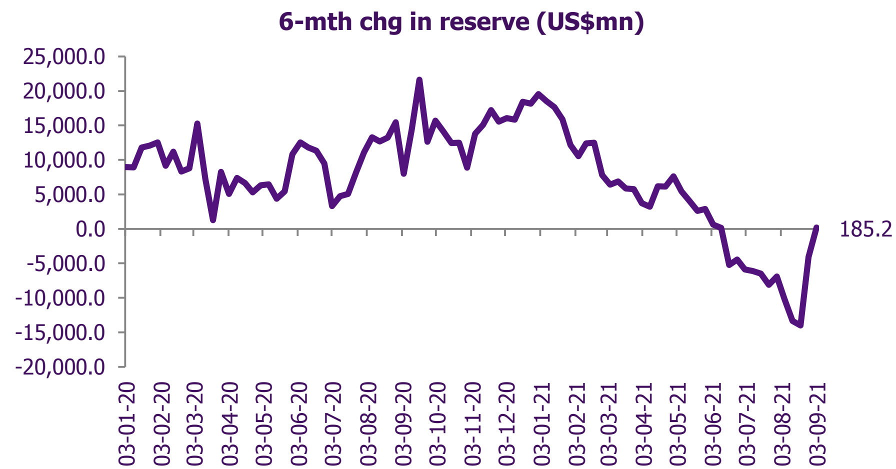
We revised our forecast for the US$/THB average this year from 30.5 to 31.5. We view that 1) in the second half, the baht is likely to weaken from the first half (YTD, it has averaged 31.4). But 2) the baht is unlikely to depreciate much more strongly than the region because if the baht is too weak, it may cause inflation, leading the BoT to be more proactive in managing the baht. (Recently, the reserve + forward level rose to US$185mn compared to 6 months ago, after a contraction of more than US$135bn, indicating that the BoT is taking care of the baht.) We therefore view that the baht will average 32/US$ in the second half of the year.





Source: BOT *since Jul 2020





Sour:ce CEIC

Strategy

Key points of our 4Q21 strategy

		Our summary views
Macroeconomic outlook		As tailwinds fade, we expect momentum will continue slower in 4Q21, with four key macroeconomic headwinds: 1) stagflation threat, 2) US planned tax increase, 3) QE tapering and 4) tighter regulations from the Chinese government. Thailand's macro trend is improving.
Economic bright spots		Service-related sectors, high pricing-power sectors, logistics, export-related sectors, electric vehicles.
Economic cycle		Most DMs will enter late expansion in 4Q21 accompanied by stagflation fears. Service sectors will dominate growth in 4Q21-2022. EM will enter early expansion in 4Q21 as vaccinations rise and lockdowns ease. Demand and supply in many sectors will become more balanced in 2022.
Market cycle		The market cycle is in a growth phase with emphasis on earnings growth rather than valuation expansion. Yield curve is expected to flatten. 4Q usually tends to be strong but this time is different as macro tailwinds begin to fade. Peaks in profit growth tend to foreshadow subpar performance in stocks.
Earnings outlook		2021 EPS of our SCBS coverage will grow 61% YoY, but earnings will remain below pre COVID-19, likely to come back up to pre COVID-19 in 2022 with growth of 9% YoY. In 2H21, we are concerned about pressure on margin from supply chain shortages and rising raw material costs.
Reflation to stagflation		Equity returns and Sharpe Ratios tend to decline in this phase of the cycle, as the mix of growth, inflation and policy stimulus becomes less favorable. Our recommendations for the stagflation in 4Q21 are more selective and are in utilities, tech, REIT, low beta, quality and large cap.
DM to EM flow rotation		We expect money to flow into EM, as investors, flush from gravity-defying stock markets, look farther afield for opportunities. Emerging-market stocks are showing strength heading into 2022 due to stronger growth and cheaper valuation than in DM which are facing tapering.
Global cyclical peak, domestic bottom		The slowdown in the global economy and high base effect could disrupt the strong rally. We expect growth to peak in 3Q-4Q21, with supply chain disruption expected to ease in 2022. Meanwhile, earnings for domestic-related stocks will fall both HoH and YoY on the back of slower-than-expected reopening and likely to hit bottom in 3Q21. Rapid vaccinations could support a strong recovery.
4Q21 strategy		We recommend shifting focus from DM growth to EM recovery, reflation to stagflation, global cyclical plays to domestic reopening and hope to growth. High pricing power is key. Market returns will depend on earnings rather than valuation expansion.
SET Index target		Our calculations put our 2022 SET Index target based on fundamentals at 1,600. We expect a mild pullback in 4Q21 with trading range target between 1,500-1,600.
Sector	**Overweight**	Commerce, Electronics, Healthcare, Land Transportation and Utilities
	Neutral	Bank, Beverage, Energy, Hotel, Finance, Petrochemical, Property and Telecom
	Underweight	Agribusiness, Automotive, Air transportation, Building Materials, Entertainment/Media, Shipping, Food
Recommendations		We look at stocks in defensive sectors that 1) have high domestic exposure, 2) maintain LT competitiveness, 3) have continuous earnings growth or recovery, 4) limited financial risk or strong balance sheets, and 5) are laggard. Our top picks in 4Q21 are BEM, KCE, OSP, SECURE, and ZEN.

Our 3Q21 recommendations outperformed the SET by 9% thanks to SFT, GPSC, RJH and PM

3Q21 has nearly come to an end, with the Thai stock market enjoying a steady rally (+2.4%) from 2Q21. Although economic activities have slowed, domestic COVID-19 cases are showing signs of slowing along with rapid vaccination. Moreover, there is no sign of severe impact from a supply shortage for automotive and electronics production, allowing Thai exports to report robust growth in 3Q21. This has led the Thai stock market to outperform compared to emerging markets (-7%) and Asia ex Japan markets (-8%) due to slowing growth in many countries from lockdowns and a blitz of tighter Chinese regulations. The Thai market rally has underperformed developed markets, with slower vaccinations and weaker recovery.

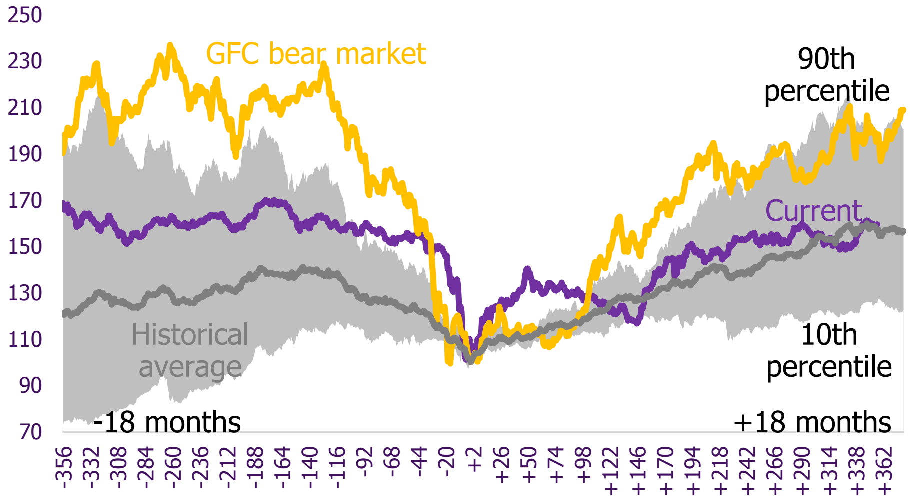
In 3Q21, we saw large caps, defensive, technology and growth stocks outperform small caps, cyclical ex tech and value stocks. Most style investment offered similar returns to peers. In addition, a change in tone from central banks, more regulations in China, slow growth, COVID-19 shutdowns and an upsurge in cost raised demand for defensive stocks. Global cyclical stocks remained a bright spot, backed by strong manufacturing recovery.

Although the Thai stock market has shown positive returns in 3Q21, index contribution has been concentrated in three sectors: Telecommunication, Commerce and Utilities, with four stocks from these sectors (ADVANC, GULF, INTUCH, MAKRO) accounting for more than 60% of the market rally. Meanwhile, the consensus calls on Banking and Energy disappointed. As well, foreign investors have sold a net US$83mn in Thai equities in 3Q21, significantly lower than the US$1bn in 1Q21 and US$1.5bn in 2Q21.

Our top picks that focused on the defensive theme in 3Q21 offered average returns of 9.8% and all of our top picks except CRC delivered positive returns, representing excess returns of 9% thanks to PM (+25%), SFT (+23%), RJH (+8%) and GPSC (+3%). CRC (-9%) underperformed in response to a severe new wave of COVID-19 nationwide.

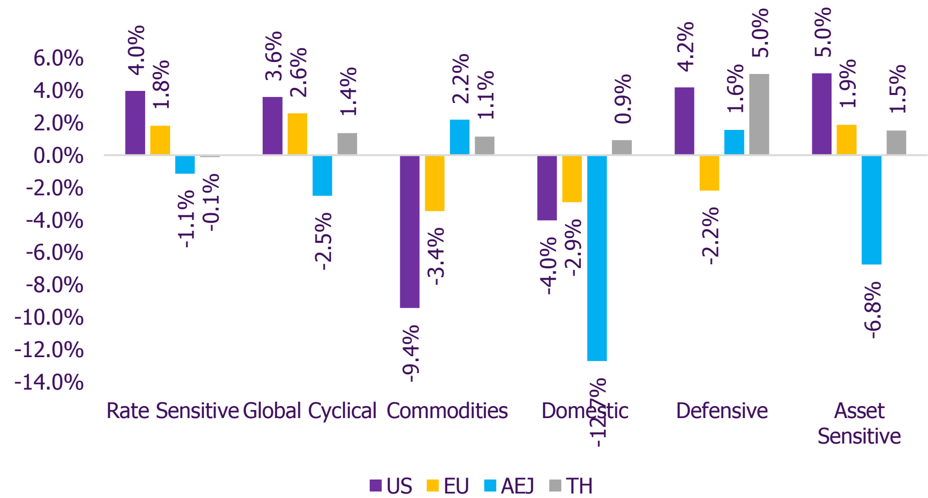
Defensive and global cyclical outperformed in 3Q21

SET rally is not too hot and not too cold



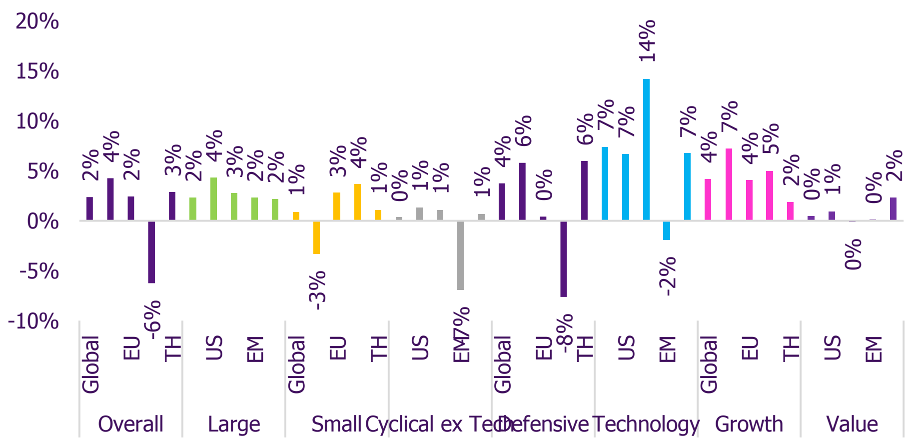
Source: Bloomberg, SCBS Investment Research

Defensives and global cyclicals are key drivers in 3Q21



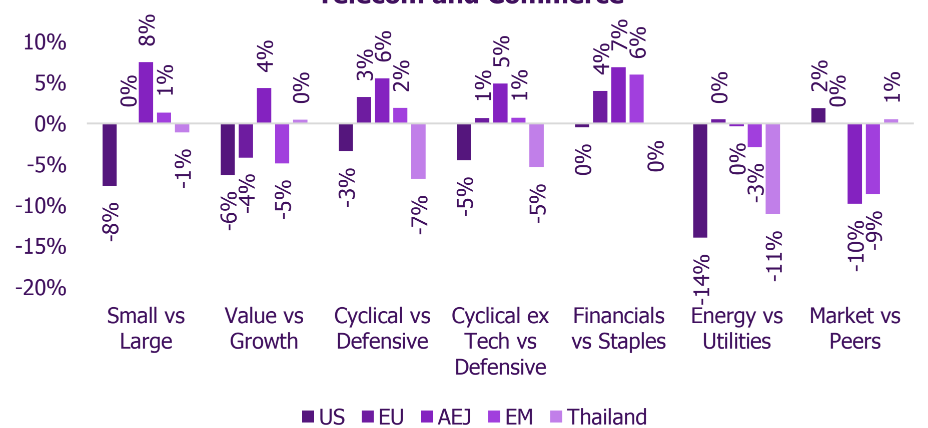
Source: SET, SCBS Investment Research

Performance comparison in 3Q21 (as of 17 Sep 21)



Source: Bloomberg, SET, SCBS Investment Research

Thailand outperformed peers in 3Q21, supported by Telecom and Commerce

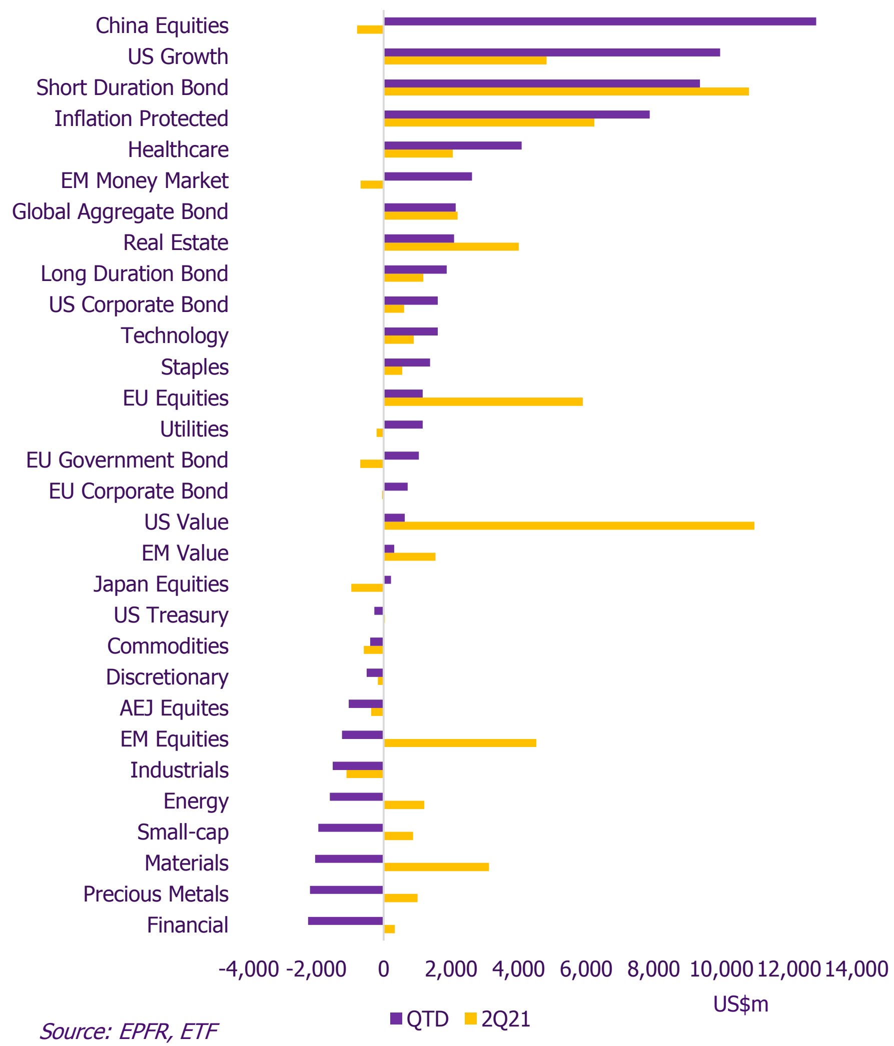


Source: Bloomberg, SET, SCBS Investment Research

SCBS

Bonds and defensive rotation are gaining momentum; expect another round of tactical rotation in 4Q21

2Q21 and 3Q21 ETF Flows

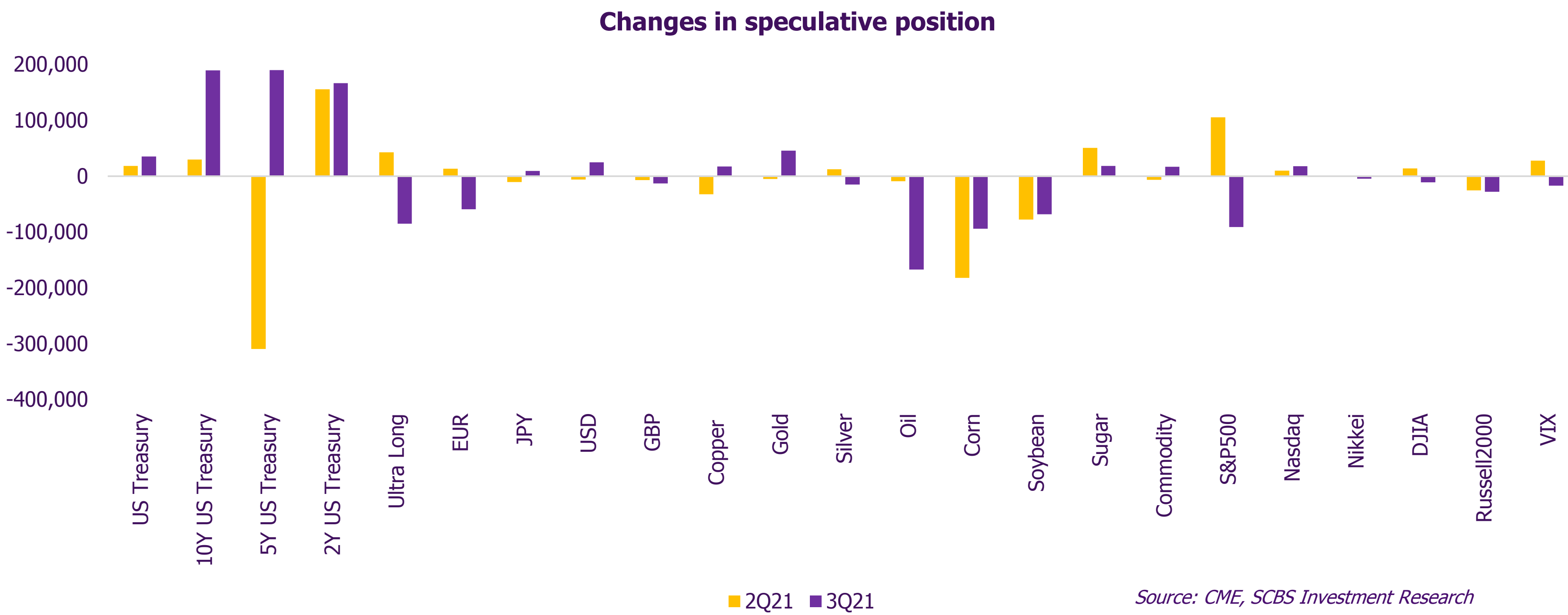


Source: EPFR, ETF

According to the ETF and EPFR, cyclical sectors such as Energy, Industrials, Materials saw outflows in 3Q21, turning from inflows in 2Q21 as global growth passed peak and another wave of COVID-19 infection hit. The reflation theme (-US$5.9bn) is losing momentum as central banks change stance from easing to tightening monetary policies and a less aggressive fiscal stimulus. Inflows were seen most within Technology (US$1.6bn) and defensive sectors (US$6.6bn) such as staples, healthcare and utilities thanks to small yield movement. Investors are building position in inflation-protected bonds (US$7.9bn), and short-term maturities (US$9.4bn) to the expense of equities and high beta sectors on concerns over margin pressure and volatility from QE tapering.

