



# **Thai Capital Market: Present and Future**

**Dr.Pakorn Peetathawatchai**

**President**

**The Stock Exchange of Thailand**

**Jan 18, 2019**

***I. Present***

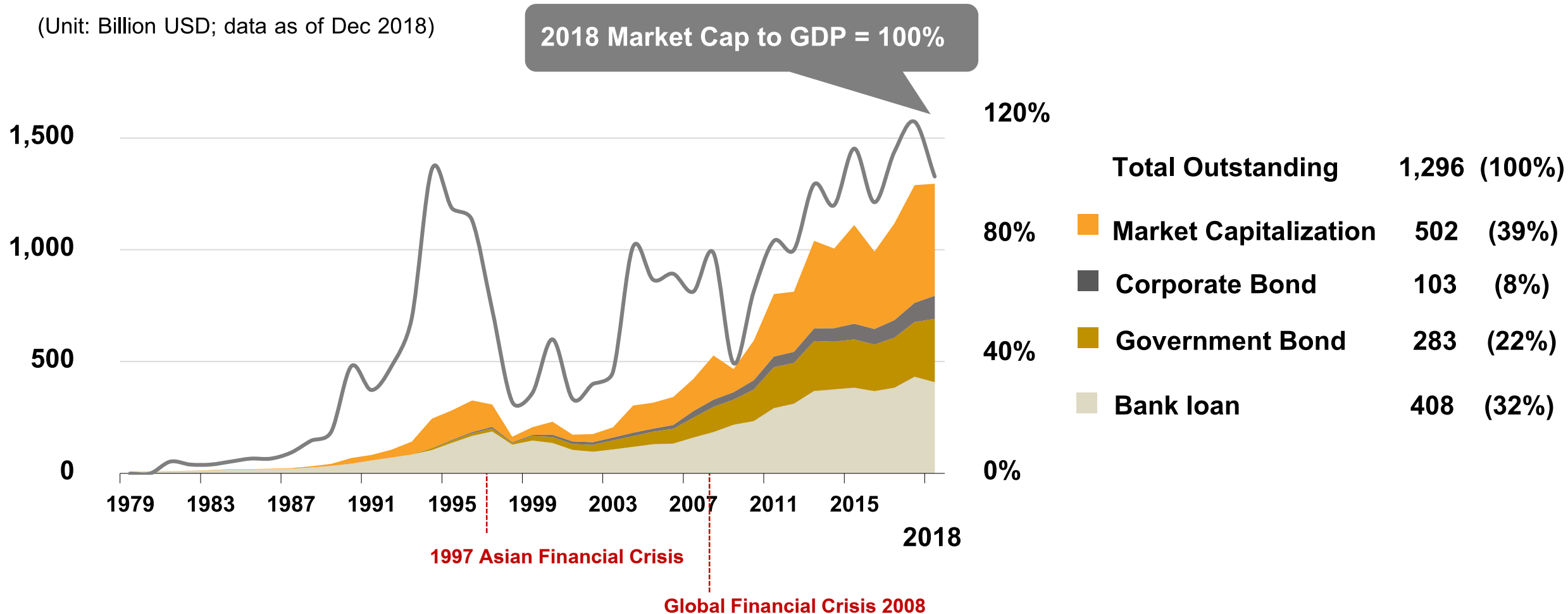
**II. Future**

# The capital market plays an important role in the development of Thai economy



## Thailand's outstanding value of Bank loan, Equity market and Bond market

(Unit: Billion USD; data as of Dec 2018)



Note: Market cap and bond outstanding as end of December 2018, bank lending as end of Oct 2018

Source: The Stock Exchange of Thailand, Bank of Thailand, ThaiBMA, NESDB GDP

# Thailand has become the largest fund raising venue in ASEAN and IPO has generated growth to a variety of business sectors



