

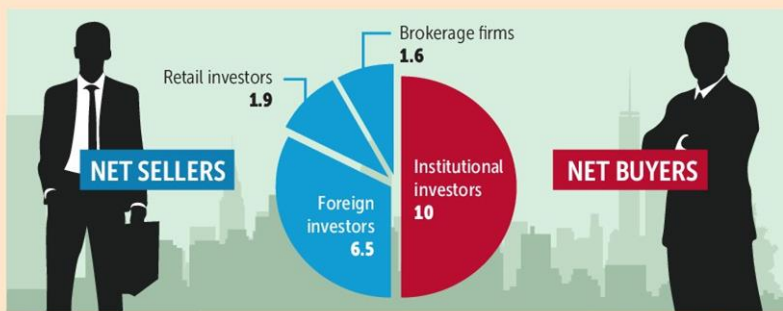


MARKET MONITOR

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TRADE WORRIES TAKE TOLL ON EQUITIES AGAIN



Unit: Billion baht

BANGKOK POST GRAPHICS

RECAP: Despite further monetary easing by the US Federal Reserve, most Southeast Asian stock markets retreated yesterday, as investors fled risky assets after China expressed doubts over signing a comprehensive trade deal with the US.

The SET index moved in a range between 1,579.13 and 1,610.03 points before closing at 1,592.52, down 0.05% from the previous week, in turnover of 57.34 billion baht a day.

Institutional investors were net buyers of 10 billion baht. Foreign investors were net sellers of 6.5 billion baht, retail investors sold 1.9 billion and brokerage firms offloaded 1.6 billion baht worth of shares.

NEWSMAKERS: Britain will hold on its first December election since 1923 in an attempt to overcome the political deadlock caused by Brexit. The approval of the Dec 12 poll came after the European Union agreed to postpone Brexit for up to three months to Jan 31.

- The US House of Representatives approved rules for impeachment proceedings against President Donald Trump. Two committees will now hold public hearings before deciding whether to recommend whether an impeachment motion should be put to a full vote in the House.
- The People's Bank of China has confirmed plans to introduce its own digital currency, which will be called DCEP (digital currency electronic payment). While cryptocurrency trading is essentially banned in China, the Politburo has been studying how to promote and regulate blockchain.

- European Central Bank chief Mario Draghi bowed out Monday, passing the baton to former IMF head Christine Lagarde whose first task will be to heal rifts among policymakers.
- Hong Kong has fallen into recession, hit by more than five months of anti-government protests that show no signs of relenting, and is unlikely to achieve annual economic growth this year, the city's financial secretary said.
- Indonesia suspended exports of nickel ore with immediate effect after a planned ban on shipments from the beginning of next year led to a rush to beat the deadline.
- HSBC's interim chief executive says the bank has been underperforming in parts of Europe and the United States, as third-quarter profits slipped and the bank warned of further challenges.
- Fiat Chrysler and PSA, the owner of Peugeot, are preparing joint forces through a 50-50 share swap to create the world's fourth-largest automaker.
- Samsung Electronics, the world's largest smartphone and memory chip maker, saw net profits slump by more than half in the third quarter, amid a continued downturn in the global chip market.
- Analysts say the use move to suspend benefits under the Generalized System of Preferences (GSP) for Thailand, which comes into effect in six months, is unlikely to affect local exporters much, but further trade protectionism by Washington may be on the horizon. Thai trade and labour officials in Washington held

talks with the US Trade Representative yesterday about the decision.

- A strong baht presents the most pressing challenge for tourism this high season as the currency is trading at a six-year high, say tourism business leaders.
- Investment applications from Chinese manufacturers looking to Thailand as a production base to avoid US tariffs are expected to surge by 30% this year to 71.5 billion baht, says the Board of Investment.
- The Fiscal Policy Office has downgraded its economic growth forecast this year to 2.8% from 3% in August, in anticipation of a steeper export decline.
- Thailand's manufacturing production index in September fell 4.7% year-on-year to 97.5 points, reflecting a bearish economy and sluggish global trade sentiment, says the Office of Industrial Economics.
- The Bank of Thailand is optimistic about economic growth momentum in the final quarter, propelled by private consumption in response to stimulus packages, public and private investment, and tourism strength.
- The lock-up period for a new tax-saving fund to replace long-term equity funds could be more than 10 years to encourage long-term savings, says Finance Minister Uttama Savanayana.
- Land prices in Greater Bangkok, gauged by the land price index, rose by 17% in the third quarter, largely driven by the outskirts of Bangkok, after the market saw slowing growth in the second quarter.
- The telecom regulator plans its first auction of 5G spectrum on Feb 16 for four bands to accelerate availability of the ultra-high-speed wireless technology.
- Thailand's internet economy is expected to be worth US\$16 billion (483 billion baht) this year, led by flourishing ride-hailing services and e-commerce, making it the second-largest internet economy in Southeast Asia after Indonesia, according to the e-Conomy SEA 2019 report.

TOP 5 GAINERS AND LOSERS

Gainers	Symbol	Closing price	Change	Losers	Symbol	Closing price	Change
•	F&D	23.50	29.83%	•	AQ	0.01	-50.00%
•	NEX	2.34	15.84%	•	UP	18.00	-22.75%
•	TPIPP	4.50	13.07%	•	PACE	0.04	-20.00%
•	OCC	13.90	13.01%	•	NFC	2.50	-18.30%
•	S11	7.85	12.14%	•	INSURE	26.00	-16.80%

*As of Thursday

BANGKOK POST GRAPHICS



* From the previous week

BKPGraphics

■ SET-listed Tata Steel Thailand Plc (TSTH), the local unit of India's largest steelmaker, has won a bid to supply steel products for the 253km high-speed rail line planned from Bangkok to Nakhon Ratchasima.

■ PTT Exploration and Production Plc (PTTEP) reported net income of US\$1.19 billion (37.2 billion baht), robust growth of 39%, in the first nine months because of higher average sales

volume thanks to contributions from acquisitions.

■ SET-listed Siam Cement Plc (SCC) has downgraded its 2019 revenue projection, forecasting a decline of 8% because of weaknesses in its petrochemical business.

■ Bangkok Bank (BBL), the country's third largest lender by assets, expects its bad loans to continue rising this quarter given the weak economy, says executive chairman Deja Tulananda.

COMING UP: Germany will release October Markit manufacturing PMI on Monday. On Tuesday, the US will release October non-manufacturing PMI and Canada will announce September trade figures.

■ The Bank of England will announce its policy rate decision on Thursday and Australia will release September trade figures.

■ On Friday, China

will release October trade figures and Germany will announce September trade figures. Canada will release September employment data and the US will release November preliminary consumer sentiment. China will announce October inflation on Saturday.

STOCKS TO WATCH:

SCB Securities recommends selective buying of stocks that could generate good profit going forward, with positive supporting factors. Suggested picks are BTS, CHG, CPN and TASC0, while recommended high-dividend-yield equities are TTW, DIF and JASIF.

■ Finansia Syrus Securities recommends selective buying of stocks expected to report good Q3 profits. Its November picks are AOT, CHG, RBF, TACC and TISCO.

TECHNICAL VIEW:

Maybank Kim Eng Securities Thailand sees support at 1,580 points and resistance at 1,630. DBS Vickers Securities Thailand sees support 1,550 and resistance at 1,620.