China equities and US growth have seen inflows of US$14.9bn and US$7.3bn after correction in 2Q21. However, precious metals and commodities have garnered net outflows of US$2.2bn and US$0.4bn, a reversal from the net outflow in 2Q21. We believe core portfolios remain defensive and expect another round of tactical rotation in 4Q21.

Speculators taking a selective stance and directional bets



Source: CME, SCBS Investment Research

Based on the CFTC Commitment of Traders reports, speculators are accumulating US treasuries and building position in the US dollar and gold while reducing position in oil and soft commodities after a strong rally YTD. In addition, they are building short positions in US and Japan stock markets. We feel short-term investors are in risk-off mode and preparing for volatile markets over the remainder of the year. Speculators are not afraid of the market but taking a selective stance as they take profit on commodities and look for opportunities in underperformers such as gold.

SCBS

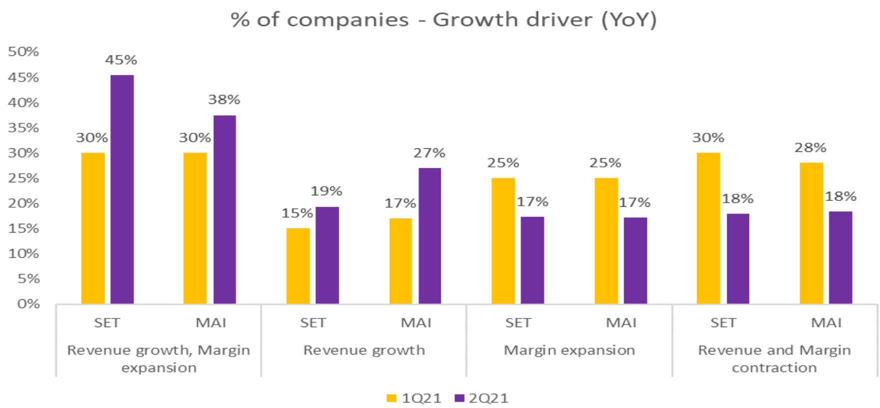
Five key themes and lessons from 2Q21 earnings

We gather anecdotal evidence of fundamentals from financial statements and trends from the earnings of Thai listed companies. In the recent quarter, we highlighted five themes:

1) **Global cyclicals beat expectation, manufacturing and domestic consumption missed.** Cyclical sectors benefited from global economic recovery, while manufacturing and domestic consumption-related sectors suffered from lockdowns forced by the new wave of COVID-19 and rising raw material cost. Healthcare, on the other hand, benefited from the new wave.
2) **Cost pressure.** We saw signs of margin pressure in 2Q21 and expect this to remain elevated. Global supply chain disruption during a demand recovery has led to longer delivery time and higher cost. Operating costs such as shipping, oil, metals and agricultural are on the rise in 3Q21. Margin squeeze is expected to continue for the rest of the year.
3) **Stable financials and high liquidity.** The financial status of Thai listed companies became more stable rather than seeing continuous improvement in 2Q21. Cash holdings remain high but are down from peak in 4Q20. Most are looking for new investment and deleveraging after operational recovery in 1H21.
4) **Inventory levels do not reflect recent global supply chain disruption.** Inventory levels of manufacturers have been little impacted by the supply chain disruption. Supply constraints in various countries are expected to eventually reach Thailand, likely in 2H21. Though there will be some damage to Thai manufacturers, there is no sign that it will be severe.
5) **Some are looking for growth opportunities, some are deleveraging.** We find that since 2Q20 both large and small companies are shifting focus from liquidity preservation to investment for post-pandemic recovery. Large companies are more aggressively deleveraging than small companies due to higher cash flow from operations.

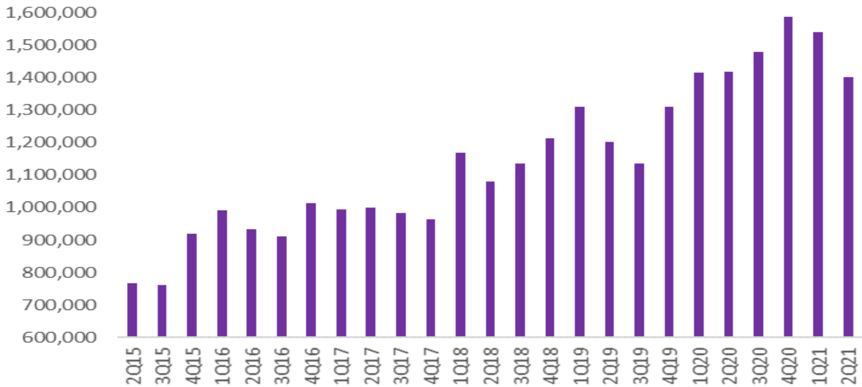
Key highlights from 2Q21 earnings

Revenue up but offset by margin pressure



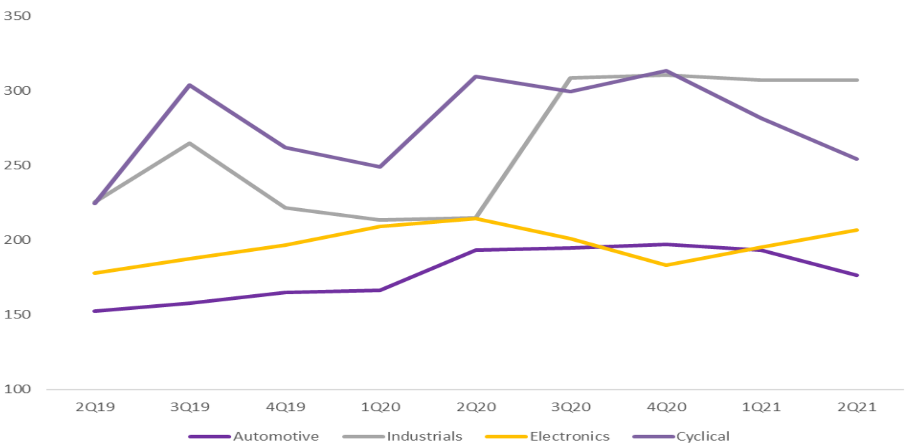
Source: SET, SCBS Investment Research

Corporate cash holdings remain high, no further sign of financial stress for listed companies



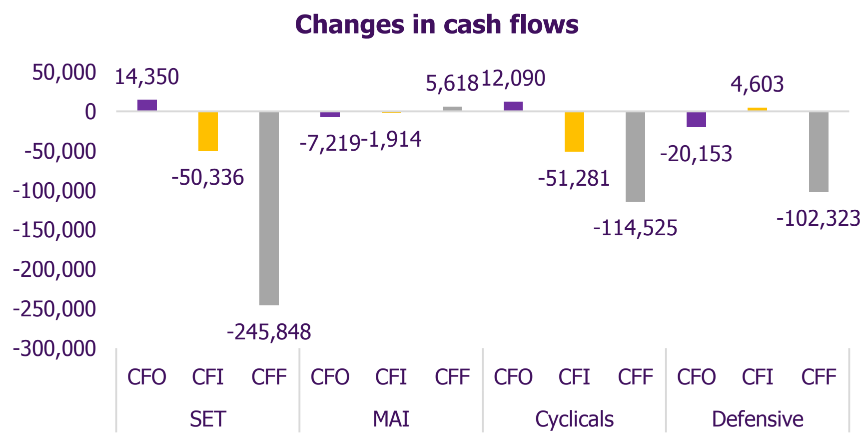
Source: SET, SCBS Investment Research

Inventory levels do not reflect recent global supply chain disruption



Source: SET, SCBS Investment Research

Operating improvement is used for new investment and deleveraging

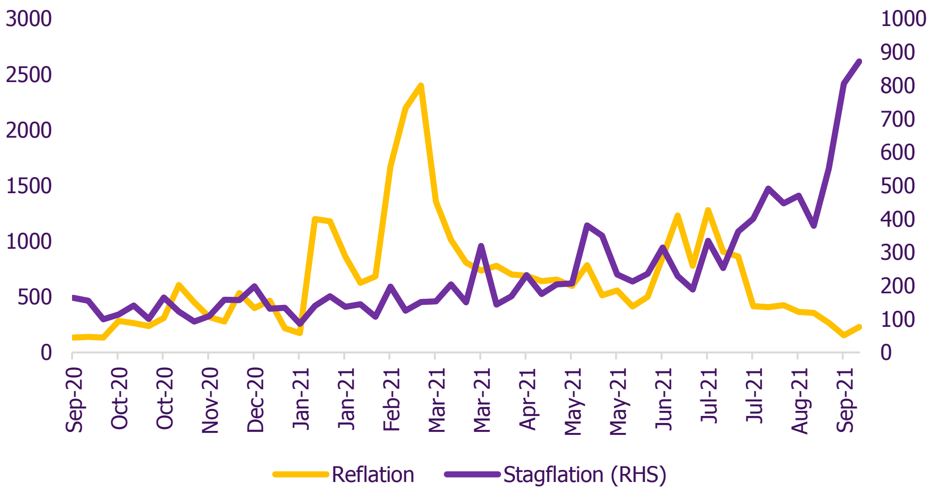


Source: SET, SCBS Investment Research

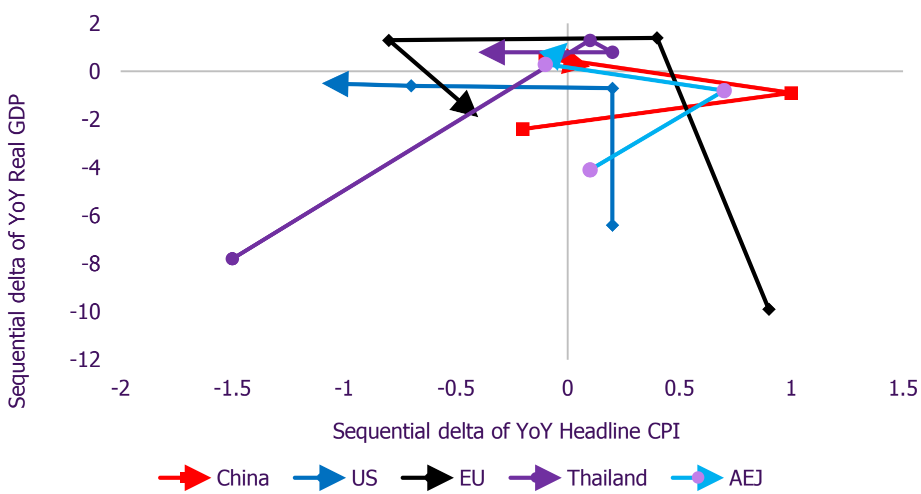
SCBS

Economy is shifting from reflation to stagflation

Market Buzz - Reflation to Stagflation



Source: Twitter, Facebook, Bloomberg SCBS Investment Research



Source: Bloomberg, SCBS Investment Research

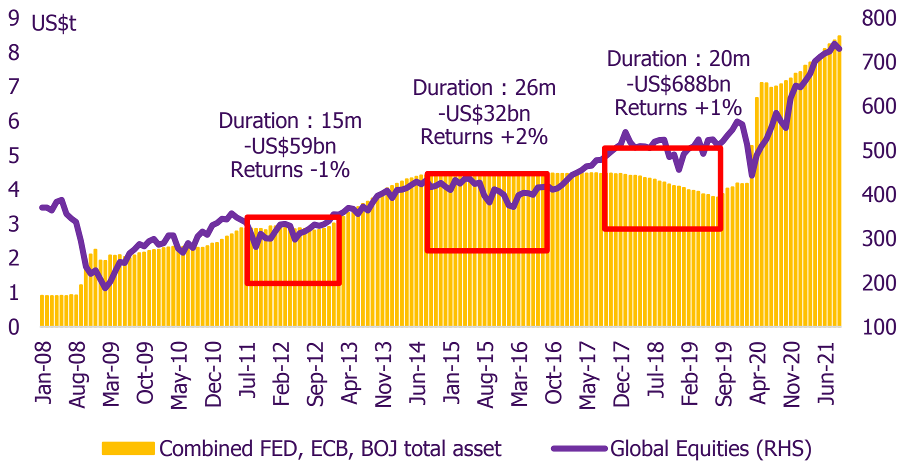
3Q21 has seen the market challenge the reflation trade. Worries have centered on slowing growth and the beginning of the Fed's exit. Macro tailwinds are beginning to fade. We see the economic cycle as shifting from relation to stagflation in 4Q21. For policymakers, this environment is a conundrum. The market has downgraded its growth view due to the Delta variant and China's growth, while upgrading inflation on the back of supply chain disruption.

Risks to the outlook from weaker growth and higher inflation partly relate to the cyclical position of major economies. Equity returns and Sharpe Ratios tend to decline in this phase of the cycle, as the mix of growth, inflation and policy stimulus becomes less favorable.

Our recommendations for the 4Q21 stagflation are more selective with a focus on utilities, tech, REIT, low beta, quality and large cap.

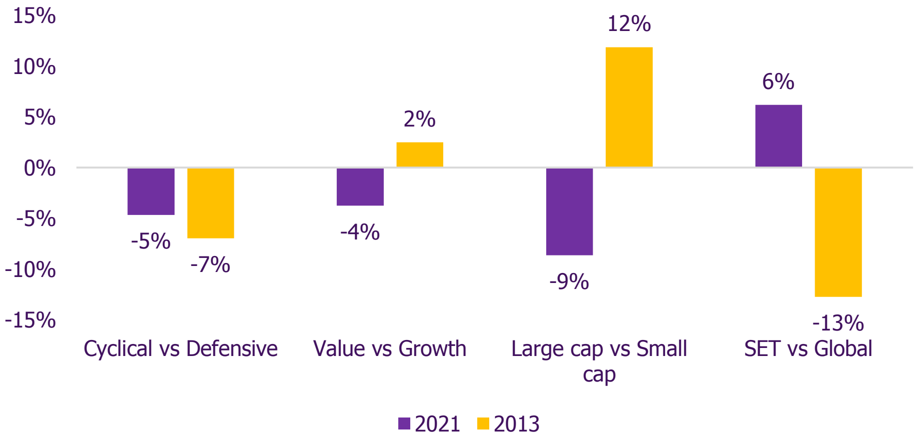
Leaving QE, never easy for stock markets

Markets have been dependent on key central banks



Source: CEIC, SCBS Investment Research

Relative performance before QE tapering announcement



Source: Bloomberg, SCBS Investment Research

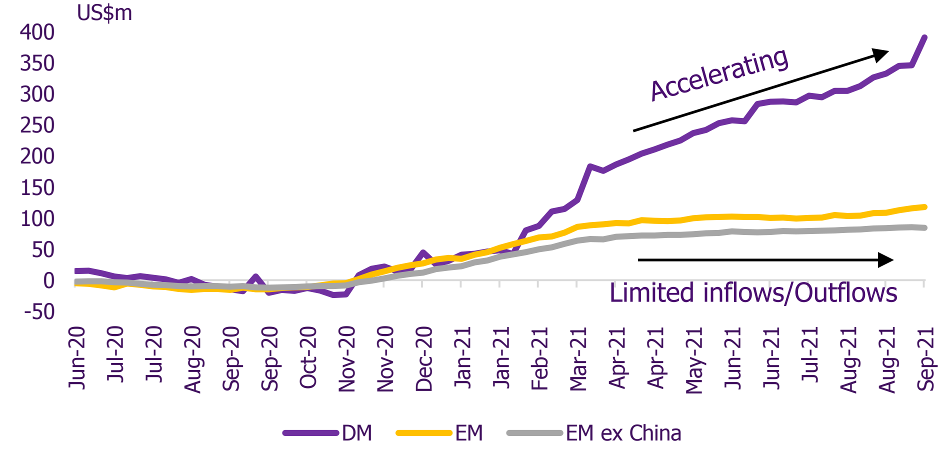
In 4Q21, tighter restrictions and weaker activities with dovish monetary policy implications will be mainstream. Inflation has risen, but generally not to problematic levels that will make if difficult for central banks to deploy easing monetary policy. We think tightening monetary policy globally will affect market liquidity and valuation with a stronger trend for yield and the US dollar. Market reaction may not create turbulence, but it could hamper any further rally. In addition, QE tapering may actually slow growth, adding risk to financial assets. Historical data shows that when total assets decline at central banks, market returns were muted.