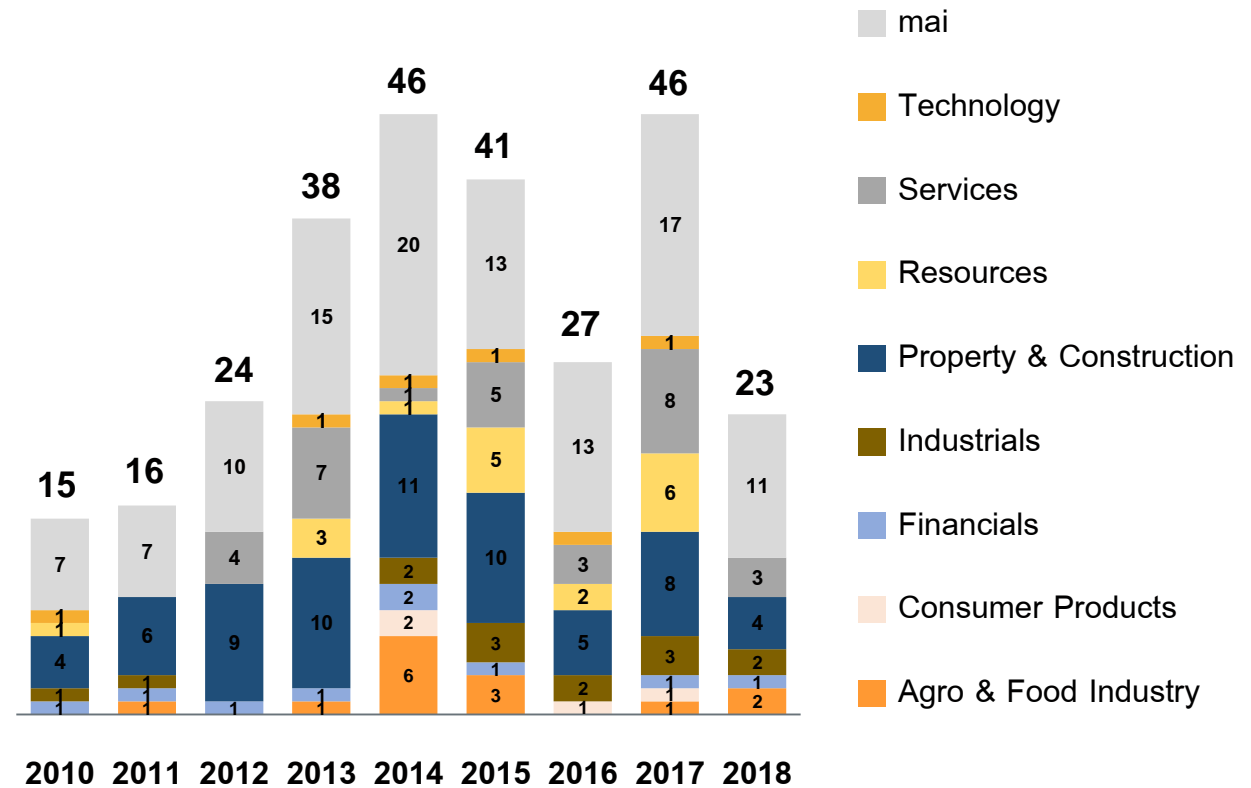
## Size of IPO issued in ASEAN exchanges

(Unit: million USD)

Country	2014	2015	2016	2017	2018	2014 – 2018
Thailand	3,024	4,350	1,503	3,428	2,607	14,913
Singapore	2,550	325	1,520	3,257	522	8,174
Malaysia	1,251	1,283	293	1,718	167	4,783
Indonesia	768	878	1,043	709	1,287	4,685
Vietnam*	161	10	3	1,165	2,441	3,780
Philippines	316	116	1,017	454	174	2,077

\*Vietnam exclude The Unlisted Public Company Market (UPCoM)

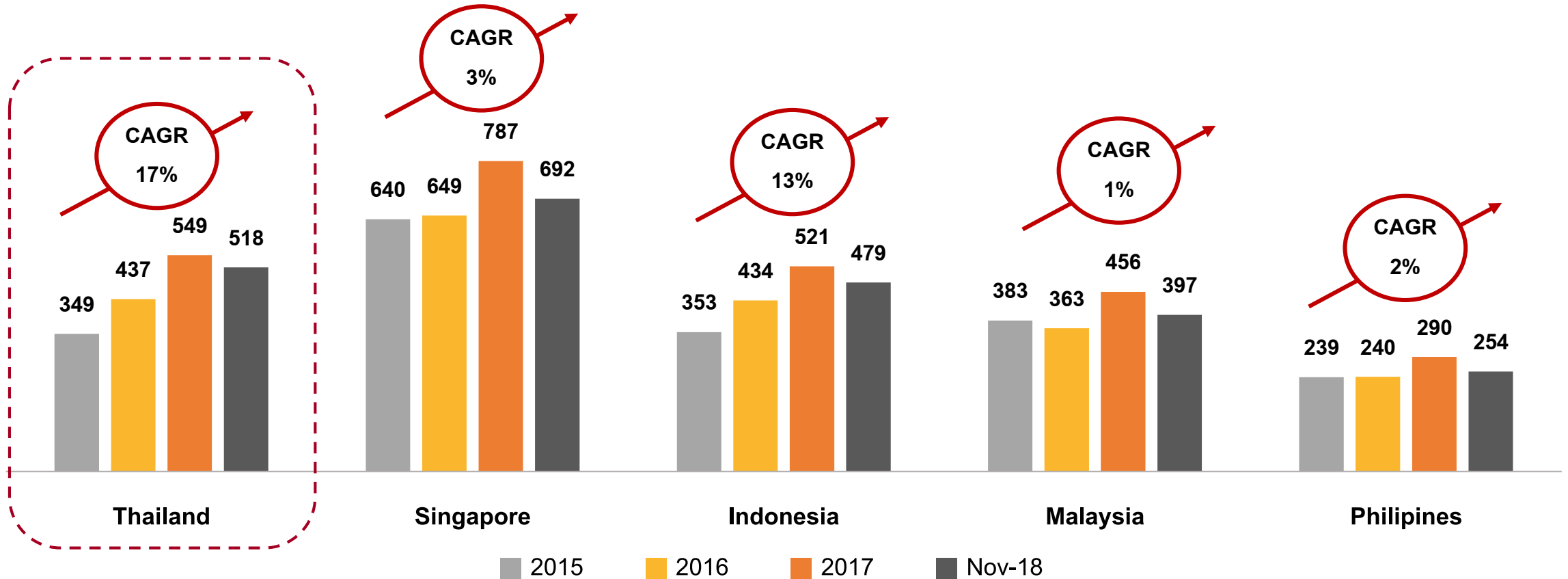
## Number of listed companies raising fund through IPO



