



MARKET MONITOR

NUNTAWUN POLKUAMDEE
DARANA CHUDASRI

FED REASSURANCES FAIL TO CALM NERVOUS INVESTORS

RECAP: Global stocks in developed and developing markets alike came under pressure again on Friday after reassurances by the chief of the US Federal Reserve failed to soothe investors' concerns about a recent surge in borrowing costs. Oil prices also leapt after the Opec and its allies surprised the market by deciding to keep output unchanged.

The SET index moved in a range of 1,487.99 and 1,543.48 points this week and bucked the downbeat trend yesterday by closing up 10.00 points at 1,544.11, an increase of 3.16% from the previous week, in heavy daily turnover averaging 101.08 billion baht.

Foreign investors were net buyers of 6.57 billion baht, institutional investors bought 4.28 billion and brokerage firms bought 1.23 billion baht worth of shares. Retail investors were net sellers of 12.08 billion baht.

NEWSMAKERS: The United States will have sufficient vaccine supply by the end of May to inoculate its entire adult population of 210 million, President Joe Biden said Tuesday. But he warned Americans to remain on guard against Covid, saying a decision by some states to drop mask mandates was "Neanderthal".

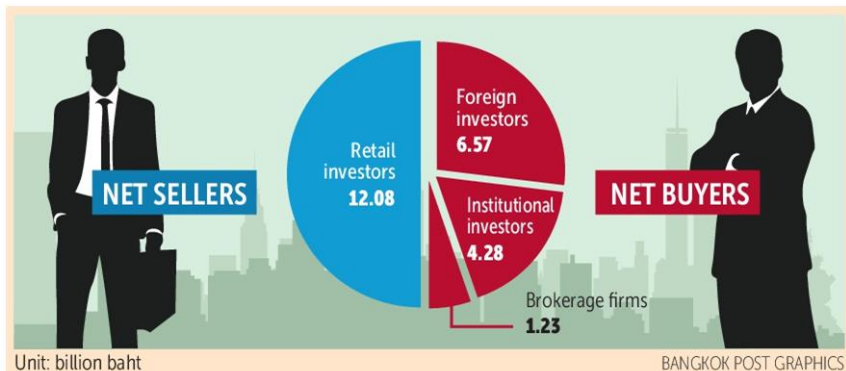
- The new UK budget introduced on Wednesday calls for a hike in the corporate tax rate to 25% in 2023 from 19% now, but analysts say Chancellor of the Exchequer Rishi Sunak will probably have to offer concessions to businesses if he wants to push the plan through.
- US Treasury yields have eased back to around 1.5% from 1.6% a week earlier, but investors are still watching inflation carefully, worried that higher prices could ruin the expected strong pandemic recovery.
- Opec and its allies plan to stick with current output-cut quotas through April, surprising analysts who expected an aggregate increase of 500,000 barrels per day. But Saudi Arabia argued against raising production, saying the global recovery was still fragile and oil demand uncertain.
- Hong Kong has been removed from an annual index of the world's freest



* From the previous week BANGKOK POST GRAPHICS

economies, on which it almost always ranked first. The US think-tank the Heritage Foundation said it made the move because the city is now directly controlled by Beijing.

- The launch of the first bitcoin-backed exchange-traded funds in North America helped attract \$5.2 billion to Canadian ETFs in February, the second-highest month on record. The two Toronto-listed crypto ETFs accounted for \$555 million of the total.
- Google has pledged to steer clear of tracking individual online activity when it begins implementing a new system for targeting ads without the use of so-called "cookies."
- More than 200 dollar billionaires were created in China last year as booming stock markets and a flood of new listings offset the ravages of the pandemic, according to the Hurun Global Rich List released Tuesday.
- Vietnam's economy has fared better than that of almost any other country except China during the Covid-19 crisis. Official figures show it grew 2.9% last year while most other countries fell into recession.
- Defiant anti-coup protesters were back on the streets across Myanmar after 38 people were killed by security forces on Wednesday, as global powers condemned the "brutal violence".