With the best macro scenario already priced in, asset prices become even more sensitive to central bank policy as financial markets have become overly dependent on their support. As a tightening and taper tantrum could bring back liquidity and create volatility, we believe the only way to navigate through this challenging market environment is to focus on large defensive growth companies.

SCBS

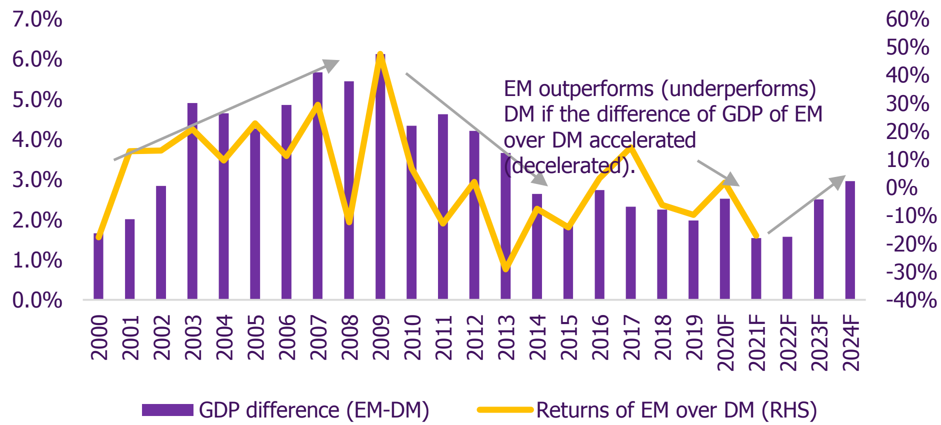
Expect money flow into EM from DM, at least in 4Q21

Net inflows into DM equity markets accelerated since Feb21



Source: CEIC, Bloomberg, SCBS Investment Research

Different between EM and DM GDP growth could translate into excess returns of EM over DM



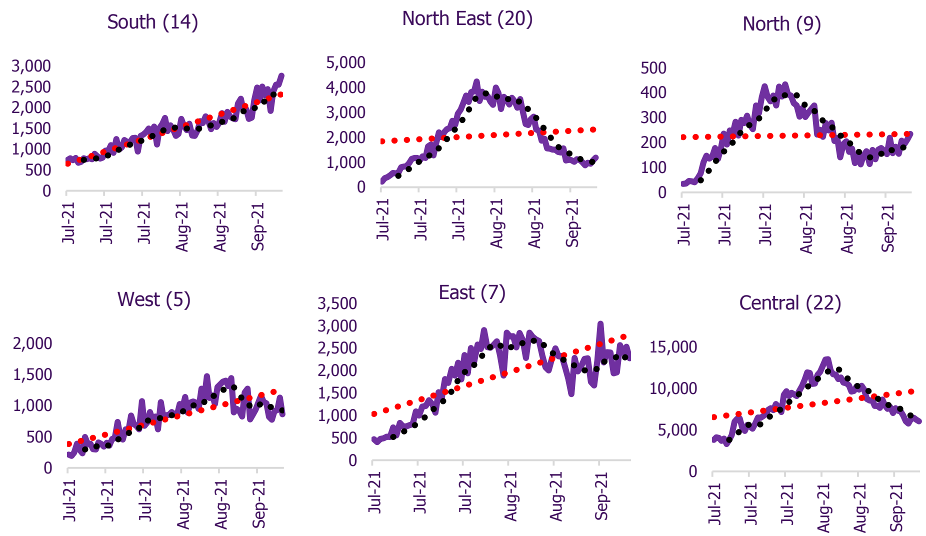
Source: Bloomberg, SCBS Investment Research

We expect money to flow into EM, as investors, flush from gravity-defying stock markets, look farther afield for opportunities. Emerging-market stocks are showing strength heading into 2022. We prefer EM Asia over others due to financial stability. YTD, portfolio inflows to EMs are low compared to the strong inflows to DMs.

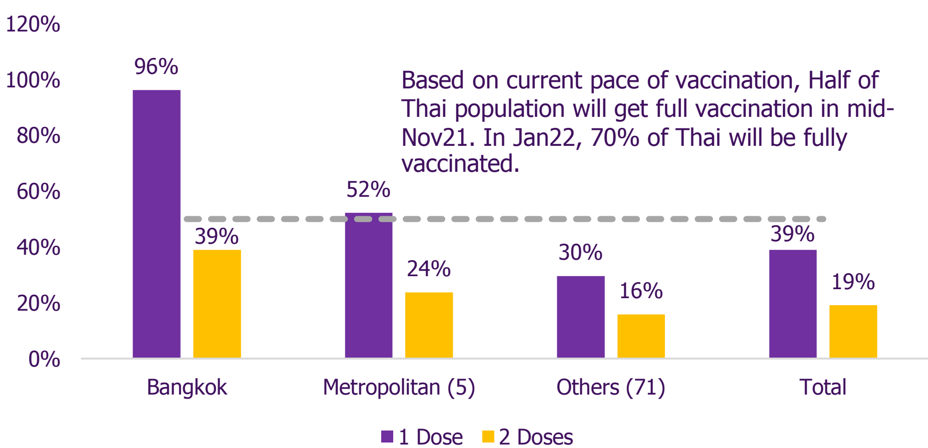
1) Expect economic activity in EM countries to strongly outperform DM countries in 2022 thank to rapid vaccinations.
2) EM company earnings expected to grow at over 9% next year, vs DM growth at 6%
3) DMs have macro headwinds from rising taxes, QE tapering, and past-peak growth, while in 4Q21 EMs will begin to recover from the impact of COVID-19.
4) Valuations of EM assets are encouraging. PE is 13x in EM, lower than the DM of 19x.

Premature loosening of restrictions leading to a reacceleration in cases accompanied by a taper tantrum redux, a strong dollar and tighter regulations in China could lead to capital outflow in EM countries.

No more COVID-19 lockdowns, more reopening



Vaccination rate is accelerating



Source: Ministry of Public Health, SCBS Investment Research

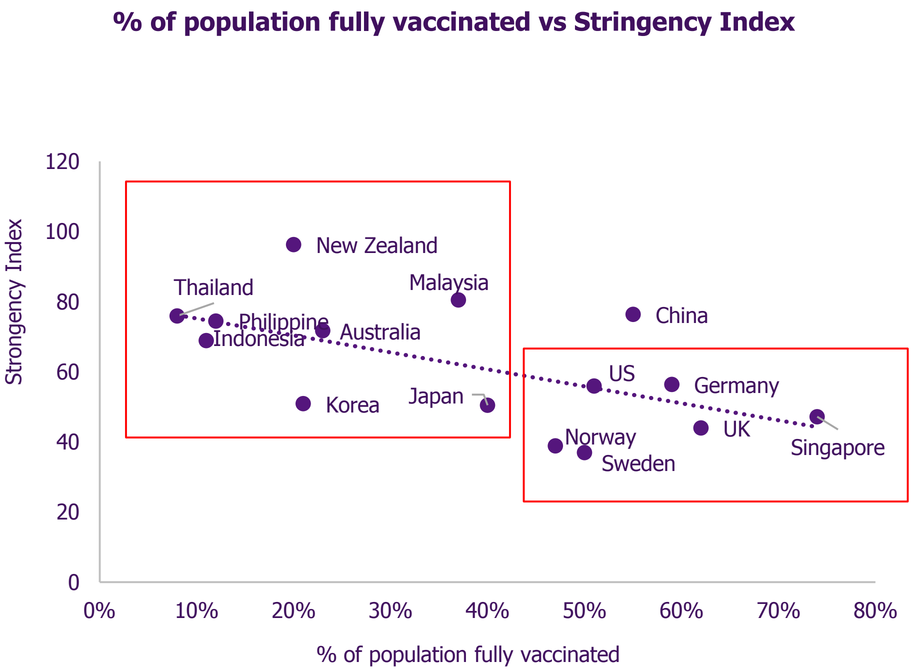
Thailand is beginning to move past the severe wave of Delta variant COVID-19 infections. New cases in many regions have fallen to manageable levels and appear to have peaked in the Bangkok metropolis. However, daily new cases in the south rose to a new high and are also rising in the east and north. This means it is too early for the government to step down its restrictions.

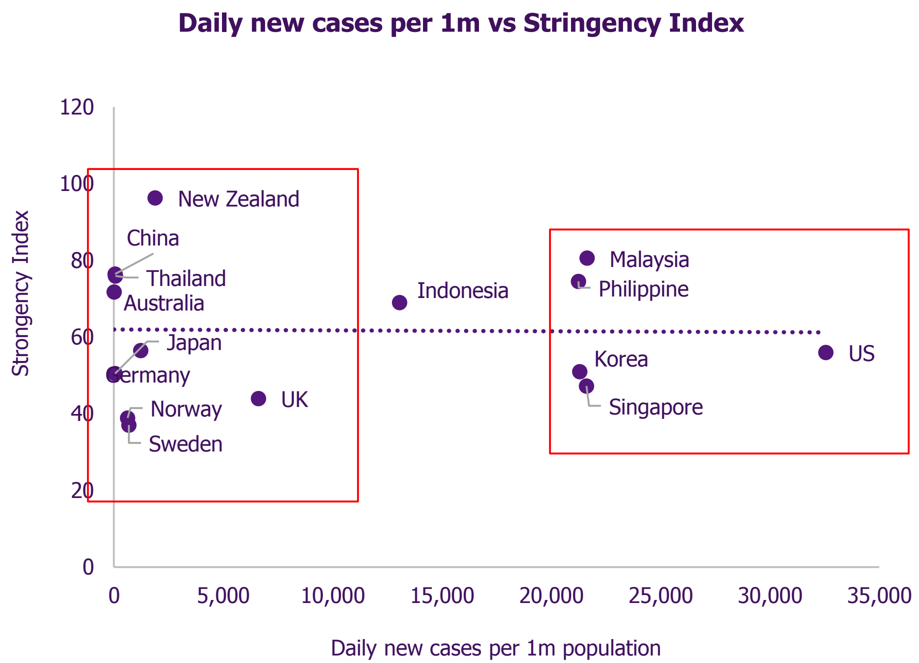
Vaccination remains key to breaking free of the COVID cycle and vaccinations are progressing rapidly in Thailand. More than 96% of Bangkok residents have gotten their first jab. Based on the current pace of vaccinations and the rollout plan, half of Thailand's population will be fully vaccinated by mid-Nov 2021 and this will reach 70% in Jan 2022.

The rising vaccination rate indicates that more lockdown measures are unlikely for the rest of the year. This will allow stronger domestic economic activities to resume in 1Q22.

SCBS

More than 50% fully vaccinated is the trigger point



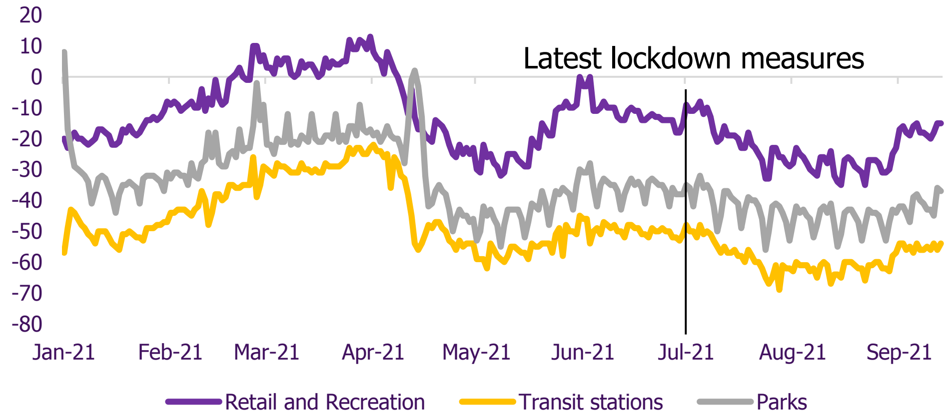


Source: Global Change Data Lab, SCBS Investment Research

Our study shows that that a vaccination rate at over 50% of the population leads to easing the stringency of COVID-19 measures. We also see no difference in COVID-19 measures during a surge of daily new cases between countries with high and low vaccination levels. Scientific studies suggest all COVID-19 vaccines reduce illness severity, hospitalization and fatality rate, allowing policymakers to change focus from minimizing new cases to minimizing hospitalizations. That in turn will mean a persistently lower level of restrictions as we are beginning to see in North America and Europe. Thus, we do not expect full lockdowns in any country where the fully vaccinated is over 50% of the population. This suggests that the current speed of vaccinations will allow Thailand to start to fully reopen in early 2022.

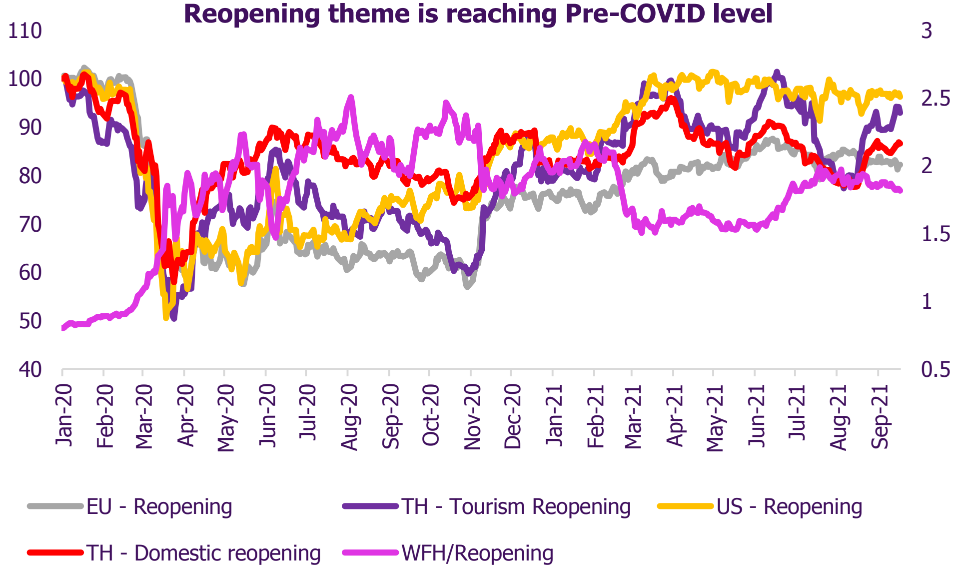
Prefer domestic reopening over tourism plays

More rooms to recovery for domestic activities



Source: Google, SCBS Investment Research

Reopening theme is reaching Pre-COVID level



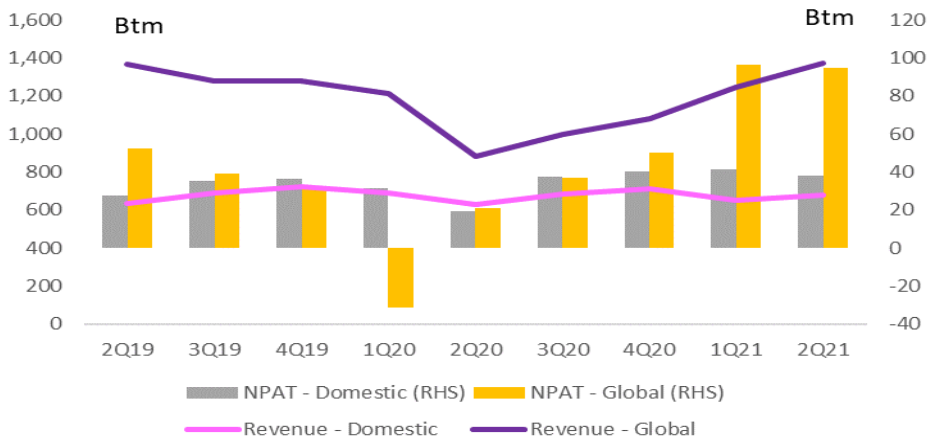
Source: SCBS Investment Research

In 2022, more than two-thirds of the Thai population will have immunity through either infection or vaccination. The potential for high growth spurred by lowering of restrictions is still present. Sectors with high domestic exposure that were hurt the most by the lockdown, such as transportation, restaurants, media and retailers will benefit most from reopening, and this will backload the recovery. Despite a lockdown in 3Q21, domestic activities are improving.

Tourism-related sectors also benefit from reopening. But the speed of recovery may be slower given the COVID-led adoption of video conferencing amid rising room supply. In addition, China (20-30% of tourism traffic) is expected to keep its curb on international flights throughout 1H21. We thus prefer domestic reopening over tourism plays due to 1) faster recovery, 2) stronger balance sheets, 3) more laggard share price recovery, and 4) cheaper valuations.