# Thai stock market's size has grown significantly

## Market capitalization of ASEAN Exchanges (2015 – Nov 2018)

(Unit: billion USD)

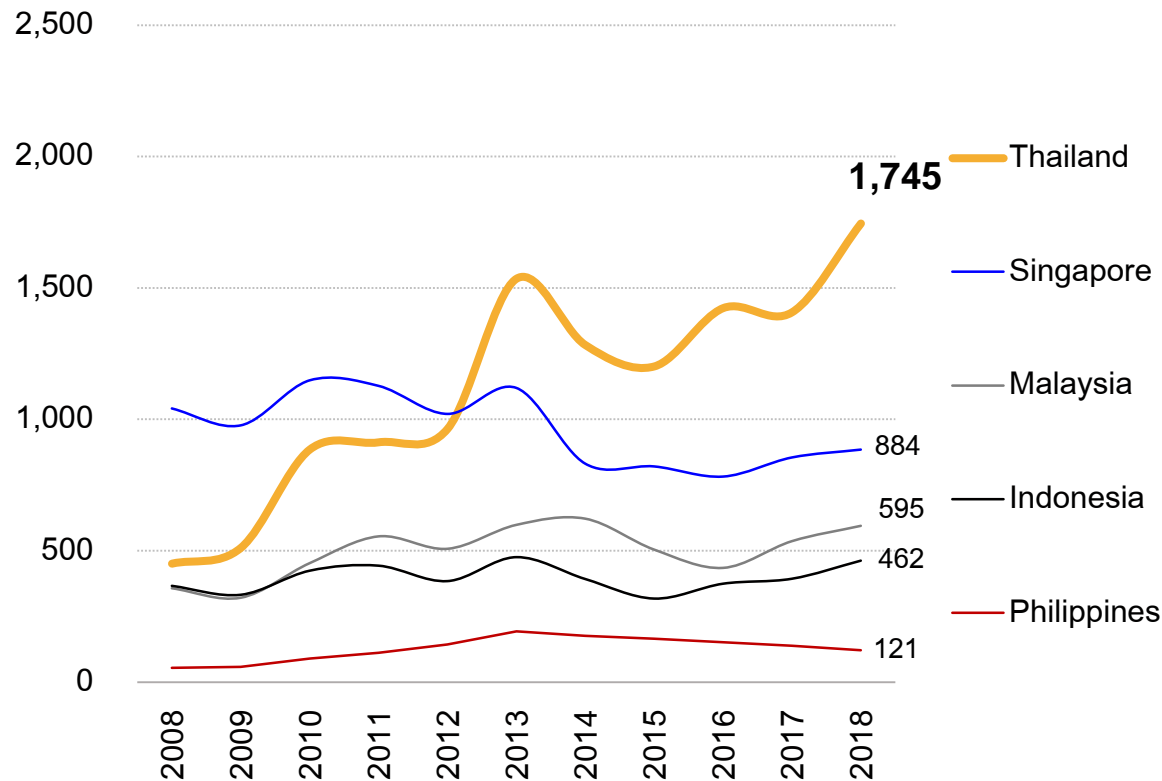


# Thailand has become the most liquid capital market since 2012, foreign trading proportion also increased



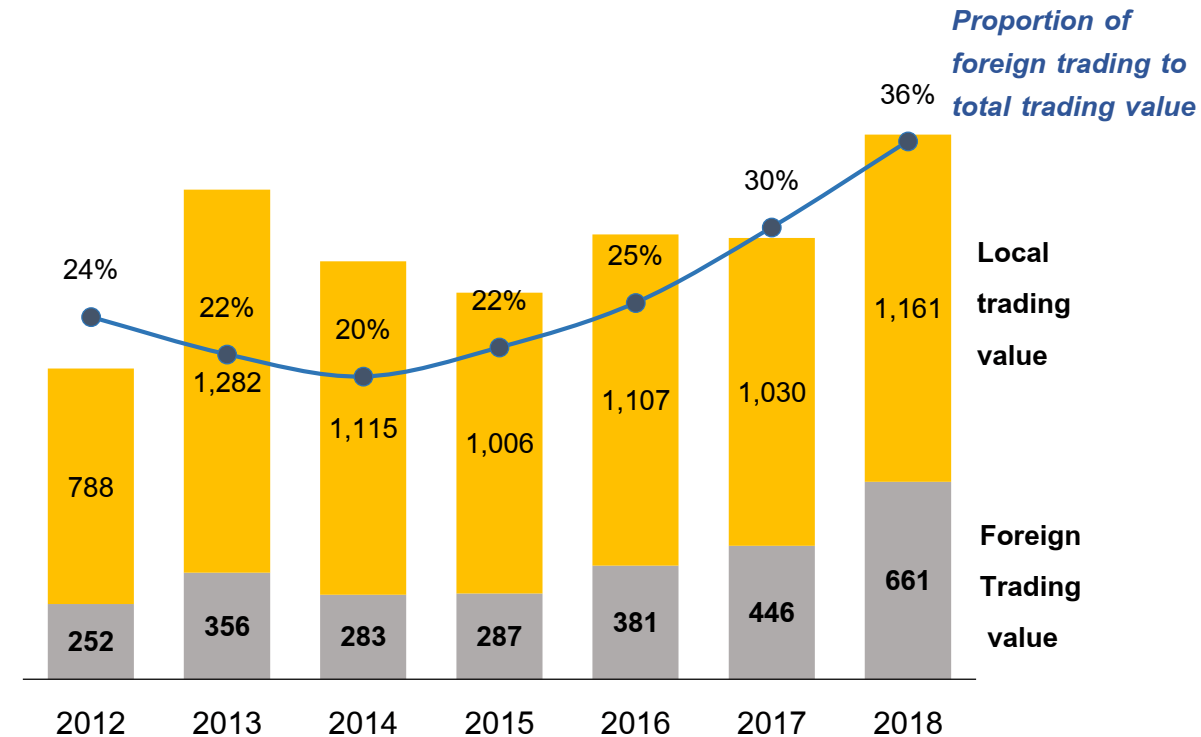
## Average daily trading value of equity markets

