

Headline	BTSFUND KEEPS SET ON A ROLL
Media Title	Bangkok Post
Date	22 April 2013
Section	Business
Page No	B10
Language	English



BTS FUND KEEPS SET ON A ROLL

Recap: The market survived a short but tumultuous week after gold plunged while Thailand was celebrating Songkran. Gold lost 10% on reports that Cyprus would sell 10 tonnes from its reserves, leading to fears that other euro zone countries would follow.

The SET Index traded in the range of 1,510.38 and 1,551.08 and closed at 1,527.32, up 1.2% from the week before, with daily average turnover of 51.15 billion baht.

Foreign investors were net buyers of just 11.66 million baht and institutional investors bought 1.86 billion. Brokers were net sellers of 948.76 million baht and retail investors sold 921.19 million.

Big movers: BTS Mass Transit Growth Infrastructure Fund (BTSGIF) gave the market a lift with its debut on Friday, gaining 11.1% from its IPO price with turnover of 3.26 billion baht. Tops in trading value were Shin Corp (INTUCH), rising 6.9% to 85 baht; ADVANC, up 1.6% to 261 baht; and SCB (XD), down 2.25% to 173.50 baht.

Newsmakers: Local gold prices tumbled 2,400 baht per baht-weight to below 19,000 baht on Wednesday as shops reopened after the Songkran holiday when global prices plunged. The Thailand Futures Exchange (TFEX) used its circuit breaker to halt trading for 30 minutes to curb panic sales.

◆ Thailand Clearing House (TCH) today is raising maintenance and initial margin requirements for gold and silver futures. The new maintenance margin for 50-baht-weight gold contracts will be 40,000 baht, up from 30,000 baht, and the initial margin rises to 76,000 baht from 57,000 baht. For 10-baht-weight contracts, the new

maintenance and initial margins are 8,800 baht and 15,200 baht, while those for silver are 5,500 baht and 10,450 baht, respectively.

◆ The World Bank forecast the Thai economy would grow 5.3% this year, up from its 5% prediction in December, and lifted its 2014 forecast to 5% from 4.5%.

◆ China's GDP grew 7.7% year-on-year in the first quarter, down from 7.9% in the previous quarter and below forecasts of 8%.

◆ The IMF cut its world growth forecast to 3.3%, from 3.5% in January. It forecast a 0.3% contraction for the euro zone and cut its US forecast to 1.9% from 2%.

◆ Local banks opened the first-quarter earnings season with Siam Commercial Bank (SCB) reporting a 26.8% year-on-year rise in net profit to 13.1 billion baht. TMB reported 125% growth to 1.82 billion baht, and TISCO said its profit grew 37.9% to 1.15 billion baht.

◆ The baht hit a 16-year high at 28.61/65 on Friday, raising concerns that the government's 9% export growth target might not be met.

◆ Finance Minister Kittiratt Naranon admitted he'd often thought about sacking the central bank chief for refusing to cut interest rates to cool the baht and help exporters. The minister added, however, that he thinks about a lot of things every day but it doesn't mean he's going to do them.

◆ Motor vehicle production in March rose 34.3% to 256,231 and exports rose 14.4% to 102,742.

Coming up this week: Thai export data for March will be released, with expected impact from the baht's strength, which will top the agenda when the Federation of Thai Industries meets.

◆ US new home sales and the preliminary manufacturing PMI for April are due tomorrow, as is the HSBC PMI for China.

◆ Siam Cement (SCC) will report Q1 earnings on Wednesday.

Stocks to watch: Kasikorn Securities recommends stocks with a solid Q1 earnings outlook, especially hotels, construction and retail. It has buy ratings on BEC, MAJOR, THAI, TTA, ERAWAN, MINT, CPALL, SINGER and CK.

◆ Thanachart Securities recommends buying BTS, JAS, AOT, DEMCO and INTUCH as Q1 profit plays. It also recommends SANSIRI and QHOUSE as they lag their peers.

Technical view: K-Sec sees resistance at 1,580 and 1,600, with support at 1,540 and 1,520. Thanachart sees resistance at 1,570 and support at 1,525.