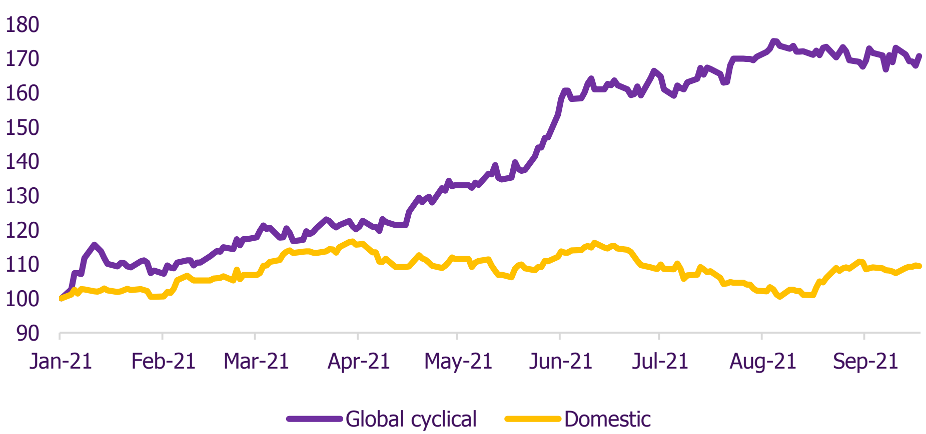
Global plays peaked? Domestic hit bottom?

Net profit of global cyclicals is better than domestic sectors and expected to continue in 3Q-4Q21



Source: SET, Bloomberg, SCBS Investment Research

Global cyclical outperformed domestic stocks, aligned with reveneu and earnings growth as well as lockdown measures



Source: Bloomberg, SCBS Investment Research

The improvement in global economic and business outlook has been a common theme so far this year. The strong price for global plays such as electronics, shipping and automotive is aligned with steady recovery in operating and financial performance since 2Q20. As global activities continue to grow strongly amid a continued lockdown, we expect earnings of global cyclical stocks to grow further both HoH and YoY. However, a slowdown in the global economy and high base effect could limit the strength of the rally. We expect growth to peak in 3Q-4Q21. At the same time, earnings for domestic related stocks will fall both HoH and YoY on the back of slower-than-expected reopening and are expected to bottom in 3Q21.

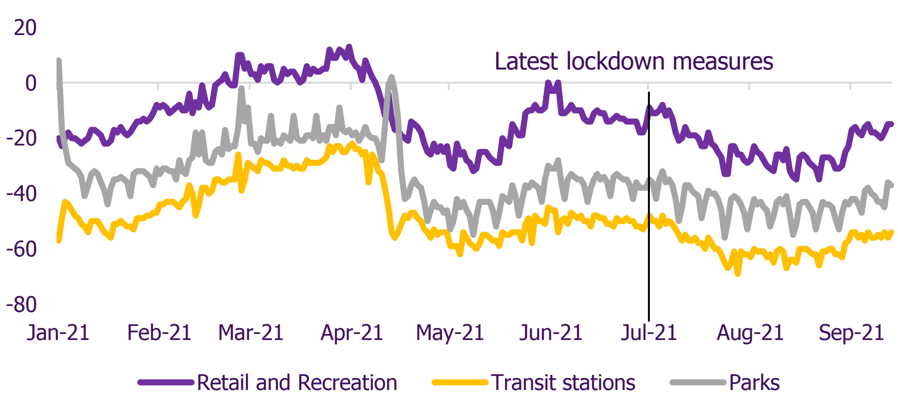
Easing lockdown and rapid vaccinations will support recovery and bottoming of earnings. Thus, stocks with high domestic exposure should outperform global cyclicals, which are most priced-in after a rally to a multi-year high.

Supply chain disruption is expected to improve

Bottlenecks in production and distribution at key suppliers are challenging manufacturing sectors. The strong demand outpaced expectations: manufacturers did not invest quickly enough to meet demand. We believe the restrictions to contain COVID-19 have limited production and transportation. Ocean shipping and semiconductors are critical elements in the supply chain for downstream industries.

We see this disruption as a transitory rather than more lasting or structural change in the supply chain, thus the impact should be short-lived. The outlook for supply chain stress depends on the pandemic and reopening timeframe. We are in the midst of a typical seasonal demand peak, and rapid vaccination and COVID restrictions, which have been a key factor in port delays, are likely to ease further in coming months. For this reason, shipment delays appear less problematic and we should see partial relief in 4Q21. We expect dry bulk and container rates to decline after surging up to 200% YoY. In addition, soft commodity prices are expected to peak in 3Q21 and fall to a normal level in 2022. On the other hand, industrial metals are expected to face a supply shortage on the back of long-term clean energy policies from major counties.

More rooms to recovery for domestic activities



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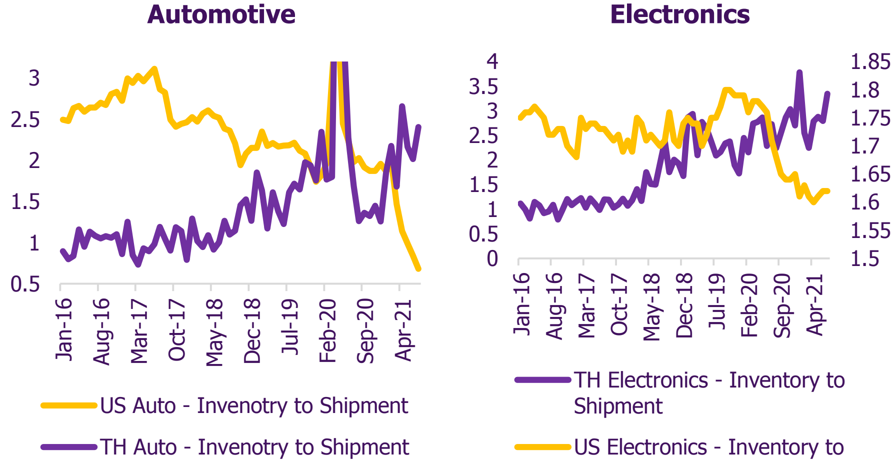
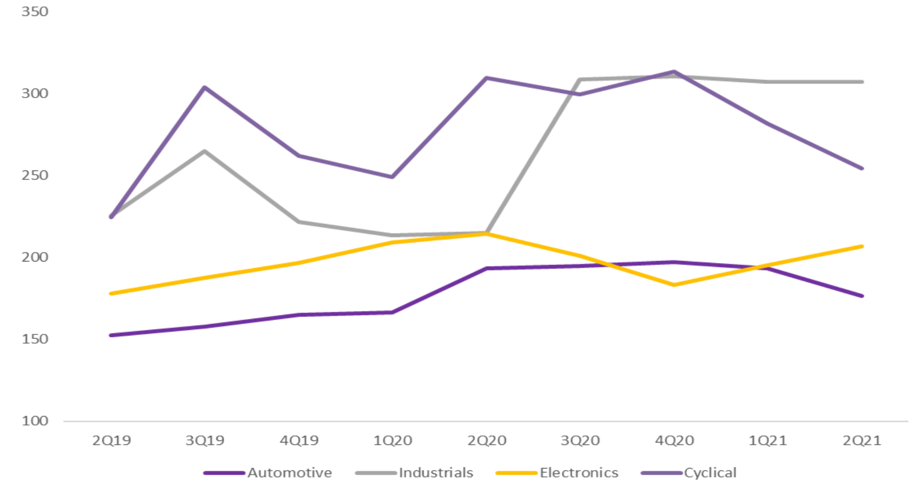
…Thailand has been least affected thus far

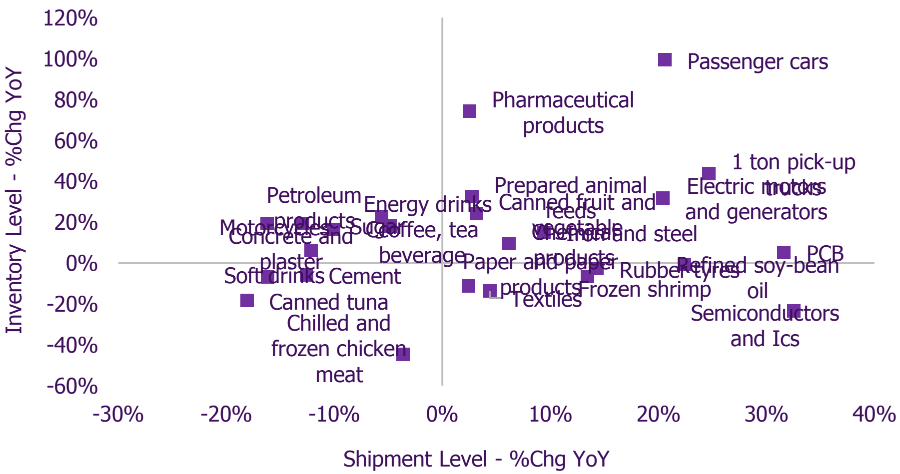
US auto and electronics sectors hit multi-years low, while Thai I/S is on the rise



Inventory level for key manufacturers in Thailand has not reflected recent global supply chain disruption



There is no sign of severe impacts from supply disruption to Automotive and Electronics

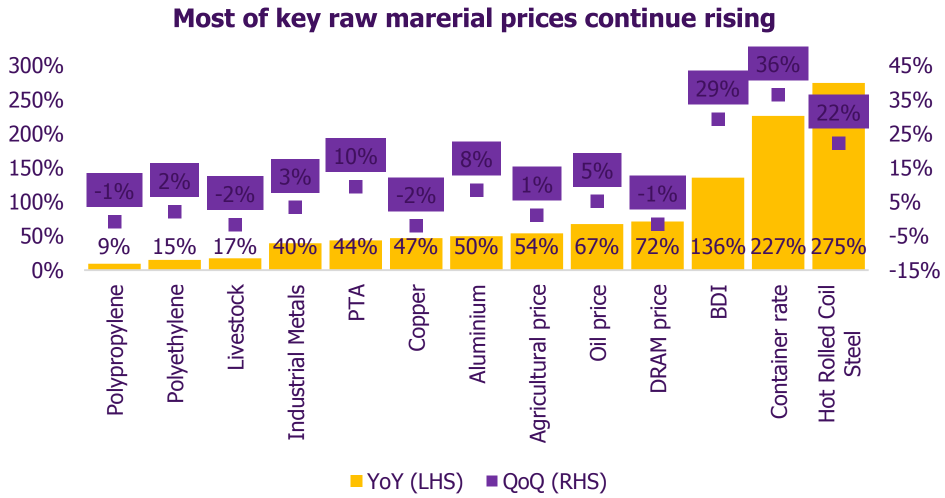


Source: Bloomberg, SCBS Investment Research

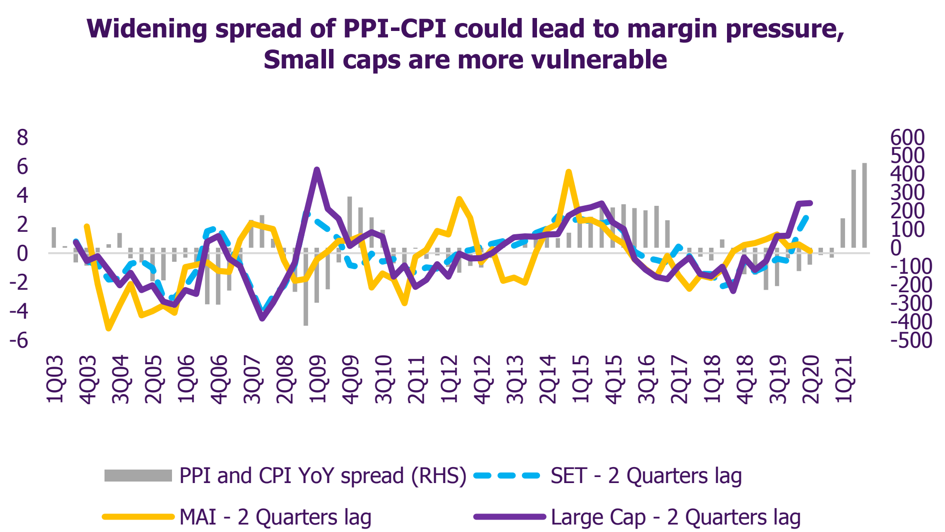
Although many countries are facing production issues, Thailand remains among the least affected by production disruptions. Inventory to shipment ratio for automotive and electronic manufacturers have diverged from the US and Asia. Inventory levels for listed manufacturing companies remain stable. Supply disruption could eventually affect Thai manufacturers via either production delays or cost pressure, but in our view, there will be no severe impact sufficient to cause systematic risks. Right now, supply chain disruption in Thailand seems manageable in 2H21.

SCBS

Finding margin expansion opportunities



Source: CEIC, Bloomberg, SCBS Investment Research



Source: CEIC, SET, SCBS Investment Research

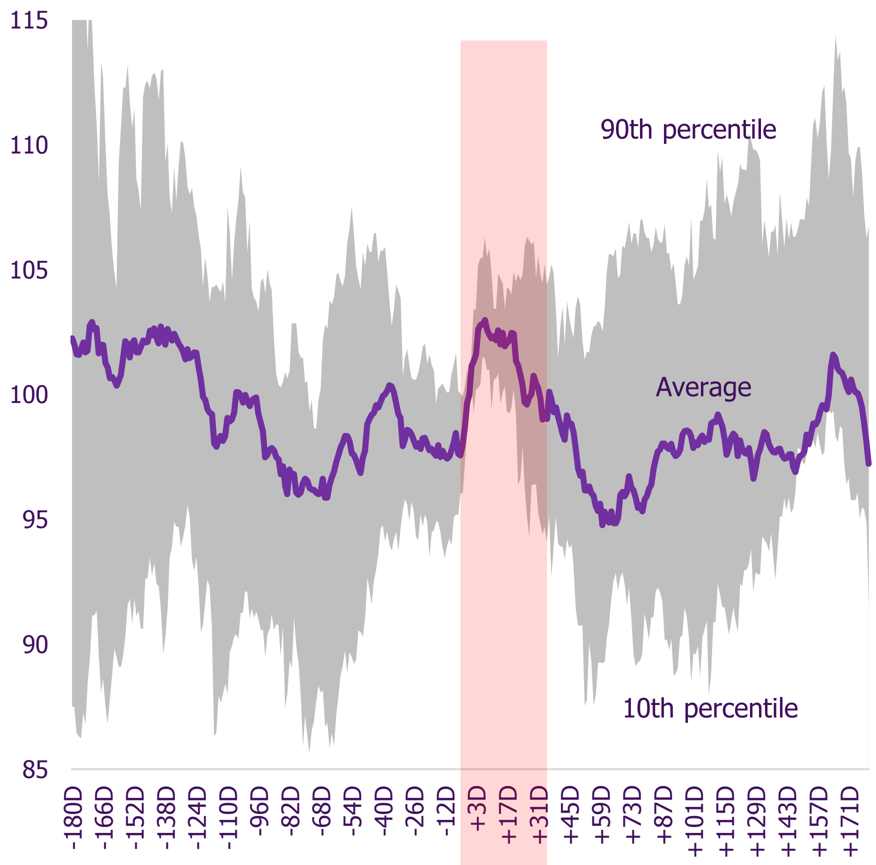
Global supply chain disruptions amid continuous demand recovery have led to longer delivery time and higher cost. Impact from the global supply chain disruption are expected to start showing up in 2H21 given the widening PPI and CPI spread in 3Q21, indicating that corporates cannot pass costs through. Small cap stocks are more sensitive and vulnerable to rising raw material costs than large cap.

Looking ahead, the outlook for margin is less straightforward as continued solid demand in various sectors is set against persistent input cost headwinds from higher commodity costs, labor and supply chain bottlenecks. We prefer large cap over small cap in terms of margin pressure and prefer those with high pricing power. Based on our scanning criteria, companies that expect solid operating margin expansion in 2022 with upside vs. consensus expectations include NRF, EPG, BCPG, JWD, HUMAN, NYT, SSP, KCE.

What historical data says about elections

	SET	Energy & Utilities	Energy	Utilities	Commerce	Bank	Transportation	ICT	Food	Property	Electronics	Financials	Healthcare	Con Mat	Petrochem	Packaging	PF & REIT	Media	Insurance	Con Service	Agribusiness	Tourism	Automotive
-3M	3.0%	3.1%	3.5%	5.2%	2.0%	2.3%	-5.4%	2.3%	4.7%	-1.1%	2.5%	3.7%	-4.3%	-0.7%	-3.1%	-2.3%	2.0%	6.6%	2.8%	2.7%	-1.1%	2.5%	1.0%
-1M	2.4%	1.3%	0.9%	-0.2%	-0.1%	2.5%	0.5%	2.3%	0.9%	0.8%	2.0%	4.2%	-0.4%	0.9%	1.2%	-1.7%	0.4%	2.3%	-1.2%	0.2%	-2.3%	2.7%	2.1%
+1D	0.7%	-0.1%	0.2%	0.0%	-0.4%	0.2%	0.1%	0.0%	0.2%	0.7%	-0.6%	-0.9%	-0.3%	0.2%	0.2%	-0.3%	0.3%	1.5%	-0.1%	2.3%	0.0%	-0.3%	-0.7%
+1M	-0.6%	1.5%	2.3%	3.1%	3.5%	-3.0%	-1.1%	-0.5%	2.9%	0.1%	-0.1%	-3.0%	2.2%	-1.3%	-2.2%	0.2%	2.3%	3.0%	2.3%	6.5%	1.8%	4.4%	-0.8%

SET Index performance before and after election date since 1992



Source: SCBS Investment Research

There are many news sources speculating that the prime minister may be planning to dissolve parliament and call a snap election in 1H22.

We have no view on domestic political issues and a possible upcoming general election. We do find some interesting market reaction before and after elections since 1992, however. Historically, 60% of stocks listed in the SET react positively three months before an election with average returns of 3%. On the other hand, average return one months after an election is -0.7%. Sectors that outperformed before and after elections are Commerce, F&B, Media, and Construction Services.