(Unit: million USD; data as of Dec 31, 2018)



## Thailand average daily trading value by investor type

(Unit: million USD per day ; data as of Dec 31, 2018)



# Thailand is recognized as a leader in capital market corporate governance



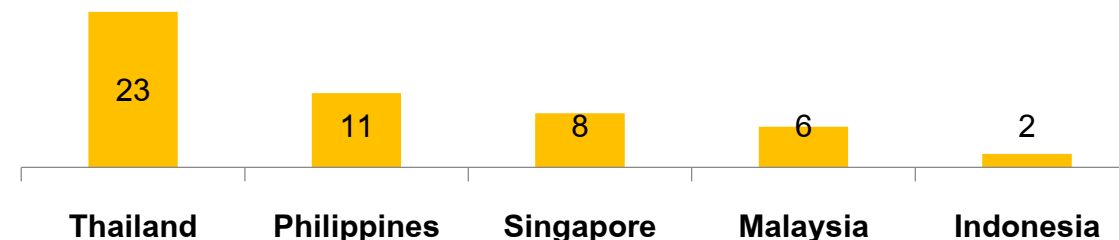
## CG Watch 2018 – Market rankings

(Unit: %)

Country	2010	2012	2014	2016	2018
1. Hong Kong	65	66	65	65	60
2. Singapore	67	69	64	67	59
3. Malaysia	52	55	58	56	58
4. Taiwan	55	53	56	60	56
<b>5. Thailand</b>	<b>55</b>	<b>58</b>	<b>58</b>	<b>58</b>	<b>55</b>
6. Japan	57	55	60	63	54
6. India	49	51	54	55	54
8. Korea	45	49	49	52	46
9. China	49	45	45	43	41
10. Philippines	37	41	40	38	37
11. Indonesia	40	37	39	36	34

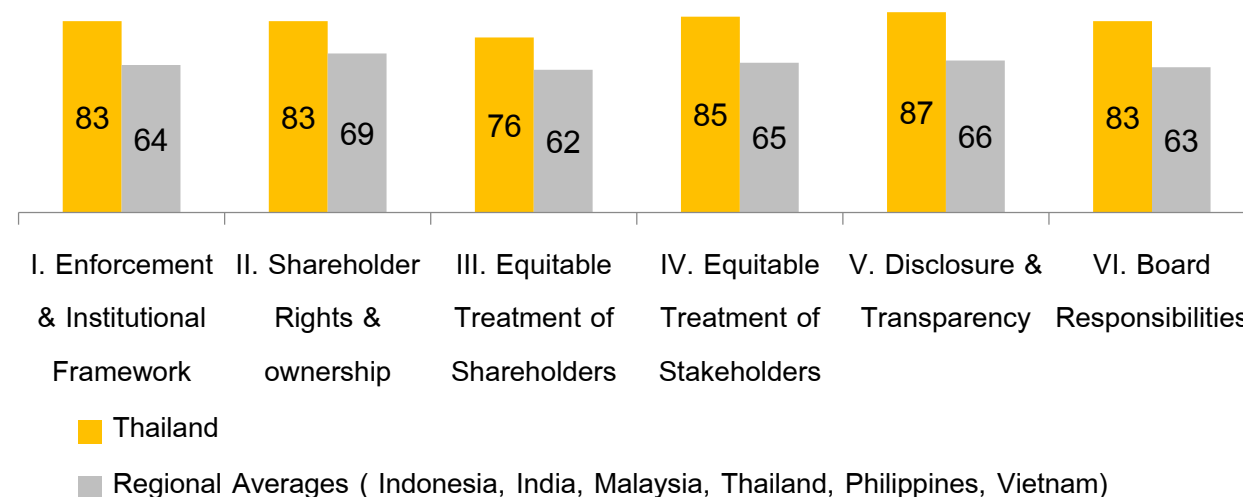
Source: Asian Corporate Governance Association.

