

## Expect SET Index to recover in a sideway up manner.

### Investment Ideas:

- **Overall investment today - We expect the SET today (20 Jan) to move within the range 1,510-1,539 points. Positive factors from the U.S. stimulus package expectation makes the market to weight back on risky assets. This is reflected by the recovery of crude oil prices. This leads us to recommending stocks in the energy and petrochemical sector in a speculative manner, choosing PTTEP, PTT and PTTGC as the top picks. Issues in the U.S. to follow are the inauguration ceremony of Joe Biden's new president today (20 Jan) U.S. time, including reporting the banking sector performance and the ECB and BOJ meeting (21 Jan). We maintain the same investment strategy, recommend selling and taking profit at full value or exceed the fundamental value while new investment round for short-term investors, focus on speculation. While the medium to long-term investors, waiting accumulate as the SET falls 1,490-1,510 points in positive stocks following our Core Investment.**
- Attractive return of risky assets driven by economic stimulus measures - A positive sentiment on the overall investment, especially increasing the proportion of investment in risky assets after the Secretary of the U.S. Janet Yellen calls for Congress to accelerate the approval of economic stimulus measures in the amount of USD1.9tn presented by the President of the U.S. Joe Biden along with calling on members of Congress to push for further stimulus measures. Biden announced a USD1.9tn stimulus package under the name "American Rescue Plan". The measure includes (1) an increase in the minimum wage from USD7.25 per hour to USD15 per hour (2) an increase in cash checks to Americans to USD2,000 each (originally USD600 per person). People) and (3) increased the aid limit to USD400 per week. The project will be extended until the end of Sep 2021.
- Monitor the political situation in the U.S. today (20 Jan) - Follow Joe Biden's new president's inauguration ceremony today (20 Jan) on the U.S. time. The issue of interest is the atmosphere of the inauguration ceremony for the new president this time unlike the past in the U.S. political history due to political problems, as a result, Washington has to mobilize many security forces.
- Crude oil prices recover despite IEA cuts crude demand forecasts – the confidence in the U.S. economic stimulus measures build confidence in the recovery of the overall economy and it weighs more than the international Energy Agency (IEA) report, which cut its 2021 global crude demand forecast by 280,000 barrels per day so that in 2021, will see crude oil demand growth of 5.5 million bpd so the positive sentiment has once again bolstered its energy and petrochemical stocks. Investment Strategy, we recommend "speculation" by choosing PTTEP (Trading TP Bt118.0), PTT (Trading, TP Bt45.0) and PTTGC (Buy, TP71.0) as the top stocks.
- Stay tuned for today's key economic figures – China will report the PBoC's prime customer loan rate / Europe will report the consumer price index for Dec (expected at 0.5%YoY)/ The UK will report the consumer price index in Dec (expected to contract 0.3%YoY) / the inauguration of the new president Joe Biden.
- Today's research report - Earnings Preview: HMPRO (Buy, TP Bt16.50), expected the performance in 4Q20 will be the highest of the year.
- Technical view - Today, we expect the SET Index to move between 1,510-1,539 points. The recommended stocks are SVOA, GLOBAL, UTP, TVO and SAT.

Major Indices	Close	Chg	%Chg
SET	1,522.59	+12.46	+0.82
SET50	958.16	+8.52	+0.90
SET P/E (x)	30.41		
SET P/BV (x)	1.72		
SET Div. Yield (%)	3.16		
Market Cap (Btmn)	16,929,952.96		
Trading Value (Btmn)	87,641.98		

US			
Dow Jones	30,930.52	+116.3	+0.4
S&P 500	3,798.91	+30.7	+0.8
NASDAQ	13,197.18	+198.7	+1.5

Europe			
UK	6,712.95	-7.7	-0.1
Germany	13,815.06	-33.3	-0.2
France	5,598.61	-18.7	-0.3

ASIA			
Japan	28,633.46	+391.3	+1.4
China	3,566.38	-29.8	-0.8
Indonesia	6,321.86	-68.0	-1.1
Philippines	7,198.45	-5.0	-0.1