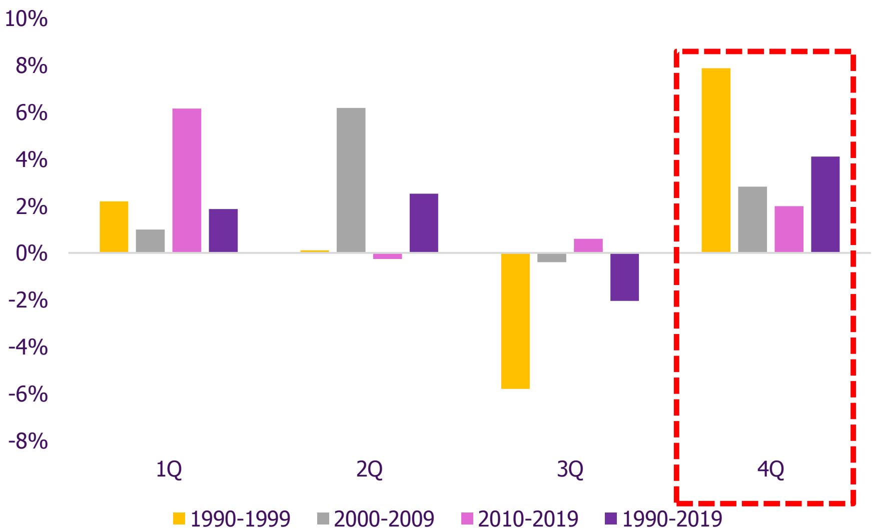
While this trend may be interesting, investors should not use it as an excuse to try to time markets. Elections have made essentially no difference when it comes to long-term investment returns.

4Q is generally the strongest quarter, with small and cyclical stocks doing well. This year may be different.

Over the past decade, 4Q has been the year's strongest with average returns of 4% and rising almost 60% of the time. Based on historical data, 4Q has tended to be strong and positive returns continued into 1Q. In addition, fourth quarter is the best quarter for high beta stocks such as small-cap, value, and cyclical stocks. During the up years, the SET hit its annual peak in 4Q about 56% of time. Statistically, only 30% of negative returns in 4Q occurred after a strong rally in the first nine months.

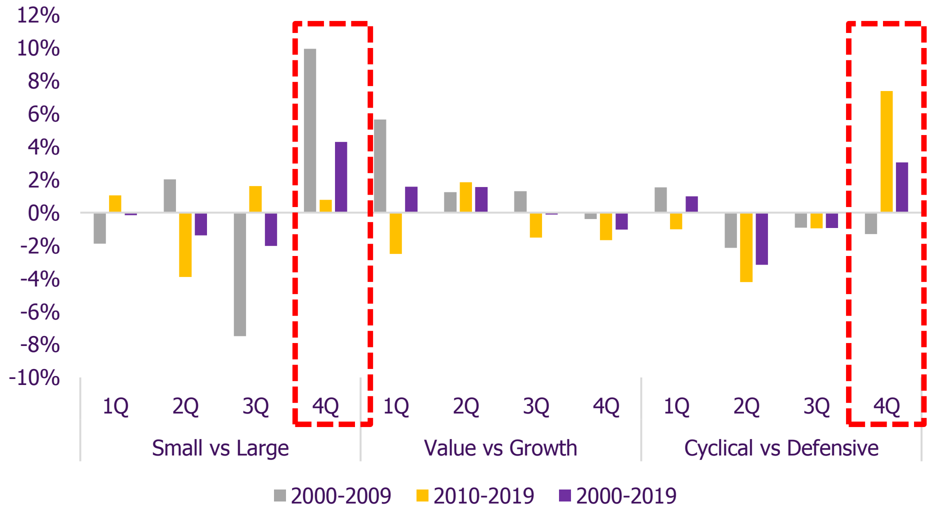
However, this year maybe different due to fear of stagflation, margin pressure, QE tapering and rising political risks that could cause market volatility in 4Q21. To prepare for an increase in volatility, we recommend maintaining exposure in large cap and defensive sectors that have strong growth and solid balance sheets to reduce volatility and protect against unpredictable events.

4Q has tended to be strong and likely to continue in 1Q



Source: SET, SCBS Investment Research

Small-cap, Value style and Cyclical tend to outperform in 4Q



Source: Bloomberg, SET, SCBS Investment Research

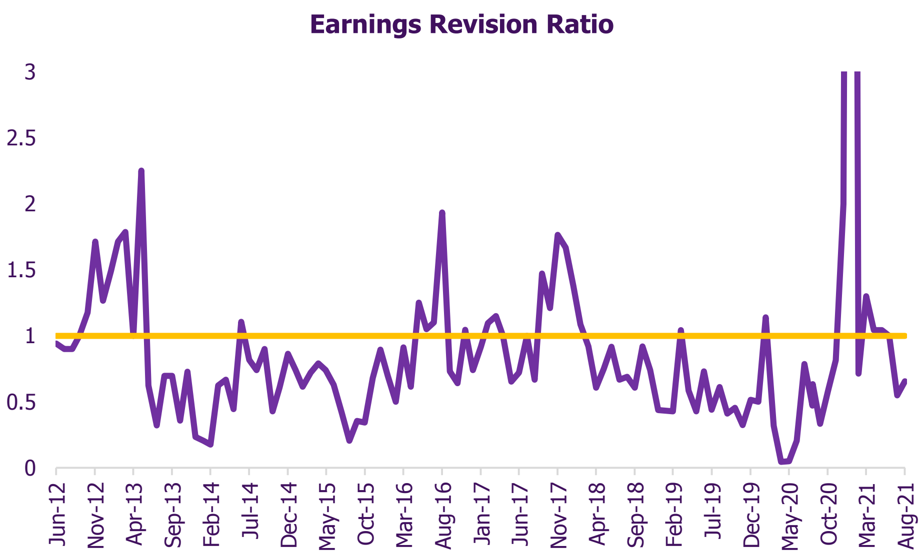
Earnings growth in 2H21 will be worse than in 1H21

	Average 1H (2014-2019)	1H21 % of FY21	Average 2H (2014-2019)	2H21 % of FY21	%Chg HoH	%Chg YoY
AGRI	46%	58%	54%	42%	-27%	0%
AUTO	52%	44%	48%	56%	27%	-6%
BANK	51%	58%	49%	42%	-29%	12%
COMM	45%	45%	55%	55%	21%	-2%
CONMAT	55%	68%	45%	32%	-53%	-23%
CONS	48%	60%	52%	40%	-34%	-7%
ENERG	71%	54%	29%	46%	-16%	36%
ETRON	51%	44%	49%	56%	27%	22%
FIN	46%	48%	54%	52%	10%	21%
FOOD	50%	40%	50%	60%	47%	25%
HELTH	52%	42%	48%	58%	36%	23%
ICT	61%	51%	39%	49%	-4%	-11%
MEDIA	68%	10%	32%	90%	826%	397%
PAPER	48%	52%	52%	48%	-8%	1%
PERSON	39%	61%	61%	39%	-36%	-15%
PETRO	57%	81%	43%	19%	-77%	1%
PF&REIT	50%	51%	50%	49%	-3%	1%
PKG	56%	49%	44%	51%	4%	71%
PROP	43%	49%	57%	51%	6%	-10%
STEEL	51%	27%	49%	73%	166%	539%
TOURISM	58%	64%	42%	36%	-44%	65%
TRANS	58%	-48%	42%	148%	-410%	65%
Total	**56%**	**59%**	**44%**	**41%**	**-31%**	**54%**

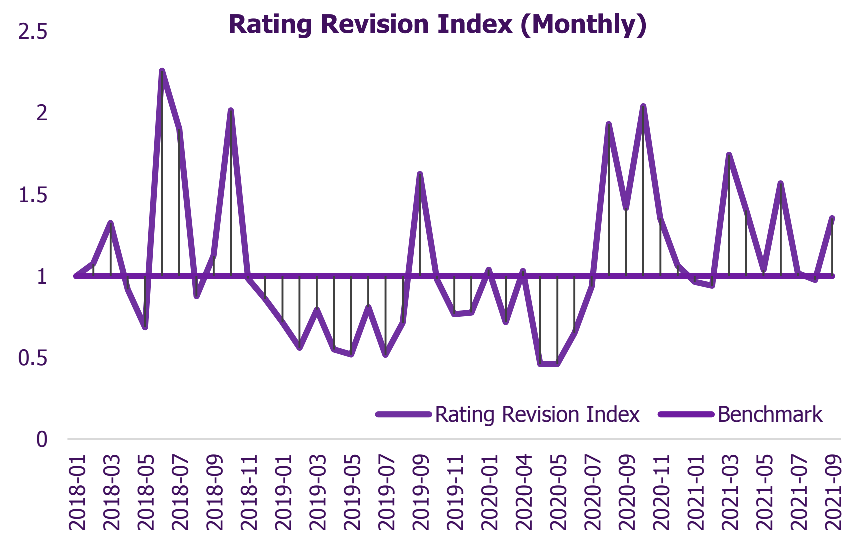
Source: SET, SCBS Investment Research

Based on consensus estimates, earnings in 2H21 will fall 31% from 1H21 upon no easing in the lockdown restrictions plus cost pressure from global supply chain disruption. We estimate growth of 54% YoY off the low base in 3Q20. Taking this with our SCBS analysts' outlook, we see downside risk for consensus earnings revisions in 2H21 in Transportation, Commerce, Finance, Tourism and Property, hardest hit by the lockdown restrictions and the delays in the reopening of both domestic and international markets. If average oil price is below US$70/bbl in Sep 2021 to 4Q21, earnings in energy-related sectors are likely to be downgraded. Meanwhile, Automotive and Electronics sectors are expected to see earnings upgrades if supply chain shortage is limited.

Dance until the music stops



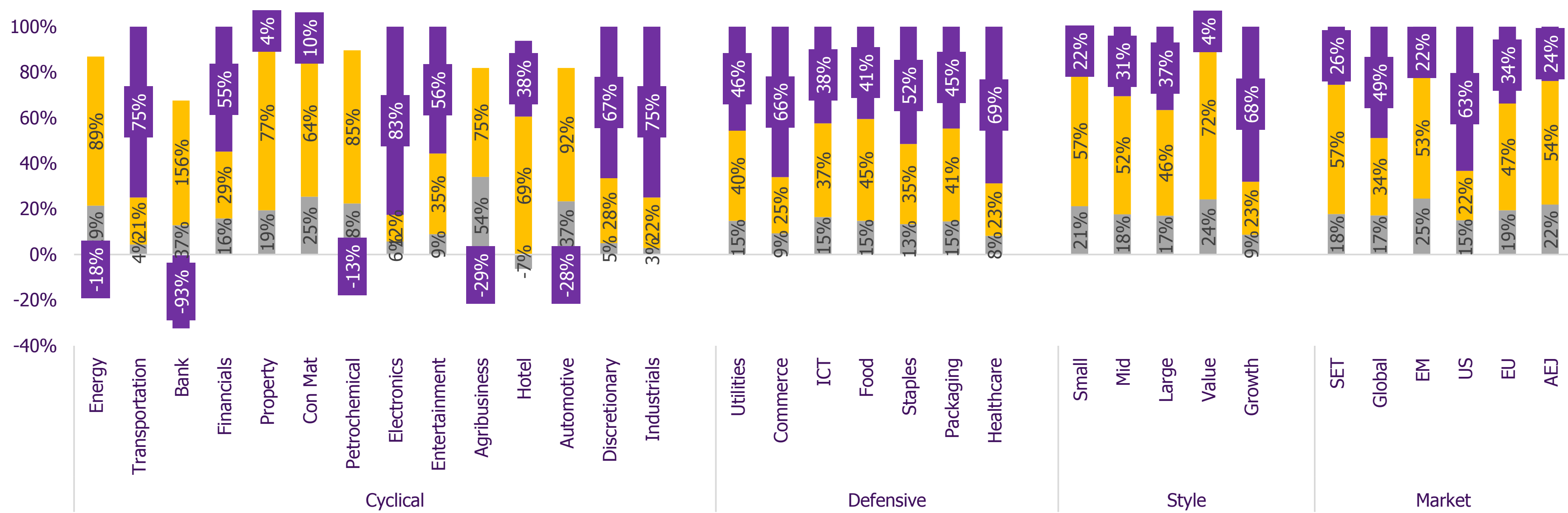
Source: SCBS Investment Research



Source: SCBS Investment Research

Consensus 2021 EPS estimate has been raised by 1.1% QTD (13% YTD). Sector-level EPS revisions and price movement are diverging. Macro-driven sectors such as Energy, Construction Materials, Transportation, Agribusiness, Electronics and Automotive have shown continuous upward earnings revisions but share prices have fallen. Although Utilities, Commerce, Property and Tourism are facing earnings downgrades in response to tight lockdown measures, prices have rallied as the market looks for reopening opportunities in 4Q21 as vaccinations proceed rapidly. Overall analyst ratings are being upgraded in 3Q21 after a downgrade in 2Q21. Even though consensus has trimmed earnings outlook for most sectors, overall ratings are on the rise, indicating that they are ignoring short-term bad news and looking ahead at post COVID-19 recovery in 2022. Thus, we think idiosyncratic fundamentals may have more effect on a stock rally than macroeconomic factors in 4Q21.

Hope is easy, reality is tough

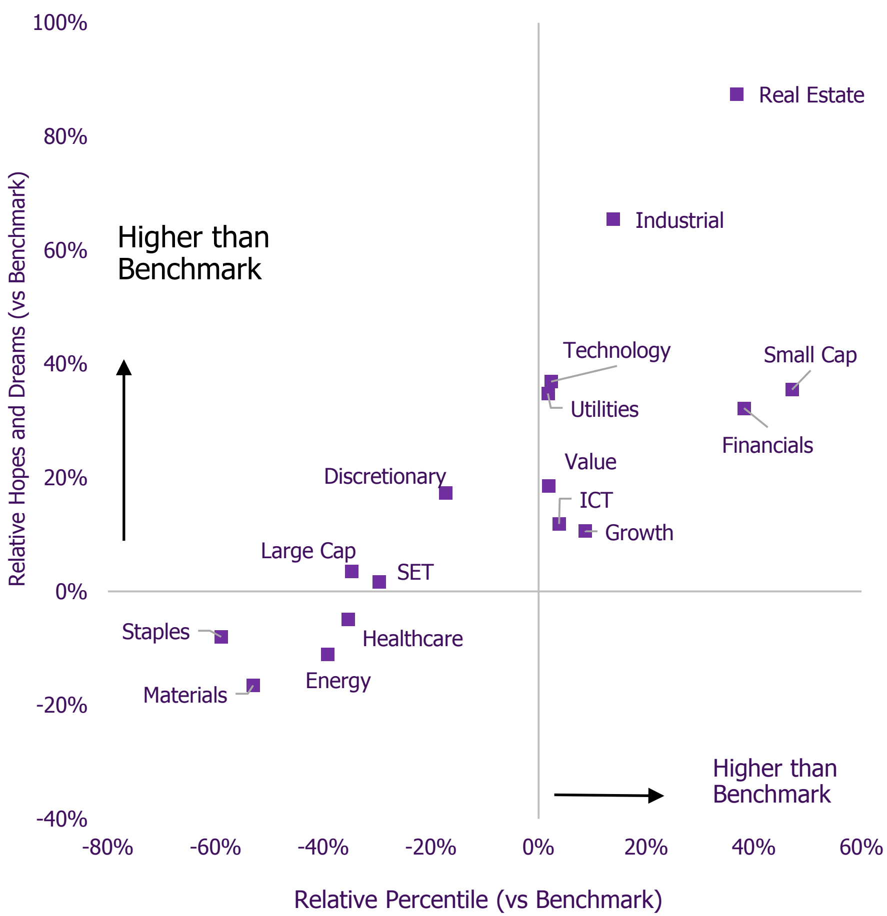


Source: Bloomberg, SCBS Investment Research

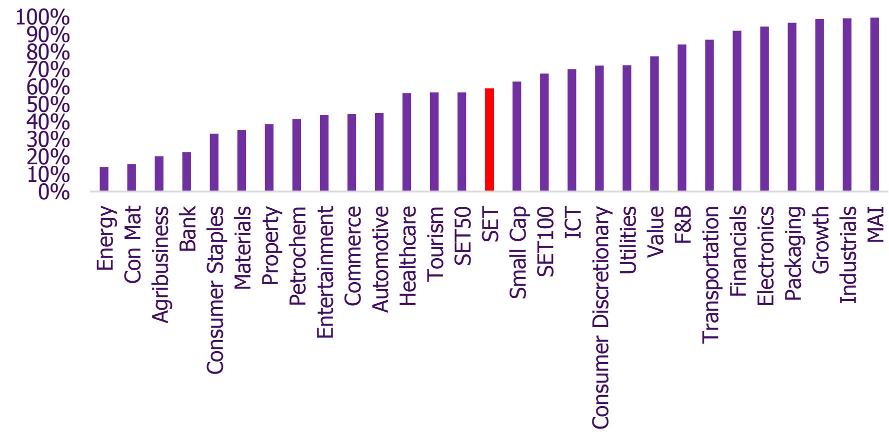
Based on our calculations, we tabulate EPS forecasts for the next three years, with current book value and expectations or hopes and dreams. This shows that the SET has expectations of about 26% - up from 24% in 2Q21 but still below the 28% in 1Q21. In addition, the Thai market has higher expectations than EM at 22% and AEJ at 24%. The rising the portion of hope and dream indicates a bullishness of the market. Meanwhile, the current macroeconomic environment is tough with headwinds ahead. At the same time, some cyclical stocks look cheap on high contribution from earnings and book value. We see this as a value trap because the outlook will suffer from heavy disruption, low earnings visibility and significant macro hurdles. At this point, we prefer more quality earnings stocks with higher valuations and defensive stocks over macro-related stocks with lower valuations.