## Number of top 50 companies awarded 2015 ASEAN CG scorecard



Source: Asian Development Bank

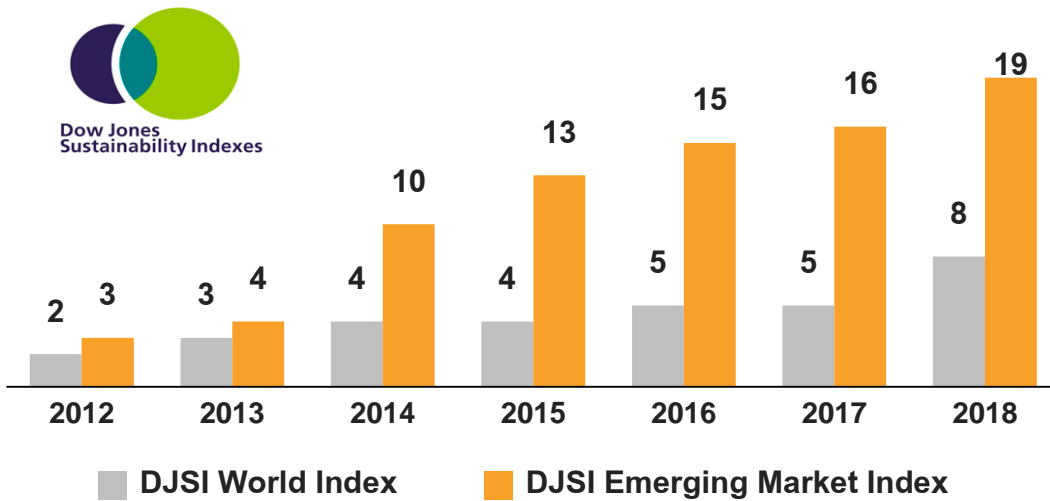
## CG country assessment score



# Thai listed companies continue to perform strongly on sustainability



## Number of Thai listed companies in DJSI Index

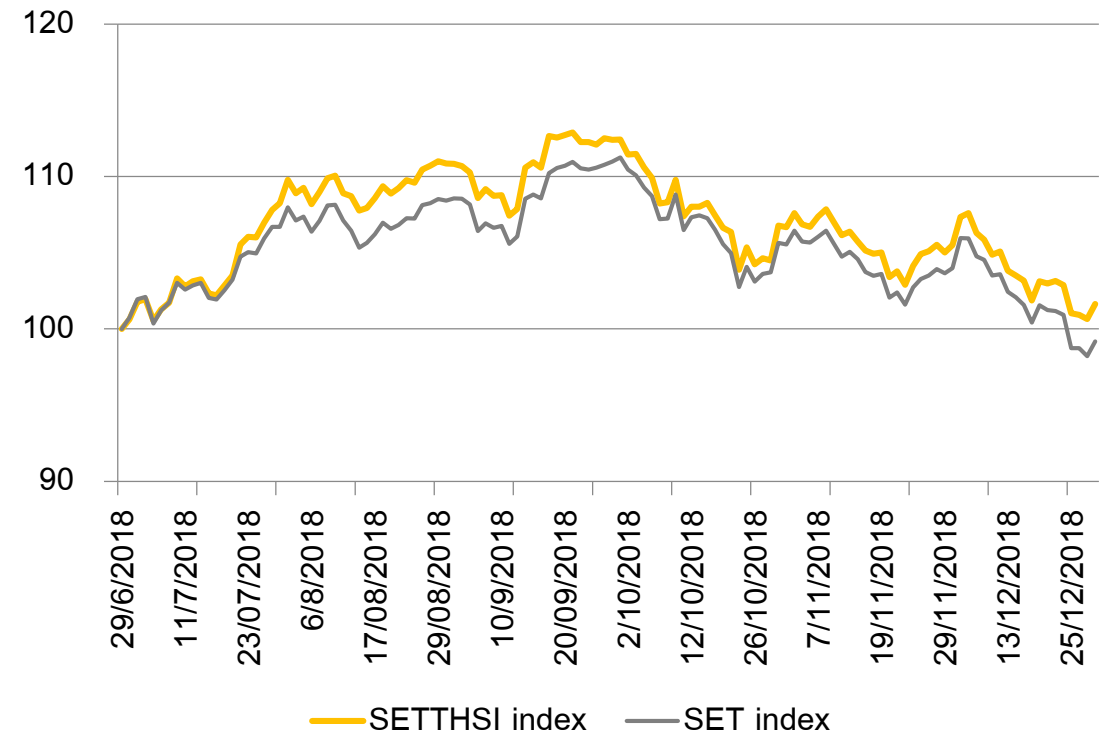


**45** Thai listed firms selected into 2017 SET THSI Index

**52%** of Market Cap on SET & mai

## SETTHSI vs SET total return index performance





(data as of Dec 28, 2018)