Commodity Futures			
WTI Crude (\$/barrel)	52.98	+0.62	+1.18
Brent Crude (\$/barrel)	55.90	+1.15	+2.10
Gold (\$/ounce)	1,840.20	+10.30	+0.56

FX Rates			
USD/THB	29.975	-0.025	-0.08

### Most Active Value

PTT, CBG, KBANK, GPSC and BANPU

### Sector: Top Gainer

ETRON, PETRO, FIN, COMM and BANK

### Sector: Top Loser

ENERG, PF&REIT, MEDLA, and TOURISM

Trading Summary (Btmn)	Buy	Sell	Net
Institution	9,680	8,280	+1,400
Proprietary	9,900	8,820	+1,080
Foreign	28,699	29,224	-525
Individuals	39,362	41,317	-1,955

Source: Bisnews, Bloomberg

### CORE INVESTMENT

1. Global Play (Trading within 1 month) - PTT, PTTEP, TOP, PTTGC and SCC
2. Green energy stocks (Trading within 3-6 months) - GPSC, EGCO, GULF, BGRIM, BPP, BCPG, EA and ACE
3. Expectations for the vaccine and increased stimulus measures (Trading for 3-6 months) - BBL, KKP, BEM, CPF, TU, M, OSP, CPALL, HMPRO, CRC and CHG
4. Stocks which expected that the performance in 4Q20 will outstand (1-2 months) - SAWAD, GULF, SPALI, ORI, WHA and STA
5. Dividend Play (Middle-term trading 6-12 months) - SC, LH, QH, KKP, TISCO, RATCH, DIF, INTUCH, EASTW and TTW
6. Long term accumulative stocks (DCA) (Long-term trading over 1 year) - AOT, BEM, ADVANC, WHA, LH, CPALL, CPF, BDMS, HMPRO, BBL and KTB

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## **Foreign Markets: (InfoQuest)**

- **U.S. stock markets:** : The Dow Jones Industrial Average closed at 30,930.52 points, up 116.26 points (+0.38%), the S&P500 closed at 3,798.91 points, up 30.66 points (+0.81%) and the Nasdaq closed at 13,197.18 points, up 198.68 points (+1.53%). The Dow Jones Index, New York Stock Market rose after the Secretary of the U.S. Janet Yellen has called for Congress to accelerate the approval of economic stimulus measures in the amount of USD1.9tn presented by the President of the U.S. Joe Biden along with calling on members of Congress to push for further stimulus measures, also boosted by the strong performance announcement of major listed companies.
- **European stock markets:** Stoxx Europe 600 Index closed at 407.92 points, down 0.76 points (-0.19%) European stock markets dropped because investors are concerned about the earnings and economic expansion which will be affected by the lockdown measures to control the spread of COVID-19.

## **Commodities: (InfoQuest)**

- **Crude oil prices:** WTI crude for February delivery closed at USD52.98 per barrel, up 62 cents (+1.2%), and Brent crude for March delivery closed at USD55.90 per barrel, up USD1.15 (+2.10%). The West Texas Crude (WTI) contract, New York markets closed up from the positive response to the hope that the U.S. will accelerate the release of economic stimulus measures after Janet Yellen that the Secretary of the U.S. has come out to support the economic stimulus measures of USD1.9tn which was presented by Joe Biden.
- **Gold price:** The COMEX (Commodity Exchange) gold contract for February delivery closed at USD1,840.2 per ounce, up USD10.3 (+0.56%). The New York gold contracts rise which was driven by the depreciation of the dollar currency and from the fact that Janet Yellen has called on Congress to approve a USD1.9tn stimulus package which was presented by Joe Biden.
- **Coal price:** Coal futures (Newcastle) for February delivery closed at USD84.55 per ton, down USD3.30 (-3.76%).
- **Freight:** Baltic Dry Index (BDI) latest closed at 1,766 points, up 26 points (+1.49%).