Excessive hope is about more than just technology

Sector Hopes and Dream comparison with Benchmark



List of sector level hopes and dream percentiles since 2010



dreams (H&D) ratio to their percentile is fascinating. The most obvious outlier here is energy, and for good reason under the auspices of ESG and clean energy. Industrials, Electronics, Packaging and Transportation are at more than 90% of H&D. Compared with regional peers, we think Industrial, Technology and financials are trading at higher expectations than peers, while Consumer Staples, Healthcare, Materials and Energy are trading at discounts to peers, aligning with sector valuation. This demonstrates that the rich valuation of the Thai market is not just a tech or export story.

Source: SCBS Investment Research

SCBS

SET is fully valued; beyond 1,600 is driven by hope

The SET is trading at a P/B ratio of 1.75x, slightly higher than our fundamental P/B of 1.7x based on sector ROE profile, payout ratio and long-term growth rate. Our calculations show a 2022 SET Index target based on fundamentals of 1,600, aligning with our view that holds that net profit in 2022 will resume pre-COVID-19 level. The 4Q21 trading range target is 1,500-1,600. We feel the SET Index is fully valued in terms of fundamentals and take a cautious view at an index level of above 1,600 because we believe the business outlook for listed companies is not crystal clear after COVID-19, with a global growth slowdown, supply disruption, margin pressure in 4Q21 as well as scars from COVID-19 that could pressure growth as well as a ticking bomb lying in macro events. An index at above 1,600 will be driven by sentiment, news flow, and expectations rather than fundamentals and reasonable valuations. The reopening theme will be the story supporting sentiment.

We believe the more rapid global vaccination than anticipated with the reopening of service activities in 2022 have been partially priced in given the strong rally in those benefiting by reopening to past pre COVID-19 levels. Comparison of earnings outlook, rating revisions and price reaction indicate that the SET is in a bull case scenario matching the with planned easing in the lockdown in Oct 2021.

Although earnings growth and expectations dominate the share price rally, we are concerned about stagflation, margin pressure, liquidity and peak growth that could pressure valuation and profitability.

Stocks are highly valued on an absolute basis relative to history. The aggregate index trades above the 90th percentile on a variety of metrics including P/E, EV/sales, EV/EBITDA, price/book, and market cap/GDP. This suggests caution is warranted. We expect a rebalancing of sector valuations. Combining various valuation approaches points to limited valuation upside from current levels. We recommend investors wait for a wider margin of safety at our key entry point at 1,500-1,550.

Bottom-up P/B approach - SET Index target is 1,600

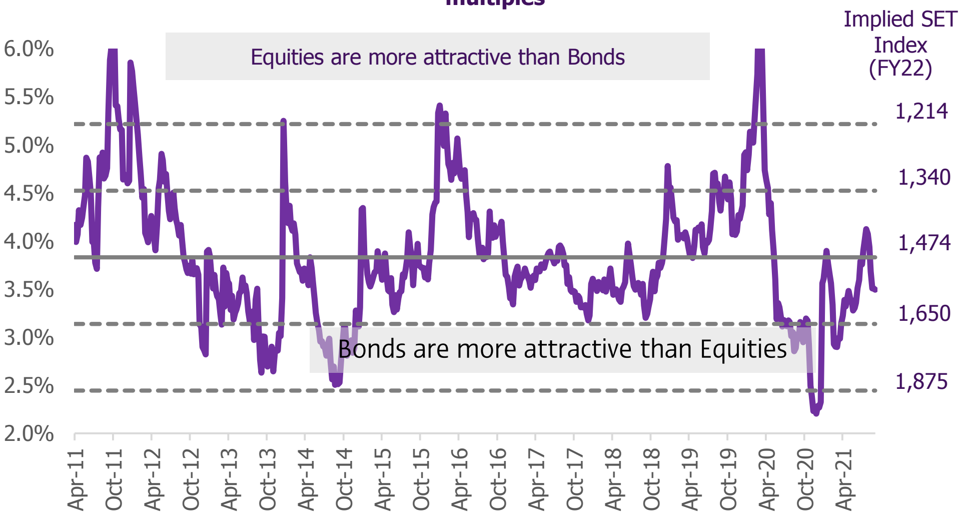
		Target PB		Market Cap	
	Book value (2022)	SD band	Justified PB	SD band	Justified PB
Energy	2,425,012	1.4	1.2	3,454,124	2,910,014
Utilities	282,981	2.7	2.2	771,439	622,557
Bank	2,611,791	0.8	0.7	2,093,709	1,828,254
Trans	317,038	3.4	3.4	1,082,497	1,077,930
ICT	575,626	4.1	3.5	2,373,418	2,037,715
Food	563,468	2.4	2.2	1,352,142	1,239,629
Commerce	432,564	5.3	5.4	2,284,592	2,335,847
Petro	552,189	1.3	1.2	697,012	662,626
Healthcare	186,269	5.5	5.7	1,029,346	1,061,733
Electronics	93,325	4.3	2.6	405,007	242,645
Property	756,466	1.5	1.3	1,131,066	983,406
Tourism	40,828	3.3	2.2	135,901	91,291
Media	63,746	3.6	2.6	226,959	165,740
Con Mat	533,283	2.2	1.6	1,166,093	853,253
Finance	277,780	3.1	3.3	850,393	916,674
Cons	101,671	1.4	0.8	140,303	82,986
Others	1,006,266	1	1	1,006,266	1,006,266
Implied target				1,767	1,605

Source: Bloomberg, SCBS Investment Research

SCBS

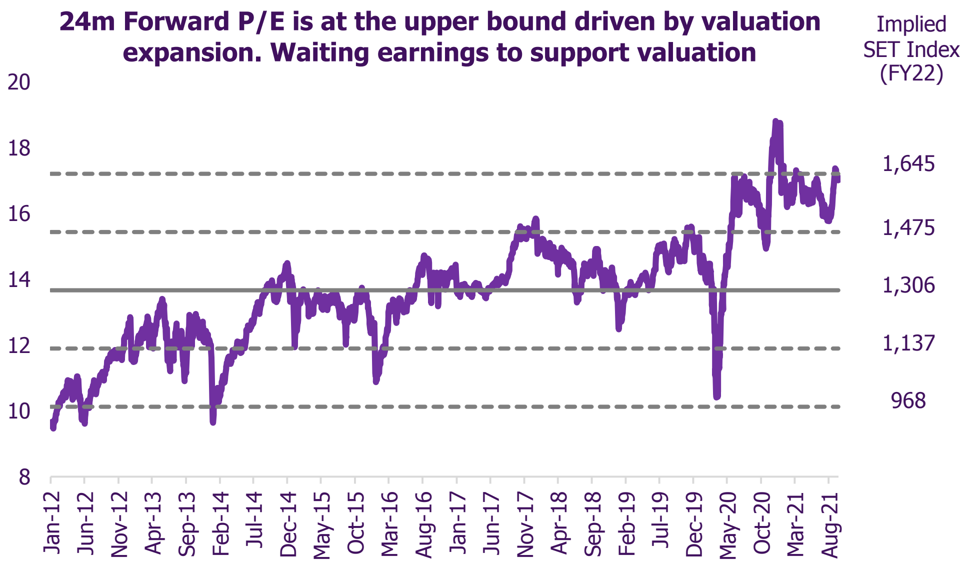
Valuation is stretched, quality earnings will matter

Thai bond/equity yield gap is at 1SD below average. Rising rate could pressure equity multiples



Source: Bloomberg, ThaiBMA, SCBS Investment Research

24m Forward P/E is at the upper bound driven by valuation expansion. Waiting earnings to support valuation



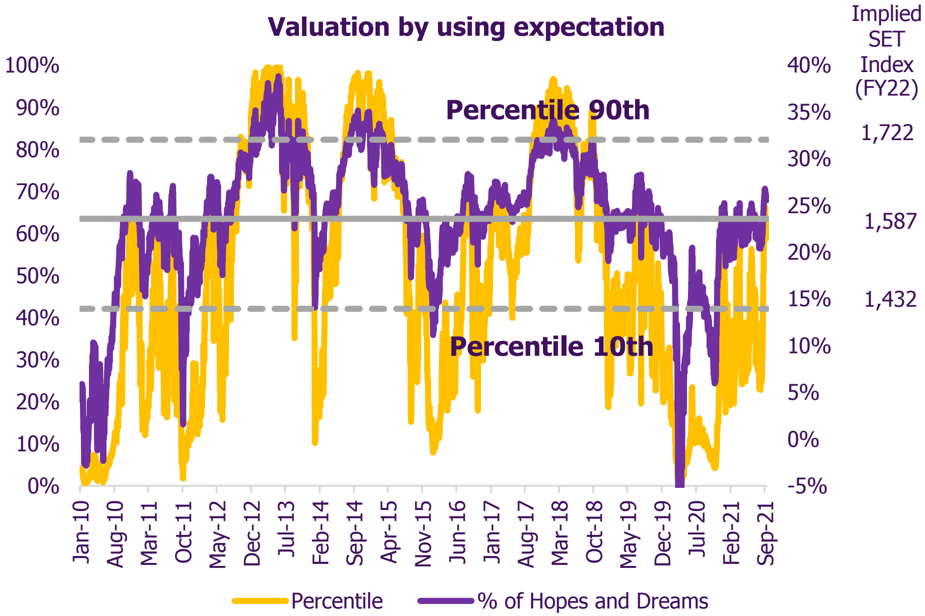
The SET Index is trading at the upper band of valuation and seems richly valued despite earnings recovery. The earnings yield gap at 3.5% indicates that equities are expensive relative to bonds. However, the SET is trading at 18.9x 2021 and 16.8x 2022, which is +2SD over 10-year average, making valuation rather stretched in our view. We believe slower growth and tightening monetary policy could lead to valuation rebalancing and will not make stocks more attractive than bonds. We believe market returns will be driven by earnings growth rather than valuation expansion. Falling liquidity and high volatility could also pressure any further valuation re-rating, limiting valuation expansion ahead. Strong earnings growth with high earnings quality will be key to share price and valuation.

Our interest focus in 4Q21 is on fundamental value and a new growth narrative rather than betting on multiples expansion, foreign investor money inflow and yield movement.

We have a bias toward a bear case over a bull case

Approach	Current level	Target valuation (Based case)	Implied SET Index	Potential Upside / Downside	Bull case	Implied SET Index	Potential Upside / Downside	Bear case	Implied SET Index	Potential Upside / Downside
P/E	17.0	16.7	1,596	-2%	18.8	1,797	11%	15.4	1,472	-9%
P/B and ROE	1.7	1.7	1,636	1%	1.9	1,788	10%	1.6	1,503	-8%
Equity Risk Premium	ERP 7% / Rf 0.5%	ERP 6.5% / Rf 0.5%	1,593	-2%	ERP 6% / Rf 1%	1,738	7%	ERP 7.5% / Rf 0.25%	1,471	-10%
Earnings Yield Gap	408	415	1,607	-1%	342	1,831	13%	488	1,431	-12%
Hopes and Dreams	26%	24%	1,587	-2%	32% (Percentile 90%)	1,722	6%	14% (Percentile 10%)	1,432	-12%
		Average	**1,604**	**-1%**		**1,775**	**9%**		**1,462**	**-10%**
		Median	**1,596**	**-2%**		**1,788**	**10%**		**1,471**	**-10%**

Source: SCBS Investment Research



Source: SCBS Investment Research

Combining various approaches points to limited valuation upside. Taking an average of all five approaches suggests valuation downside of 1%, which translates to a 17x target P/E. We quantify potential bull and bear case scenarios which point to median 10% valuation upside and 9% valuation downside from current levels. Compared against our SET fundamental target of 1,600 and current economic environment, we use bear case valuations as a key entry point with a 10% margin of safety from current level. Although we have a negative outlook, we expect only a mild pullback at about 5% because high liquidity is persistent and strong recovery expectation is achievable.

SCBS

Investment roadmap in 4Q21 and 2022

4Q21

We think the Goldilocks environment created by the vaccine rollout and a manageable Delta variant, improving economic activities and earnings recovery are already reflected in stock prices. For the remainder of the year, economic growth in major countries has passed peak, although the level of growth remains strong. Global growth is set to slow as reopening and fiscal impulses begin to fade and central banks turn their attention to eventual policy normalization. The prospect for earlier-than-expected Fed tightening may keep the yield curve flatter and dollar stronger than we currently anticipate. In addition, support from fiscal policy is declining globally. Supply chain shortages could pressure profitability in 4Q21. The interplay between Fed tightening and market growth views will continue to dominate the cyclical risk view. Thus, the market outlook is negative, but we expect only a mild pullback due to the abundant liquidity and hopes for better days in 2022.

We recommend shifting focus from DM growth to EM recovery, reflation to stagflation, global cyclical plays to domestic reopening, and hope to growth. High pricing power is key to survival. Market returns will depend on earnings rather than valuation expansion.

2022

Further ahead, and especially as we move through 2022, the growth and policy outlook will likely become less friendly. We see the economic impact of the variant more as shuffling the time profile of reopening across the next few quarters than derailing the basic trajectory. The Delta variant will prove less detrimental on the Thai economy in the presence of rising immunity as the level of full vaccination rises. We see more meaningful risks to cyclical sectors. Most importantly, global growth will slow as a variety of tailwinds begin to fade. Smoothening in the global supply chain is expected in 2022, especially ocean shipping and semiconductors, with inflation and cost pressure subsiding. Clean energy is still a key theme in 2022. We expect earnings growth of 9% YoY in 2022.

As valuations are high, Thai equity markets are likely to be less driven by macro factors. We believe the core portfolio should focus on defensive growth and conviction ideas from the post pandemic recovery theme such as technological innovation and a green economy. We have a positive view on Commerce, Land Transportation, Industrial Estate and Property.

Sector outlook for 4Q21

Air Trans	Auto	Bank	Commerce	Construction Materials
Expect improving COVID-19, with pent up demand driving operational improvement.	Expect better operations than in 3Q21 based on a view of less impact from COVID-19. Margin concern will relax after price adjustment.	Expect seasonal acceleration in loan growth, continued hefty provisions, seasonal rise in opex	Expect a slower decline in SSS and rental income than in 3Q21, but still hurt by fragile purchasing power and sentiment and continued rent discount	Expect stable growth from higher energy costs amid better sales volume

Electronics	Energy	Finance	Food	Healthcare
Demand growth is expected to show some deceleration due to high base effect. Disruption in supply is likely to reduce growth.	Demand for refined oil products will recover QoQ due to easing lockdown and more air travel. We expect crack spread for diesel and jet fuel to continue to recover. Oil price will more stable as OPEC+ will continue to monitor demand to manage supply additions.	Expect QoQ stable earnings with accelerating loan growth, stable NIM, manageable deterioration in asset quality.	Growth from aquatic players will be stable or improve, backed by healthy sales and margin and weak baht. growth at livestock players will soften YoY from a narrowed gap between livestock prices and costs	Expect normalized revenue from COVID-19-related services as the pandemic eases and vaccination rates rise.

Hotel	ICT	Land Transportation	Petrochemicals	Property
Expect COVID-19 to ease back. Pent-up demand will improve occupancy rate and hotelier operations.	Expect mobile revenue to improve slightly QoQ driven by higher 5G adoption (more affordable 5G handsets in 2H21) and better subscriber acquisition activity (lockdown easing)	We should see strong QoQ earnings recovery as we expect the lockdown to ease and a higher vaccination rate.	Earnings performance will sip QoQ on narrower spread and higher expenses due to adjustment for full-year results.	Expected to be the highest quarter from backloading of backlog transfers and pent-up demand from 3Q21. Most new project launches are expected in the first half of the quarter.

Sector outlook for 2022

Air Trans	Auto	Bank	Commerce	Construction Materials
Recovery mainly loaded in 2H22. While we believe Thai tourism is on the path to recovery, the speed of recovery, particularly in early stages, is uncertain. We expect to see restructuring at airline operators.	Expect normalized earnings growth in 2022. Key is global semiconductor shortage.	Expect a moderate earnings recovery from easing provisions with a slight pick-up in loan growth. There is upside from a potential delay in a 23 bps hike in FIDF cost back to the normal 0.46%.	Expect growth from revived SSS growth and rental income off 2021's low base from the lockdown and low purchasing power	Expect stable growth from higher energy costs amid better sales volume
Electronics	**Energy**	**Finance**	**Food**	**Healthcare**
Growth remains strong from technology transformation, while we are concerned about supply growth from disruption and new supply. In addition, fading work from home and online learnings could pressure short-term growth	Profit in oil and gas should normalize after overshooting in 2021 due to oil price hike. E&P profit is expected to grow from higher sales volume while the power sector will continue to realize profit from new capacity, both greenfield and acquired assets.	Expect a moderate earnings recovery from accelerating loan growth.	Growth driven by specific factors from GFPT's startup of new production capacity; others will to be relatively stable YoY	BCH and CHG: Expect earnings to drop in 2022 off the exceptionally high base in 2021 from COVID-19-related services. BDMS and BH: Expect earnings to grow as more Thai and international patients come for treatment.
Hotel	**ICT**	**Land Transportation**	**Petrochemicals**	**Property**
While we believe Thai tourism is on the path to recovery, how fast this will happen, particularly in early stages, is uncertain since demand for travel is affected by low vaccination levels in some countries, new variants of the virus and each country's restrictions to prevent spread. Earnings should improve in 2H22, assuming more international tourists and lower cost structure to pull down breakeven point.	We should see a mild recovery in mobile revenue following economic recovery. Revenue from the enterprise segment and fixed broadband should continue to grow.	Strong earnings recovery driven by improving traffic and ridership will continue in 2022 off the low base in 2021 and we believe all variables will approach normal.	Profit will fall YoY after product spread rose to a record high in 2021 due to bad weather in 1Q21. Upside to earnings is from new acquisitions but this may not offset the impact of lower product spread YoY.	Recovery in presales and new launches, with growth both in low-rise and condos in order to support revenue both short- and long-term. Gross margin will also recover slightly from less pressure from a fire-sale of inventories.