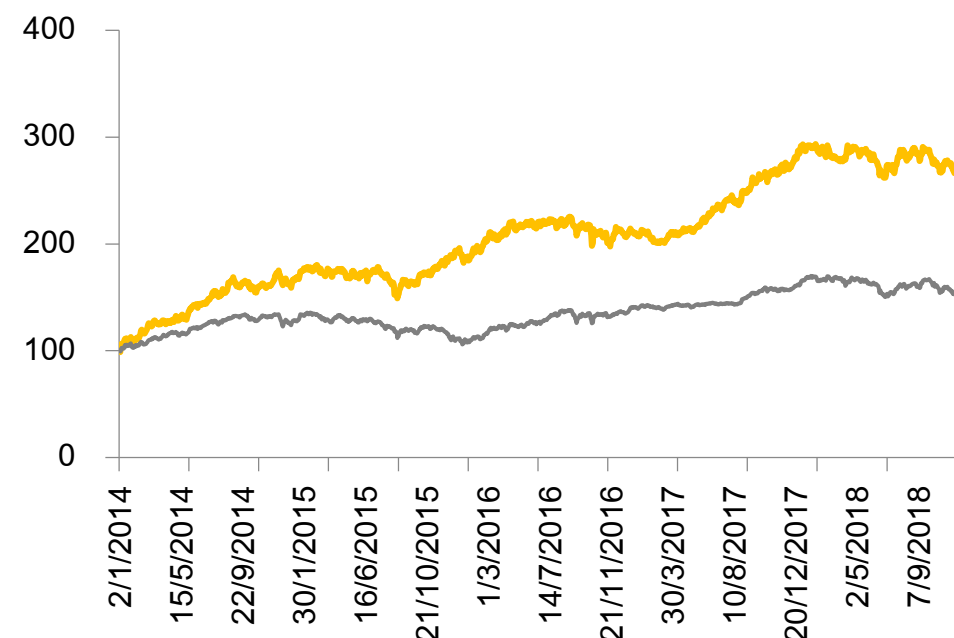
# Positioning the Thai capital market as the “Market of Well-being”



Company / GICs sector	Market capitalization (billion USD)	Ranked in global sector	Business hi-light
 Airport service	28.4	1 <sup>st</sup> (from 57 firms)	Operates 6 international airports in Thailand and serves 140 million passengers a year
 Health care facilities	12.0	2 <sup>nd</sup> (from 204 firms)	30% of customers from abroad
 Real estate operating	10.8	8 <sup>th</sup> (from 644 firms)	Thailand largest retail developer with 30 shopping centers in Thailand and 1 developing project abroad
 Hotel & resort	5.1	14 <sup>th</sup> (from 521 firms)	Operates hotels in 26 countries and restaurant presence in 20 countries

## Thai global leaders well - being stocks vs SET total return

(data as of Dec 28, 2018)

