

MARKET MONITOR

NUNTAWUN POLKUAMDEE
PORNKAMON TEERAPIBOONKUN

INFLATION AND UKRAINE KEEP EQUITIES SUBDUED

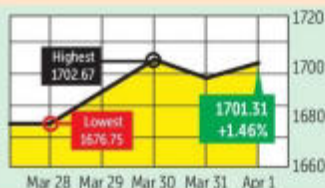
RECAP: World stocks slid yesterday on worries about the Russia-Ukraine war and rising inflation that may force central banks into more aggressive interest-rate increases, potentially triggering a recession.

The SET index moved in a range of 1,676.75 and 1,702.67 points this week but bucked the global trend to close up yesterday at 1,701.31, up 1.46% from the previous week, in daily turnover averaging 74.43 billion baht.

Foreign investors were net buyers of 12.44 billion baht. Retail investors were net sellers of 10.61 billion baht, institutional investors sold 1.13 billion and brokerage firms offloaded 694.1 million baht worth of shares.

NEWSMAKERS: The Bank of Thailand will not raise interest rates from their record low for more than a year in a bid to support an economy still struggling to recover from the pandemic despite a jump in inflation, a Reuters poll has found.

- US oil prices fell below \$100 a barrel as President Joe Biden said his plan to release a million barrels a day from US reserves for six months — 180 million barrels in total — would lay a foundation to achieve independence from foreign energy suppliers. A million bpd is about 1% of world oil consumption.
- Russia is pressing ahead with its demand that buyers of its gas pay in roubles, effective from yesterday. European nations have rejected the demand and Germany's government called it "blackmail".
- The US is clamping down on Russia's ability to sell its gold reserves to raise money, the latest effort to deplete the country's war chest while the invasion of Ukraine continues.
- Yields on 2- and 10-year US Treasury bills inverted for the first time since 2019 on Thursday, sending a possible warning signal that a recession could be on the horizon. Larry Summers, a former US treasury secretary, is among those who have warned of the rising risk.
- The US Commerce Department will launch an investigation that could result in tariffs on solar panels imported from Thailand and three other Southeast Asian nations. American producers claim Chinese firms have shifted production to Asean to avoid high US tariffs.



* From the previous week

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- Shopee, Southeast Asia's biggest online retailer, is withdrawing from the Indian retail market just months after beginning operations there. Parent Sea Ltd, the Singapore-based and US-listed e-commerce and gaming firm, cited "global market uncertainties".
- Vietnam's gross domestic product grew 5% in the first quarter from a year earlier, official data showed on Tuesday, as the country reopened more parts of its economy after relaxing coronavirus restrictions.
- The Vietnamese electric-vehicle maker VinFast said it would start building a factory in North Carolina this year, ahead of a planned initial public offering (IPO) in the United States.
- Hackers stole cryptocurrency worth \$615 million from a blockchain linked to the online game Axie Infinity, which is hugely popular in the Philippines as an income source. The theft happened on March 23 but was not detected until six days later.
- The Bank of Thailand has dramatically raised its inflation forecast for the year to 4.9% — far above its target range of 1-3% — citing high energy and food prices. But it left its benchmark interest rate unchanged at 0.5% to support the fragile recovery.
- The economy could grow by 3% to 3.5% this year, less than an earlier forecast, due to soaring oil prices, and interest rates should remain low to underpin the recovery, Finance Minister Arkhom Termpitayapaisith said on Monday.
- Siam Commercial Bank, meanwhile, says the economy has gone into stagnation because of a weak recovery and surging price hikes.
- The manufacturing production index rose for the sixth consecutive month in

February on eased Covid controls and higher demand for Thai exports.

- Despite soaring oil prices and rising production costs driven by the Russia-Ukraine war, Finance Minister Arkhom Termpittayapaisith still hopes to see Thai exports expand by 10% this year.
- Local fertiliser traders and suppliers have confirmed there will be sufficient supply during the peak planting season starting in May, while pledging to step up imports from Saudi Arabia to meet domestic demand.
- The cabinet has axed the subsidy on premium diesel for luxury cars to help prevent the state Oil Fund from going broke. The diesel subsidy of 8 baht a litre is intended mainly to help truck transport operators.
- The tourism confidence index in the first quarter this year declined to 44, from 47 in the fourth quarter, the Tourism Council of Thailand said. Any reading below 50 indicates negative sentiment.
- The Association of Domestic Travel has urged the government to extend the Tour Teaw Thai scheme, which offers a 40% subsidy on domestic tour packages, for six months, focusing on four provinces in the South.
- The Thai Hotels Association says a room glut remains its greatest concern as more properties continue to come on the market, even as the flow of tourists is stagnant.
- The government plans to sell up to 265 billion baht worth of government bonds in the April-June period as part of debt

TOP 5 GAINERS AND LOSERS

Gainers				Losers			
Securities	Closing price	Change	Securities	Closing price	Change		
TEAMG	5.75	83.12%	AQ<XR,C>	0.02	-33.33%		
MSC	10.00	69.49%	FE<XR>	0.95	-28.46%		
JUTHA	1.27	29.59%	UP	20.60	-11.59%		
SCM	8.10	28.57%	UPF	64.00	-9.86%		
TH	5.35	24.42%	JCK	0.70	-7.89%		

As of Thursday

*New Listing

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management plans, according to the Finance Ministry.

- The Finance Ministry expects to postpone the plan to tax transactions by individual stock investors because of unfavourable economic conditions, says permanent secretary Krisada Chinavicharana.
- The Russia-Ukraine war is threatening to cause a shortage of auto parts for European automakers, which will affect global supply chains and car assembly in Thailand, says the Thai Automotive Industry Association.
- Mobile market leader Advanced Info Service (AIS) has asked the National Broadcasting and Telecommunications Commission to consider the planned merger of rivals True and DTAC very carefully, citing the impact on consumer interests and competition.
- PTT Oil and Retail Business (OR) is maintaining its 92.5-billion-baht investment plan for 2022 despite fluctuations of global oil prices.
- Thai Oil Plc (TOP), the country's largest refiner by capacity, expects to make the last payment on its share purchase in PT

Chandra Asri Petrochemical Tbk (CAP), Indonesia's largest petrochemical producer, early next year.

COMING UP: Germany will release February trade figures, Canada will release February building permits and the US will release February factory orders on Monday.

- Reserve Bank of Australia will announce its interest rate decision on Tuesday.
- Japan, the euro zone, France, Germany, Britain and the US will release March services PMI. The same day, the US will release March manufacturing PMI.
- Britain will release March construction PMI on Wednesday. Canada will release March PMI. Due Thursday are Australian February trade figures, German industrial production and euro zone retail sales for February. Japan will release February current account figures and Canada will release March employment data on Friday.

STOCKS TO WATCH: UOB Kay Hian Securities recommends high-dividend stocks such as LH, SPALL, AP, SC and ASW. The broker also likes stocks of companies expected to see their profits grow in the second quarter such as BBL, TIDLOR, CPN, OSP, TRUE, ONEE, TOP and IVL.

KTBST Securities recommends stocks expected to benefit from high crude oil prices. Its picks are SPIC, TOP and PTTEP.

SCB Securities recommends stocks of firms that will benefit from government measures to support EV production and purchasing, such as AH, TISCO and KKP.

TECHNICAL VIEW: DBS Vickers Securities sees support at 1,670 points and resistance at 1,710. UOB Kay Hian Securities sees support at 1,685 and resistance at 1,708.