Earnings are expected to continue to grow in 2022

	Mkt. Cap. (Btm)	Net Profit (Btm)				Growth (%)			
		20A	21F	22F	23F	20A	21F	22F	23F
Agribusiness	16,550	1,352	680	919	1,064	13.1	(49.7)	35.2	15.8
Automotive	37,032	1,834	4,222	4,657	5,147	(34.2)	130.2	10.3	10.5
Banking	1,507,855	143,681	169,437	199,233	220,210	(32.1)	17.9	17.6	10.5
Commerce	1,432,566	33,823	27,164	39,400	48,416	(38.2)	(19.7)	45.0	22.9
Construction Materials	596,717	40,628	58,452	58,181	62,607	9.4	43.9	(0.5)	7.6
Energy & Utilities	2,667,063	45,566	197,839	193,431	211,910	(70.6)	334.2	(2.2)	9.6
Finance & Securities	619,750	25,762	29,520	33,218	38,672	(21.8)	14.6	12.5	16.4
Food & Beverage	740,038	17,951	14,575	29,741	41,282	(53.8)	(18.8)	104.1	38.8
Health Care Services	574,453	10,937	13,606	14,509	17,329	(49.1)	24.4	6.6	19.4
Information & Communication Technology	762,315	33,590	28,039	29,631	36,378	(20.5)	(16.5)	5.7	22.8
Insurance	87,720	2,654	5,094	6,172	8,161	(49.1)	91.9	21.2	32.2
Media & Publishing	5,467	312	285	325	354	23.6	(8.9)	14.1	9.1
Packaging	267,234	6,457	8,464	10,109	11,121	22.6	31.1	19.4	10.0
Paper & Printing Materials	11,115	1,011	936	973	1,021	17.2	(7.4)	3.9	5.0
Personal Products & Pharmaceuticals	7,140	168	176	291	374	(11.9)	4.9	65.6	28.3
Petrochemicals & Chemicals	514,671	3,174	69,188	45,642	52,246	(81.4)	2,079.8	(34.0)	14.5
Property Development	381,683	21,024	22,823	25,583	27,657	(32.8)	8.6	12.1	8.1
Tourism & Leisure	60,507	(4,490)	(3,835)	(1,869)	737	(305.1)	(14.6)	(51.3)	(139.4)
Transportation & Logistics	1,211,166	7,589	(12,717)	(555)	26,888	(80.8)	(267.6)	(95.6)	(4,943.3)
SCBS Universe	**11,501,043**	**393,024**	**633,944**	**689,589**	**811,573**	**(43.8)**	**61.3**	**8.8**	**17.7**

Source: Bloomberg, SCBS Investment Research

The market is looking past 2021 and focusing on 2022. Growth in service sectors will be offset by lower growth in manufacturing sectors as immunization leads to protection and the ending of lockdowns, ushering in a sequential service sector recovery from 2021. On this basis, we expect earnings for companies under SCBS coverage to grow 61% YoY in 2021 and continue to grow at 8.8% YoY in 2022. Our growth is lower than consensus, which expects earnings to jump 113% YoY in 2021 and 13% YoY in 2022. EPS growth in 2021 will be driven by Commerce, F&B, Insurance and Packaging. Tourism and Transportation are expected to report lower losses in 2022. We believe our 2022 earnings forecast is achievable with improving earnings visibility after rapid vaccination and tourism recovery in 2H22.

Summary of 4Q21 sector outlook

	Analyst score	Catalysts/Risks
Commerce	7	Better sentiment and activities as mass vaccinations progress and lockdown eases. All modern trade retailers can benefit from stimulus measures. Strong earnings growth is expected
Healthcare	7	A short-term windfall from a surge of COVID-19-related services due to the severity of the third wave. Progress in reopening the country in 4Q21 will be positive to international patient services. However, the high base effect in 2021 could erode growth.
ICT	7	Expect earnings growth to recover YoY in 4Q21; key concern is on 5G use case for enterprise segment. We believe the attraction for the sector is as a safe place during a market correction.
Insurance	7	There is concern about higher claims from COVID-19 in 3Q21. Expect a gradual recovery in premium growth and an improvement in combined ratio in 4Q21. There is upside on ROI from favorable capital market and the launch of new high-margin products.
Land transport	7	Expect to see strong traffic recovery in 4Q21, supported by mass vaccination and reopening. Thailand will start to open up in 2022. This will help drive traffic recovery.
Utilities	7	4Q21 is the weakest season. New capacity may be announced and demand from industrial users will continue to improve. Gradual recovery is expected.
Bank	6	Inexpensive valuation but unexciting earnings outlook with rising NPLs and hefty credit cost accompanied by weak loan growth and NIM. Asset quality remains a concern, while upside is a potential extension of the cut in FIDF cost.
Chemical	6	Capacity additions, mainly from China. Higher oil price may narrow spread. Global economic slowdown. Entering low season.
Energy	6	Limited upside for oil price on more OPEC supply; higher GRM on an increase in jet fuel demand as vaccination rate increases.
F&B	6	Benefits from reopening and stimulus policy from government. Overseas market expected to return to normal in 2022. Rising raw material costs for such items as aluminum and sugar are concerns. Hemp, cannabis and kratom are key catalysts.
Property	6	Backlog in 4Q21 supporting earnings, while growth in 3Q21 will be small due to high base effect. Concerns are high rejection rate and unclear property stimulus policies. New launches are expected to increase after the lockdown eases.
Tourism	6	A catalyst is progress toward country's reopening in 2022. Key to monitor is travel demand that may be impacted by new technology. The key downside risks are new room supply, slow recovery from China market and new capex cycles.
Finance	5	Expect accelerating loan growth, manageable asset quality but weaker NIM from rising price competition. Fee income from debt collection is expected to fall. Regulatory risk remains a concern.
Food	4	Higher feed and transportation costs off 3Q20's high base in livestock and seafood margins. Earnings and margins will slip.
Automotive	3	Concerns over margin pressure from rising raw material price and operational hiccup from chip shortage.
Construction materials	3	Higher fuel costs (coal and natural gas costs), amid moderate rise in demand.

Source: SCBS Investment Research

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Summary of sector weighting and valuation in 4Q21

Sector	Recommended sector weighting	Current SET weight	2020 returns	YTD returns	Growth		Net profit CAGR 20-23	P/E		P/B		Dividend yield	
					21F	22F		21F	22F	21F	22F	21F	22F
Commerce	Overweight	10%	-13%	15%	-20%	45%	22%	52.7	36.4	4.1	3.9	1.4%	1.6%
Electronics	Overweight	5%	379%	26%	19%	32%	23%	63.8	48.4	6.9	6.3	1.6%	2.0%
Healthcare	Overweight	4%	-16%	18%	24%	7%	17%	42.2	39.6	4.5	4.3	1.8%	1.8%
Land Transportation	Overweight	1%	-27%	4%	-40%	77%	7%	65.4	37.0	2.3	2.3	2.0%	2.9%
Utilities	Overweight	4%	-3%	8%	43%	22%	30%	37.5	30.8	3.8	3.5	1.4%	1.7%
REITs / PF / IF	Neutral	2%	-26%	-2%	21%	5%	8%	12.0	11.4	0.8	0.8	9.1%	9.6%
Food & beverage	Neutral	6%	-3%	15%	-19%	104%	44%	50.8	24.9	1.7	1.7	1.4%	1.5%
Petrochemical	Neutral	3%	5%	9%	2080%	-34%	149%	7.4	11.3	1.1	1.0	5.8%	5.8%
Residential/IE	Neutral	5%	-18%	9%	9%	12%	12%	16.7	14.9	1.2	1.1	3.8%	4.0%
Telecoms	Neutral	8%	-15%	18%	-17%	6%	3%	27.2	25.7	4.1	4.0	3.2%	3.3%
Bank	Neutral	8%	-24%	4%	18%	18%	14%	8.9	7.6	0.6	0.6	3.3%	4.0%
Energy	Neutral	22%	-9%	4%	334%	-2%	68%	13.5	13.8	1.2	1.1	3.3%	3.3%
Hotel	Neutral	1%	-19%	28%	-15%	-51%	n.m.	n.m.	n.m.	4.2	4.8	0.0%	0.0%
Agribusiness	Underweight	1%	62%	30%	-50%	35%	-2%	24.4	18.0	1.1	1.0	1.5%	1.5%
Air Transportation	Underweight	5%	-16%	-2%	-4001%	49%	n.m.	n.m.	n.m.	6.2	6.6	0.0%	0.0%
Automotive	Underweight	0%	11%	18%	130%	10%	44%	8.8	8.0	0.9	0.9	5.1%	5.7%
Building Materials	Underweight	4%	-5%	12%	44%	0%	12%	10.2	10.3	1.2	1.2	5.2%	5.2%
Entertainment / Media	Underweight	1%	-19%	18%	-9%	14%	4%	19.2	16.8	2.0	1.8	2.1%	2.4%

Source: Bloomberg, SCBS Investment Research

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Focusing on defensive, domestic reopening, pricing power, earnings quality, our picks in 4Q21 are BEM, KCE, OSP, SECURE, and ZEN.

1) We believe further multiples expansion is unlikely in a market that may already be starting to anticipate an earnings slowdown and tightening monetary and fiscal policy.
2) We recommend rotating from small caps that outperformed from earnings recovery and lean into large caps with high pricing power and strong balance sheets.
3) We prefer to recommend growth areas in which we see growth opportunity combined with some value for that growth.
4) As Thailand is beginning to move past the wave of Delta variant COVID-19 infections with rapid vaccinations, we prefer domestic reopening stocks over tourism stocks that will take longer to recover than those tied to domestic reopening.
5) We feel now is the time to focus on stocks with idiosyncratic fundamental earnings drivers, reasonable valuation, new growth opportunities and less dependence on macro tailwinds to drive outperformance.

We look at stocks in defensive sectors that 1) have high domestic exposure with clear and unique drivers, 2) remain competitive in the long-term, 3) are looking at continuous earnings growth or recovery, 4) have limited financial risk or strong balance sheets, and 5) are laggard. Our top picks in 4Q21 are BEM, KCE, OSP, SECURE, and ZEN.

	Rating	Price	Target	ETR	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
		(Bt/Sh)	(Bt/Sh)	(%)	20A	21F	22F	20A	21F	22F	20A	21F	22F	20A	21F	22F	20A	21F	22F	20A	21F	22F
BEM	Outperform	8.90	10.0	12.8	66.4	122.8	37.5	(20)	(46)	227	3.6	3.6	3.4	5	3	9	1.1	0.5	1.6	31.8	46.3	25.7
KCE	Outperform	81.75	100.0	24.4	85.7	38.9	32.6	21	120	19	8.0	7.1	6.6	9	19	21	1.0	2.1	2.5	41.9	25.2	22.0
OSP	Outperform	34.75	40.0	18.6	29.8	27.7	25.7	8	8	8	5.3	5.2	5.0	18	19	20	3.3	3.5	3.7	19.4	16.9	15.8
SECURE	Outperform	29.25	35.0	21.0	98.4	37.6	29.2	(43)	162	29	19.3	20.5	14.4	23	59	56	1.9	1.3	1.7	41.5	28.2	21.8
ZEN	Outperform	11.90	14.5	21.8	n.m.	n.m.	39.4	n.m.	(142)	n.m.	2.9	3.5	3.2	(5)	(12)	8	2.1	0.0	2.0	9.4	13.6	6.8
Average					**70.1**	**56.7**	**32.9**	**(9)**	**20**	**71**	**7.8**	**8.0**	**6.5**	**10**	**18**	**23**	**1.9**	**1.5**	**2.3**	**28.8**	**26.0**	**18.4**

Source: SCBS Investment Research

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Disclaimer

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บริษัทหลักทรัพย์ไทยพาณิชย์ จำกัด ("SCBS") ทำหน้าที่เป็นผู้ดูแลสภาพคล่อง (Market Maker) และผู้ออกใบสำคัญแสดงสิทธิอนุพันธ์ (Derivative Warrants) ในหุ้นสามัญของ INTUCH.

นักลงทุนควรศึกษารายละเอียดในหนังสือชี้ชวนของใบสำคัญแสดงสิทธิอนุพันธ์ดังกล่าวอย่างรอบคอบก่อนตัดสินใจลงทุน ทั้งนี้ ความเห็น ข่าว บทวิจัย บทวิเคราะห์ ราคา ข้อความ การคาดการณ์ การประเมิน และ/หรือ ข้อมูลอื่นที่ระบุในเอกสารฉบับนี้ ("ข้อมูล") มีวัตถุประสงค์เพื่อใช้เป็นข้อมูลทั่วไปเท่านั้น และไม่อาจนำไปตีความว่า เป็นการให้คำแนะนำแก่บุคคลใด ๆ หรือเป็นการเสนอซื้อ หรือเสนอขาย หรือชักชวนให้เสนอซื้อหรือเสนอขายซึ่งหลักทรัพย์ โดย SCBS และ/หรือกรรมการ พนักงาน ลูกจ้าง และตัวแทนของ SCBS จะไม่รับผิดชอบต่อความเสียหายใด ๆ ทั้งความเสียหายทางตรง ความเสียหายทางอ้อม ความเสียหายจากการผิดสัญญา ความเสียหายพิเศษ หรือความเสียหายที่เป็นผลสืบเนื่อง อันมีเหตุมาจากการใช้หรือการเชื่อถือในข้อมูลดังกล่าว ซึ่งรวมถึงแต่ไม่จำกัดเพียงการสูญเสียผลกำไร นักลงทุนพึงใช้ข้อมูลในเอกสารฉบับนี้ประกอบร่วมกับข้อมูลและความเห็นอื่น ๆ รวมถึงวิจารณญาณของตนเองในการตัดสินใจลงทุน โดยข้อมูลในเอกสารฉบับนี้ได้รับมาจากแหล่งข้อมูลที่ SCBS เห็นว่าน่าเชื่อถือ ซึ่ง SCBS ไม่สามารถรับรองถึงความถูกต้อง ความสมบูรณ์ และ/หรือ ความครบถ้วนของข้อมูลดังกล่าวได้

SCBS สงวนสิทธิในการใช้ดุลพินิจแต่เพียงผู้เดียวในการแก้ไขเพิ่มเติมข้อมูลเป็นครั้งคราวโดยไม่ต้องบอกกล่าว ทั้งนี้ เอกสารฉบับนี้จัดส่งให้แก่เฉพาะบุคคลตามที่กำหนดไว้เท่านั้น และห้ามมิให้มีการทำซ้ำ ดัดแปลง เผยแพร่ ขาย จำหน่าย พิมพ์ซ้ำ ส่งต่อ หรือแสวงหาประโยชน์ในเชิงพาณิชย์ไม่ว่าในลักษณะใด ๆ เว้นแต่จะได้รับความยินยอมเป็นลายลักษณ์อักษรจาก SCBS ก่อน

เอกสารฉบับนี้จัดทำโดย บริษัทหลักทรัพย์ไทยพาณิชย์ จำกัด ("SCBS") ซึ่งมีธนาคารไทยพาณิชย์ จำกัด (มหาชน) ("ธนาคารฯ") เป็นผู้ถือหุ้นรายใหญ่แต่เพียงผู้เดียว ทั้งนี้ มีความเป็นไปได้ว่า SCBS อาจได้รับการแต่งตั้งเป็นผู้จัดจำหน่ายและรับประกันการจำหน่ายของหุ้นสามัญเพิ่มทุนต่อประชาชนทั่วไปเป็นครั้งแรก (IPO) ของบริษัท ไทยยูเนี่ยน ฟีดมิลล์ จำกัด (มหาชน) (TFM) ความเห็น ข่าว บทวิจัย บทวิเคราะห์ ราคา ข้อความ การคาดการณ์ การประเมิน และ/หรือ ข้อมูลอื่นที่ระบุในเอกสารฉบับนี้ ("ข้อมูล") มีวัตถุประสงค์เพื่อใช้เป็นข้อมูลทั่วไปเท่านั้น และไม่อาจตีความได้ว่าเป็นการให้คำแนะนำแก่บุคคลใดๆ หรือเป็นการเสนอซื้อ หรือเสนอขาย หรือชักชวนให้เสนอซื้อหรือเสนอขายหลักทรัพย์ โดย SCBS และ/หรือกรรมการ พนักงาน และลูกจ้างของ SCBS ย่อมไม่ต้องรับผิดต่อความเสียหายใดๆ ทั้งความเสียหายทางตรง ความเสียหายทางอ้อม ความเสียหายจากการผิดสัญญา หรือความเสียหายอันสืบเนื่อง อันเป็นผลมาจากการใช้หรือการเชื่อถือต่อการใช้ข้อมูล ทั้งนี้ รวมถึงแต่ไม่จำกัดเพียงการสูญเสียผลกำไร นักลงทุนพึงใช้ข้อมูลในเอกสารฉบับนี้ประกอบข้อมูลและความเห็นอื่นๆ รวมถึงวิจารณญาณของตนในการตัดสินใจลงทุน ข้อมูลในเอกสารฉบับนี้จัดทำขึ้นจากแหล่งข้อมูลที่ SCBS เห็นว่าน่าเชื่อถือ โดย SCBS ไม่รับรองถึงความถูกต้อง สมบูรณ์ และ/หรือ ครบถ้วนของข้อมูลดังกล่าว