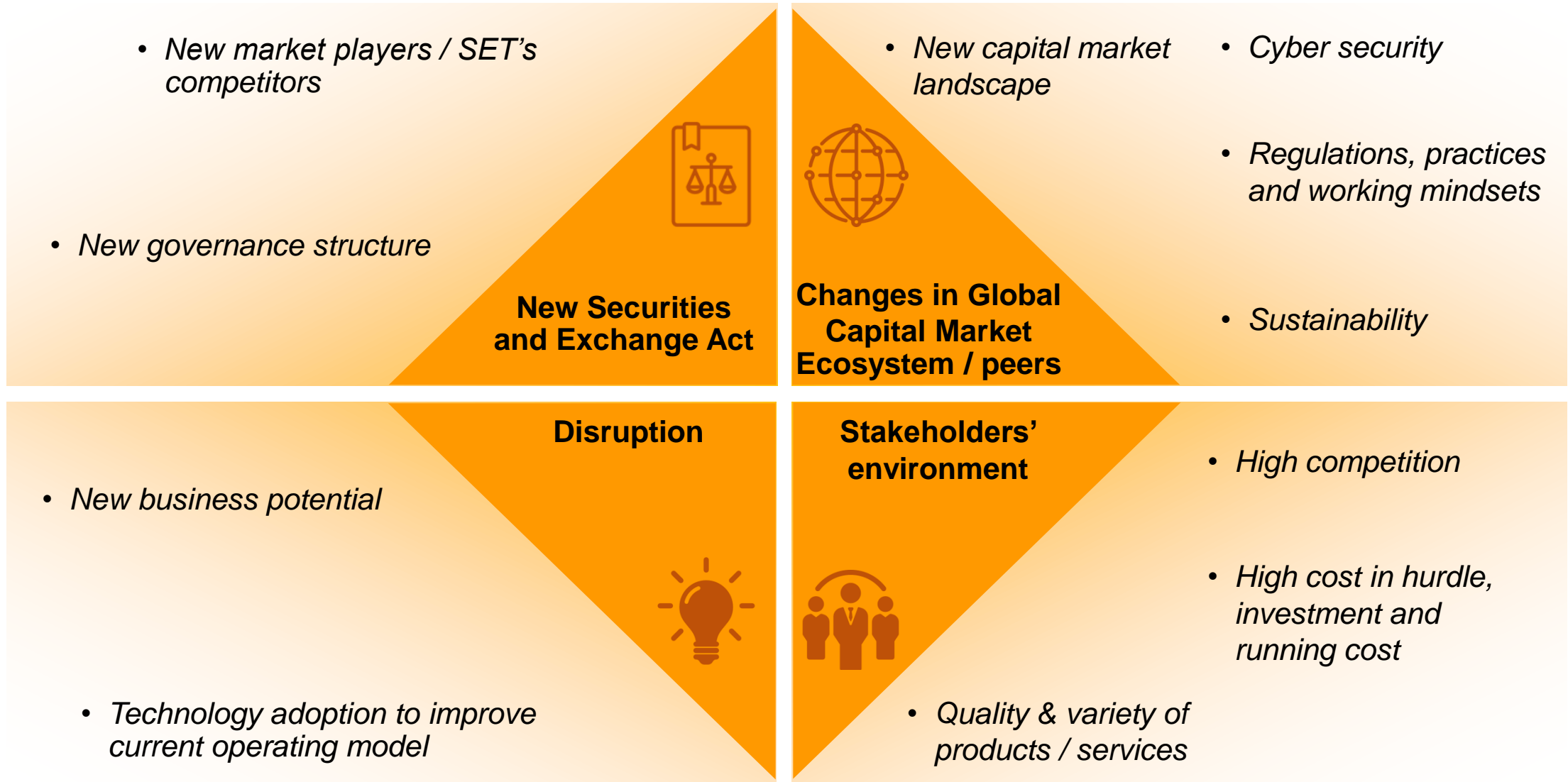


— Well being stocks\* — SET index

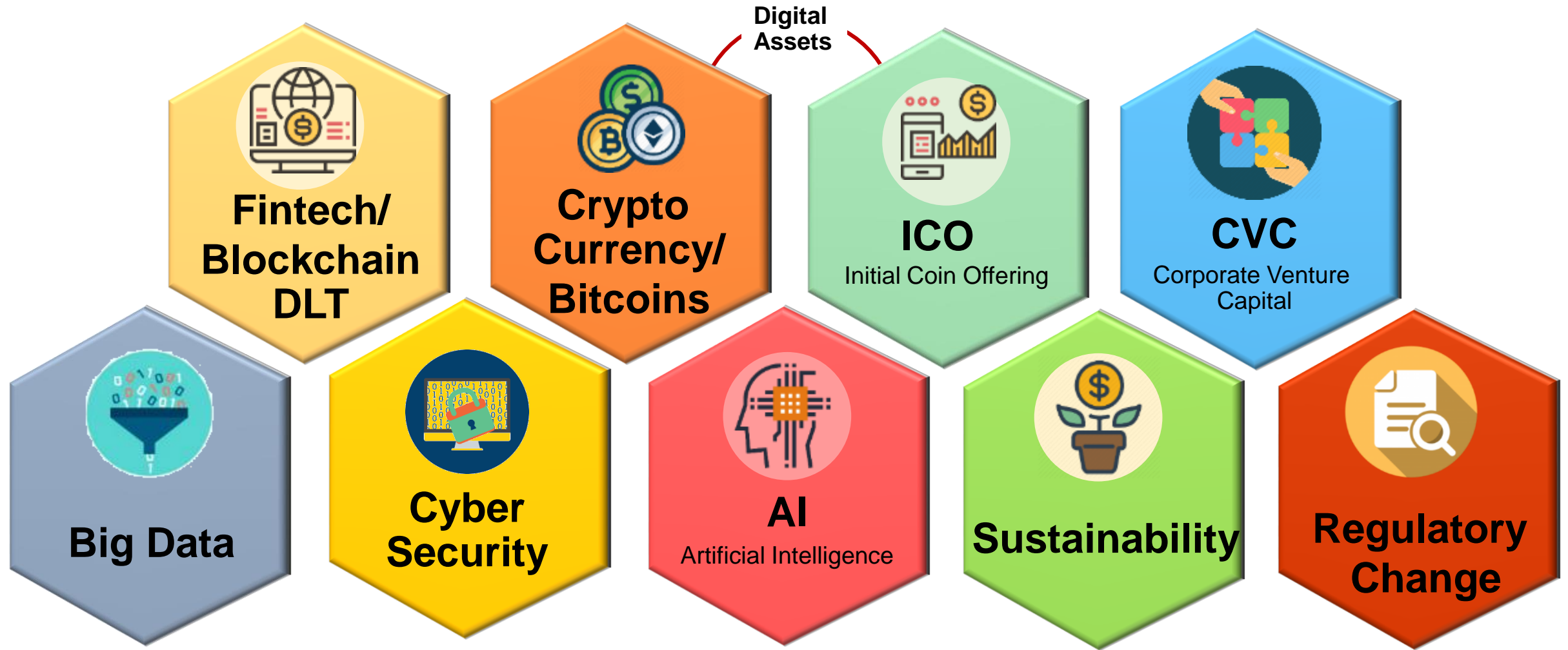
\*Well being stocks total return calculated equal weight of AOT, BDMS, CPN, MINT total return.