TOP 5 GAINERS AND LOSERS

Gainers				Losers			
Securities	Closing price	Change		Securities	Closing price	Change	
• MAX <SP>	0.02	100%		• EASON	1.09	-23.24%	
• TNPC	1.29	61.25%		• TCMC	1.60	-20.00%	
• ZMICO	3.44	50.88%		• PPPM <C,NP>	0.34	-19.05%	
• CSP	1.07	50.70%		• CPH	2.92	-18.44%	
• CEN	0.83	43.10%		• AQUA	0.42	-16.00%	

*As of Thursday

- Indonesian President Joko Widodo has called on his cabinet ministers and other government officials to push a “hate foreign products” campaign to support the country’s small-and-medium enterprises.
- The government has pledged to revitalise tourism, stimulate domestic spending and spur exports and investment to help economic growth reach its 4% target this year.
- Deputy Prime Minister Supattanapong Punmeechaow said he was sticking with a 4% economic growth target even though the Fiscal Policy Office has downgraded its prediction to 2.8%. The latter figure would be unacceptable, Finance Minister Arkhom Termpittayapaisith admitted, adding that fiscal measures will continue to support the recovery.
- The government is scheduled to unveil fresh tax incentives and relaxed regulations later this month to make it easier to do business and entice foreign investors looking to relocate production sites to avoid fallout from US-China trade tensions.
- Real investment this year in the Eastern Economic Corridor (EEC) could reach 400 billion baht, as projects stalled by the pandemic get moving again, said EEC Office secretary-general Kanit Sangsubhan. Private investment and key infrastructure

- projects would be key drivers, he added.
- The Securities and Exchange Commission (SEC) is backing off its draft plan to require a 1-million-baht minimum annual income and other requirements for cryptocurrency investors, noting the draft was just meant to test public sentiment.
- New long-term corporate bond issuance exceeded 100 billion baht in the first two months of this year, as corporations prepare for a splurge of investment once the economy begins to recover ahead of a potential rise in interest rates.
- Export figures are expected to show continued growth in February, driven by a global recovery ignited by Covid vaccine distribution, but the stubbornly strong baht remains a key worry, the Thai National Shippers’ Council says.
- Thai Credit Guarantee Corporation is preparing to launch a 20-billion-baht bad debt guarantee programme to help struggling SMEs.
- An asset warehousing programme is expected to take shape in the next two months, amid calls urging the Bank of Thailand to expand the assistance for heavily indebted businesses to cover low-cost airlines, says the Thai Bankers’ Association.
- Thai Airways International said on Tuesday it plans to cut its workforce by 50% by 2022, as part of its rehabilitation

plan. It is also seeking to raise another 50 billion baht to tide it over until conditions improve. Creditors will meet on May 12 to vote on the plan.

■ Prime Minister Prayut Chan-o-cha has urged the parties squabbling over the cancelled bid for the 120-billion-baht Orange Line extension to sit down and talk. The

MRTA is facing a court challenge from one unhappy bidder over its earlier decision.

COMING UP: China will release February trade figures tomorrow. Thailand will release February consumer confidence and January unemployment on Monday, and Germany will update industrial production data.

■ Japan will release fourth-quarter GDP on Tuesday, Australia will release February business confidence and Germany will release trade figures. Australia will release March consumer confidence on Wednesday, the US and China will release February inflation data and the Bank of Canada will announce its interest rate decision.

■ Opec will release its monthly oil output report and updated forecasts on Thursday, and the European Central Bank will hold a policy meeting. On Friday Britain will release January trade figures and the US will release February producer prices.

STOCKS TO WATCH: Capital Nomura Securities views hemp-related businesses as having high growth potential, which could benefit some listed firms. Its top picks from the group are SAPPE, ICHI, RBF, XO, SPA, RS and TACC. Other portfolio recommendations for March are CPF, CPALL, VNT, HANA, ICHI and SAPPE.

LH Securities recommends four stocks with good fundamentals for medium-to long-term investment: INTUCH, PTTEP, PTTGC and TISCO.

TECHNICAL VIEW: UOB Kay Hian Securities sees support at 1,515 points and resistance at 1,560. DBS Vickers Securities sees support at 1,490 points and resistance at 1,560.