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เอกสารฉบับนี้จัดทำโดย บริษัทหลักทรัพย์ไทยพาณิชย์ จำกัด ("SCBS") ซึ่งมีธนาคารไทยพาณิชย์ จำกัด (มหาชน) ("ธนาคารฯ") เป็นผู้ถือหุ้นรายใหญ่แต่เพียงผู้เดียว บริษัทหลักทรัพย์จัดการกองทุน ไทยพาณิชย์ จำกัด ("SCBAM") ซึ่งมีธนาคารไทยพาณิชย์ จำกัด (มหาชน) ("ธนาคารฯ") เป็นผู้ถือหุ้นรายใหญ่แต่เพียงผู้เดียว โดยธนาคารฯ ได้ทำหน้าที่เป็นที่ปรึกษาทางการเงินของ กองทุนรวมโครงสร้างพื้นฐานโทรคมนาคม ดิจิทัล SCBAM ได้ทำหน้าที่เป็นผู้จัดการกองทุนของ กองทุนรวมโครงสร้างพื้นฐานโทรคมนาคม ดิจิทัล ความเห็น ข่าว บทวิจัย บทวิเคราะห์ ราคา ข้อความ การคาดการณ์ การประเมิน และ/หรือ ข้อมูลอื่นที่ระบุในเอกสารฉบับนี้ ("ข้อมูล") มีวัตถุประสงค์เพื่อใช้เป็นข้อมูลทั่วไปเท่านั้น และไม่อาจตีความได้ว่าเป็นการให้คำแนะนำแก่บุคคลใดๆ หรือเป็นการเสนอซื้อ หรือเสนอขาย หรือชักชวนให้เสนอซื้อหรือเสนอขายหลักทรัพย์ โดย SCBS และ/หรือกรรมการ พนักงาน และลูกจ้างของ SCBS ย่อมไม่ต้องรับผิดต่อความเสียหายใดๆ ทั้งความเสียหายทางตรง ความเสียหายทางอ้อม ความเสียหายจากการผิดสัญญา หรือความเสียหายอันสืบเนื่อง อันเป็นผลมาจากการใช้หรือการเชื่อถือต่อการใช้ข้อมูล ทั้งนี้ รวมถึงแต่ไม่จำกัดเพียงการสูญเสียผลกำไร นักลงทุนพึงใช้ข้อมูลในเอกสารฉบับนี้ประกอบข้อมูลและความเห็นอื่นๆ รวมถึงวิจารณญาณของตนในการตัดสินใจลงทุน ข้อมูลในเอกสารฉบับนี้จัดทำขึ้นจากแหล่งข้อมูลที่ SCBS เห็นว่าน่าเชื่อถือ โดย SCBS ไม่รับรองถึงความถูกต้อง สมบูรณ์ และ/หรือ ครบถ้วนของข้อมูลดังกล่าว

การซื้อขายฟิวเจอร์สและออปชั่น (Futures and Options) มีความเสี่ยงสูงที่อาจก่อให้เกิดผลขาดทุนอย่างมีนัยสำคัญ จึงไม่เหมาะสมกับบุคคลทุกคน ทั้งนี้ ก่อนการตัดสินใจซื้อขายฟิวเจอร์สและออปชั่น ท่านควรพิจารณาถึงฐานะทางการเงิน วัตถุประสงค์ในการลงทุน ประสบการณ์ในการลงทุนของท่าน ตลอดจนความเสี่ยงที่ท่านสามารถยอมรับได้อย่างรอบคอบ เนื่องจากมีความเป็นไปได้ที่ท่านอาจสูญเสียเงินลงทุนมากกว่าเงินลงทุนเริ่มแรก ท่านควรพิจารณาถึงความเสี่ยงทั้งหมดที่อาจเกิดขึ้นจากการซื้อขายฟิวเจอร์สและออปชั่น และท่านควรตัดสินใจลงทุนด้วยตนเอง และ/หรือ ในกรณีที่มีข้อสงสัย ท่านควรขอคำแนะนำจากที่ปรึกษาทางการลงทุน

เอกสารฉบับนี้จัดส่งให้กับเฉพาะบุคคลที่กำหนด (intended recipient) เท่านั้น และห้ามมิให้ผู้ใดนำข้อมูลในเอกสารฉบับนี้ไปทำซ้ำ ส่งต่อ เผยแพร่ ขาย จำหน่าย คัดลอก นำออกแสดง หรือนำไปแสวงหาประโยชน์ในเชิงพาณิชย์ ไม่ว่าด้วยวิธีการใด ๆ โดยไม่ได้รับอนุญาตเป็นลายลักษณ์อักษรจาก SCBS เป็นการล่วงหน้า

CG Rating 2020 Companies with CG Rating

Companies with Excellent CG Scoring

AAV, ADVANC, AF, AIRA, AKP, AKR, ALT, AMA, AMATA, AMATAV, ANAN, AOT, AP, ARIP, ARROW, ASP, BAFS, BANPU, BAY, BCP, BCPG, BDMS, BEC, BEM, BGRIM, BIZ, BKI, BLA, BOL, BPP, BRR, BTS, BWG, CENTEL, CFRESH, CHEWA, CHO*, CIMBT, CK, CKP, CM, CNT, COL, COMAN, COTTO, CPALL, CPF, CPI, CPN, CSS, DELTA, DEMCO, DRT, DTAC, DTC, DV8, EA, EASTW, ECF, ECL, EGCO, EPG, ETE, FNS, FPI, FPT, FSMART, GBX, GC, GCAP, GEL, GFPT, GGC, GPSC, GRAMMY, GUNKUL, HANA, HARN, HMPRO, ICC, ICHI*, III, ILINK, INTUCH, IRPC, IVL, JKN, JSP, JWD, K, KBANK, KCE, KKP, KSL, KTB, KTC, LANNA, LH, LHFG, LIT, LPN, MAKRO, MALEE, MBK, MBKET, MC, MCOT, METCO, MFEC, MINT, MONO, MOONG, MSC, MTC, NCH, NCL, NEP, NKI, NOBLE*, NSI, NVD, NYT, OISHI, ORI, OTO, PAP, PCSGH, PDJ, PG, PHOL, PLANB, PLANET, PLAT, PORT, PPS, PR9, PREB, PRG, PRM, PSH, PSL, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QTC, RATCH, RS, S, S & J, SAAM, SABINA, SAMART, SAMTEL, SAT, SC, SCB, SCC, SCCC, SCG, SCN, SDC, SEAFCO, SEAOIL, SE-ED, SELIC, SENA, SIRI, SIS, SITHAI, SMK, SMPC, SNC, SONIC, SORKON, SPALI, SPI, SPRC, SPVI, SSSC, SST, STA, SUSCO, SUTHA, SVI, SYMC, SYNTEC, TACC, TASCO, TCAP, TFMAMA, THANA, THANI, THCOM, THG, THIP, THRE, THREL, TIP, TIPCO, TISCO, TK, TKT, TMB, TMILL, TNDT, TNL, TOA, TOP, TPBI, TQM, TRC, TRUE, TSC, TSR, TSTE, TSTH, UAC, TTA, UBIS, TTCL, UV, TTW, VGI, TU, VIH, TVD, WACOAL, TVI, WAVE, TVO, WHA, TWPC, WHAUP, U, WICE, WINNER

Companies with Very Good CG Scoring

2S, ABM, ACE, ACG, ADB, AEC, AEONTS, AGE, AH, AHC, AIT, ALLA, AMANAH, AMARIN, APCO, APCS, APURE, AQUA, ASAP, ASEFA, ASIA, ASIAN, ASIMAR, ASK, ASN, ATP30, AUCT, AWC, AYUD, B, BA, BAM, BBL, BFIT, BGC, BJC, BJCHI, BROOK, BTW, CBG, CEN, CGH, CHARAN, CHAYO, CHG, CHOTI, CHOW, CI, CIG, CMC, COLOR, COM7, CPL, CRC, CRD, CSC, CSP, CWT, DCC, DCON, DDD, DOD, DOHOME, EASON, EE, ERW, ESTAR, FE, FLOYD, FN, FORTH, FSS, FTE, FVC, GENCO, GJS, GL, GLAND, GLOBAL, GLOCON, GPI, GULF, GYT, HPT, HTC, ICN, IFS, ILM, IMH, INET, INSURE, IRC, IRCP, IT, ITD*, ITEL, J, JAS, JCK, JCKH, JMART, JMT, KBS, KCAR, KGI, KIAT, KOOL, KTIS, KWC, KWM, L&E, LALIN, LDC, LHK, LOXLEY, LPH, LRH, LST, M, MACO, MAJOR, MBAX, MEGA, META, MFC, MGT, MILL, MITSIB, MK, MODERN, MTI, MVP, NETBAY, NEX, NINE, NTV, NWR, OCC, OGC, OSP, PATO, PB, PDG, PDI, PICO, PIMO, PJW, PL, PM, PPP, PRIN, PRINC, PSTC, PT, QLT, RCL, RICHY, RML, RPC, RWI, S11, SALEE, SAMCO, SANKO, SAPPE, SAWAD, SCI, SCP, SE, SEG, SFP, SGF, SHR, SIAM, SINGER, SKE, SKR, SKY, SMIT, SMT, SNP, SPA, SPC, SPCG, SR, SRICHA, SSC, SSF, STANLY, STI, STPI, SUC, SUN, SYNEX, T, TAE, TAKUNI, TBSP, TCC, TCMC, TEAM, TEAMG, TFG, TIGER, TITLE, TKN, TKS, TM, TMC, TMD, TMI, TMT, TNITY, TNP, TNR, TOG, TPA, TPAC, TPCORP, TPOLY, TPS, TRITN, TRT, TRU, TSE, TVT, TWP, UEC, UMI, UOBKH, UP, UPF, UPOIC, UT, UTP, UWC, VL, VNT, VPO, WIIK, WP, XO, YUASA, ZEN, ZIGA, ZMICO

Companies with Good CG Scoring

7UP, A, ABICO, AJ, ALL, ALUCON, AMC*, APP, ARIN, AS, AU, B52, BC, BCH, BEAUTY, BGT, BH, BIG, BKD, BLAND, BM, BR, BROCK, BSBM, BSM, BTNC, CAZ, CCP, CGD, CITY, CMAN, CMO, CMR, CPT, CPW, CRANE, CSR, D, EKH, EP, ESSO, FMT, GIFT, GREEN, GSC*, GTB, HTECH, HUMAN, IHL, INOX, INSET, IP, JTS, JUBILE, KASET, KCM, KKC, KUMWEL, KUN, KWG, KYE, LEE, MATCH, MATI, M-CHAI, MCS, MDX, MJD, MM, MORE, NC, NDR, NER, NFC, NNCL, NPK, NUSA, OCEAN, PAF, PF, PK, PLE, PMTA, POST, PPM, PRAKIT, PRECHA, PRIME, PROUD, PTL, RBF, RCI, RJH, ROJNA, RP, RPH, RSP, SF, SFLEX, SGP, SISB, SKN, SLP, SMART, SOLAR, SPG, SQ, SSP, STARK, STC, SUPER, SVOA, TC, TCCC, THMUI, TIW, TNH, TOPP, TPCH, TPIPP, TPLAS, TTI, TYCN, UKEM, UMS, VCOM, VRANDA, WIN, WORK, WPH

Corporate Governance Report

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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. SCB Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining “Good”, “Very Good” and “Excellent” levels of recognition

(Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2019 to 19 November 2020) is publicized.

* บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีข่าวด้านการกำกับดูแลกิจการ เช่น การกระทำผิดเกี่ยวกับหลักทรัพย์ การทุจริต คอร์รัปชัน เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรตระหนักถึงข่าวดังกล่าวประกอบด้วย

Anti-corruption Progress Indicator

Certified (ได้รับการรับรอง)

2S, ADVANC, AF, AI, AIE, AIRA, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AQUA, ARROW, ASK, AYUD, B, BAFS, BAM, BANPU, BAY, BBL, BCH, BCP, BCPG, BGC, BGRIM, BJCHI, BKI, BLA, BPP, BROOK, BRR, BSBM, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, COTTO, CPALL, CPF, CPI, CPN, CSC, DCC, DELTA, DEMCO, DIMET, DRT, DTAC, DUSIT, EA, EASTW, ECL, EGCO, EP, EPG, ERW, ESTAR, ETE, FE, FNS, FPI, FPT, FSMART, FSS, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GUNKUL, HANA, HARN, HEMP, HMPRO, HTC, ICC, ICHI, IFEC, IFS, ILINK, INET, INSURE, INTUCH, IRC, IRPC, ITEL, IVL, JKN, K, KASET, KBANK, KBS, KCAR, KCE, KGI, KKP, KSL, KTB, KTC, KWC, KWG, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAKRO, MALEE, MBAX, MBK, MBKET, MC, MCOT, META, MFC, MFEC, MINT, MONO, MOONG, MSC, MTC, MTI, NBC, NEP, NINE, NKI, NMG, NNCL, NOBLE, NOK, NSI, NWR, OCC, OCEAN, OGC, ORI, PAP, PATO, PB, PCSGH, PDG, PDI, PDJ, PE, PG, PHOL, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTG, PTT, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RML, RWI, S & J, SAAM, SABINA, SAPPE, SAT, SC, SCB, SCC, SCCC, SCG, SCN, SEAOIL, SE-ED, SELIC, SENA, SGP, SINGER, SIRI, SITHAI, SKR, SMIT, SMK, SMPC, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCO, TBSP, TCAP, TCMC, TFG, TFI, TFMAMA, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPP, TRU, TRUE, TSC, TSTE, TSTH, TTB, TTCL, TU, TVD, TVI, TVO, TWPC, U, UBIS, UEC, UKEM, UOBKH, UPF, UV, VGI, VIH, VNT, WACOAL, WHA, WHAUP, WICE, WIIK, XO, ZEN

Declared (ประกาศเจตนารมณ์)

7UP, ABICO, APCO, ASIAN, AWC, BEC, BKD, CPL, CPW, CRC, DOHOME, ECF, EKH, ETC, EVER, GULF, III, INOX, JR, KEX, KUMWEL, LDC, MAJOR, MATCH, MILL, NCL, NRF, NUSA, PIMO, PR9, RS, SAK, SCGP, SCM, SIS, STAR, STECH, SUPER, TQM, TTA, VCOM, WIN, YUASA, ZIGA

N/A

3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACE, ACG, ADB, ADD, AEONTS, AFC, AGE, AH, AHC, AIT, AJ, AJA, AKR, ALL, ALLA, ALT, ALUCON, AMARIN, AMC, AMR, ANAN, AOT, APEX, APP, APURE, AQ, ARIN, ARIP, AS, ASAP, ASEFA, ASIA, ASIMAR, ASN, ASP, ASW, ATP30, AU, AUCT, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BFIT, BGT, BH, BIG, BIZ, BJC, BLAND, BLISS, BM, BOL, BR, BROCK, BSM, BTNC, BTW, BUI, BYD, CAZ, CBG, CCET, CCP, CGD, CHARAN, CHAYO, CHG, CHO, CI, CITY, CK, CKP, CMAN, CMO, CMR, CNT, COLOR, COMAN, CPH, CPR, CPT, CRANE, CRD, CSP, CSR, CSS, CTW, CV, CWT, D, DCON, DDD, DHOUSE, DITTO, DMT, DOD, DTCI, DV8, EASON, EE, EFORL, EMC, ESSO, F&D, FANCY, FLOYD, FMT, FN, FORTH, FVC, GENCO, GIFT, GL, GLAND, GLOBAL, GLOCON, GRAMMY, GRAND, GREEN, GSC, GTB, GYT, HFT, HPT, HTECH, HUMAN, HYDRO, ICN, IHL, IIG, ILM, IMH, IND, INGRS, INSET, IP, IRCP, IT, ITD, J, JAK, JAS, JCK, JCKH, JCT, JMART, JMT, JSP, JTS, JUBILE, JUTHA, JWD, KAMART, KC, KCM, KDH, KIAT, KISS, KK, KKC, KOOL, KTIS, KUN, KWM, KYE, LALIN, LEE, LEO, LH, LIT, LOXLEY, LPH, LST, MACO, MANRIN, MATI, MAX, M-CHAI, MCS, MDX, MEGA, MENA, METCO, MGT, MICRO, MIDA, MITSIB, MJD, MK, ML, MODERN, MORE, MPIC, MUD, MVP, NC, NCAP, NCH, NDR, NER, NETBAY, NEW, NEWS, NEX, NFC, NOVA, NPK, NSL, NTV, NVD, NYT, OHTL, OISHI, OR, OSP, OTO, PACE, PACO, PAE, PAF, PERM, PF, PICO, PJW, PLE, PMTA, POLAR, POMPUI, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRIME, PRIN, PRO, PROEN, PROUD, PTL, PTTEP, RAM, RATCH, RBF, RCL, RICHY, RJH, ROCK, ROH, ROJNA, RP, RPC, RPH, RSP, RT, S, S11, SA, SABUY, SAFARI, SALEE, SAM, SAMART, SAMCO, SAMTEL, SANKO, SAUCE, SAWAD, SAWANG, SCI, SCP, SDC, SE, SEAFCO, SECURE, SF, SFLEX, SFP, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SISB, SK, SKE, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SSC, STANLY, STARK, STC, STEC, STGT, STHAI, STI, STOWER, STPI, SUC, SUN, SUTHA, SVH, SVOA, SWC, SYNEX, T, TACC, TAPAC, TC, TCC, TCCC, TCJ, TCOAT, TEAM, TEAMG, TGPRO, TH, THAI, THANA, THE, THG, THL, THMUI, TIGER, TIPH, TITLE, TK, TKN, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPAC, TPBI, TPCH, TPCS, TPIPL, TPIPP, TPLAS, TPOLY, TPS, TQR, TR, TRC, TRITN, TRT, TRUBB, TSE, TSF, TSI, TSR, TTI, TTT, TTW, TVT, TWP, TWZ, TYCN, UAC, UMI, UMS, UNIQ, UP, UPA, UPOIC, UREKA, UT, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, W, WAVE, WGE, WINMED, WINNER, WORK, WORLD, WP, WPH, XPG, YGG

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of August 5, 2021) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.