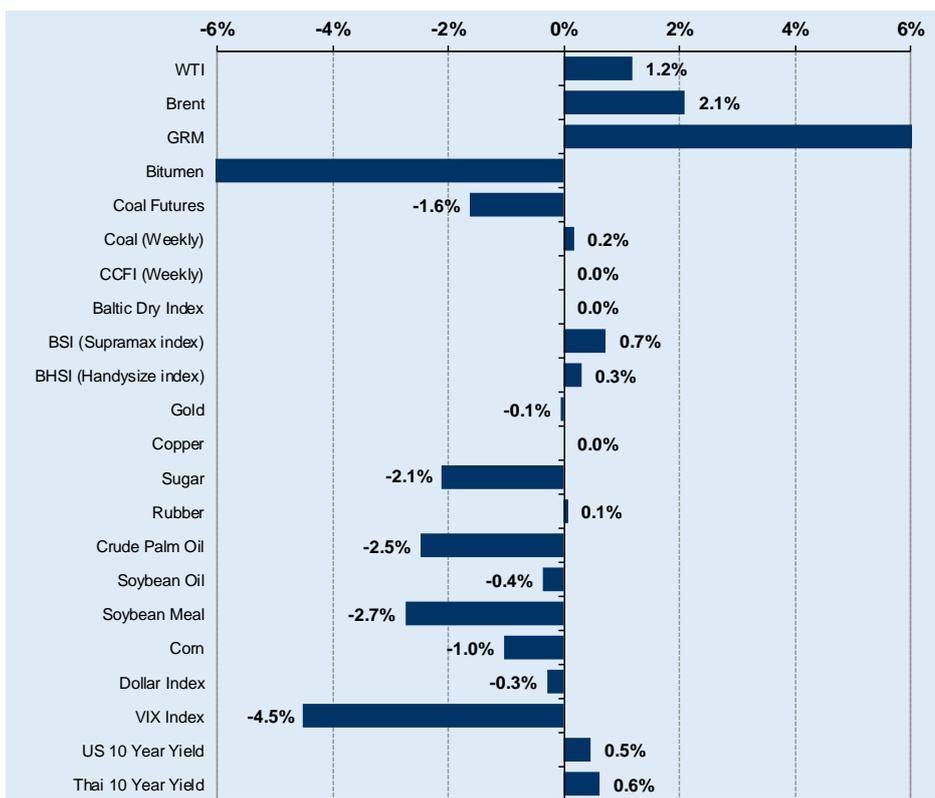
## **Other News:**

- **RS** expands business with acquired 35% shares of Chet Asia Company Limited with an investment of Bt920.0mn by investing through RSX Co., Ltd. Which is a subsidiary of RS, holds 100% of the shares to provide asset management and retail loan extends the entertainment model for increasing the revenue from new businesses. (Thunhoon)
- **MSC** revealed that IT business is in the uptrend, as well as sets the revenue target in 2021 growth of 5-8%, continue to develop and research software to support continuous customer demand with the opportunity to expand 5G and IoT. (Thunhoon)
- **EP** launches 2021 plans to build four wind power plants in Vietnam with a production capacity of 160 MW, ensuring COD is on schedule and looking for additional investment opportunities while the firm studies investment in gas power plant projects in central Vietnam with a capacity of approximately 1500 MW, as well as the performance in 2020 appraisal continues to hit the record high. (Thunhoon)