## I. Present

## II. *Future*



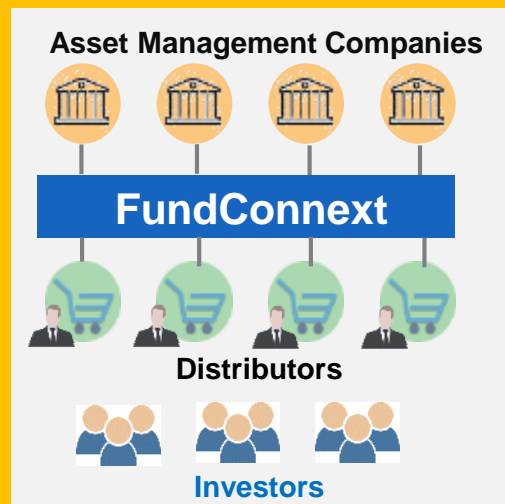
# Trends that redefine the financial market environment



# FundConnex

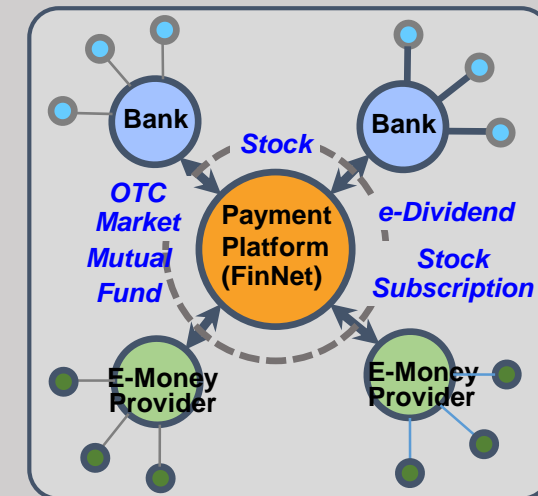


Fund Service Platform to broaden access to mutual funds



# FINNET

A payment platform for capital market in order to enhance the efficiency

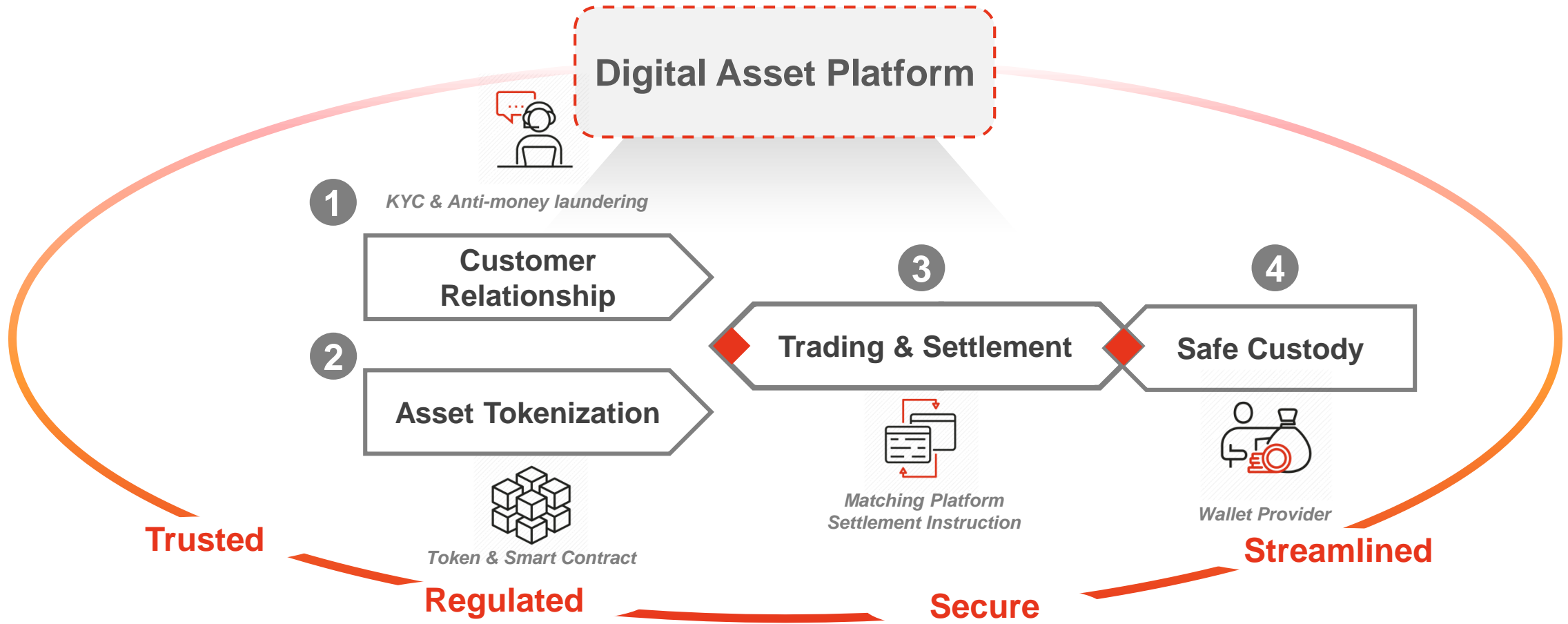


# T+2 Settlement

Starts on March 2, 2018.  
SET be one of the pioneer exchanges in ASEAN to move toward the T+2 cycle.



Blockchain-based platform for startup business fund raising. Designed for Accredited Investor (AI)



# Strengthen positioning towards sustainability





[www.set.or.th](http://www.set.or.th)