**Daily Update as of 20 Jan 21**

Commodity	Unit	Close	Chg	%Chg	Impact
WTI	\$/bbl	52.98	0.62	1.2%	+ PTTEP, TOP, BCP
Brent	\$/bbl	55.90	1.15	2.1%	+ PTTEP, TOP, BCP
GRM	\$/bbl	1.19	0.17	16.7%	+ TOP, BCP, PTTGC, IRPC
Bitumen	\$/bbl	33.23	-3.72	-10.1%	- TASCO
Coal Futures	\$/ton	85.00	-1.40	-1.6%	- BANPU
Coal (Weekly)	\$/ton	103.08	0.18	0.2%	+ BANPU
CCFI (Weekly)	Point	1,863.84	0.00	0.0%	- RCL
Baltic Dry Index	Point	1,740	0.00	0.0%	- PSL, TTA
BSI (Supramax index)	Point	1,104	8.00	0.7%	+ PSL, TTA
BHSI (Handysize index)	Point	656	2.00	0.3%	+ PSL, TTA
Gold	\$/ounce	1,840.28	-0.98	-0.1%	
Copper	\$/ton	7,968.00	0.00	0.0%	- KCE, HANA, SVI, DELTA
Sugar	Cent/lb	16.10	-0.35	-2.1%	- KSL, KTIS, KBS, BRR
Rubber	JPY/kg	323.70	0.20	0.1%	+ STA, TRUBB
Crude Palm Oil	MYR/ton	3,267.00	-83.00	-2.5%	- UVAN, CPI, VPO, LST
Soybean Oil	Cent/lb	41.70	-0.15	-0.4%	- TVO
Soybean Meal	\$/ton	450.50	-12.70	-2.7%	+ CPF, GFPT/ -TVO
Corn	\$/ton	526.00	-5.50	-1.0%	+ CPF, GFPT
Dollar Index	Point	90.50	-0.27	-0.3%	+ SET
VIX Index	%	23.24	-1.10	-4.5%	+ SET
US 10 Year Yield	%	1.09	0.01	0.5%	+ SET
Thai 10 Year Yield	%	1.31	0.01	0.6%	+ SET

Source: Bloomberg, Reuters, AWS



Source: Bloomberg, Reuters, AWS

Date	Regions	Economic Indicators
18 Jan 21	CH	Gross Domestic Product (4Q)
18 Jan 21	CH	Retail Sales (Dec)
18 Jan 21	CH	Industrial Production (Dec)
19 Jan 21	EU	ECB Bank Lending Survey
20 Jan 21	CH	PBoC Interest Rate Decision
20 Jan 21	EU	Consumer Price Index (Dec)
21 Jan 21	JP	BoJ Monetary Policy Statement
21 Jan 21	JP	BoJ Interest Rate Decision
21 Jan 21	EU	ECB Interest Rate Decision
21 Jan 21	EU	ECB Monetary Policy Statement and Press Conference
21 Jan 21	US	Building Permits (Dec)
22 Jan 21	US	Markit PMI (Jan)
22 Jan 21	TH	Balance of Trade (Dec)
22 Jan 21	US	Existing Home Sales (Dec)

## Jan-21

Mon	Tue	Wed	Thu	Fri
				1
				HOLIDAY
4	5	6	7	8
		XD TTT @ 0.50 (22/1/21)	XD NER @ 0.06 (20/1/21)	XD ORI @ 0.10 (22/1/21)
11	12	13	14	15
18	19	20	21	22
XD ADB @ 0.00556 (5/2/21) ADB @ 10:1 (5/2/21)				
25	26	27	28	29
XD TGH @ 0.60 (5/2/21)	XD ALL @ 0.05 (17/3/21) ALL @ 10:1 (17/3/21)	XD TASCO @ 0.30 (9/2/21) TLGF @ 0.1955 (15/2/21)	XD TSC @ 0.50	XD BTS @ 0.15 (16/2/21)

\*Remark: Stock @ Dividend Baht per Share (Payment Date)

\*\*Remark: Stock @ Existing Share:Stock Dividend (Payment Date)



## Corporate Governance Report (CGR)

### Corporate Governance Report disclaimer

The disclosure of the survey result of the Thai Institute of Directors Association (“IOD”) regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

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, Asia wealth Securities Company Limited does not conform nor certify the accuracy of such survey result.

Score	Range Number of Logo	Description
90 – 100		Excellent
80 – 89		Very Good
70 – 79		Good
60 – 69		Satisfactory
50 – 59		Pass
Below 50	No logo given	N/A

### **Anti-Corruption Progress Indicator**

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