



Financial Performance of Thailand's Securities Industry

Data as of June 2019

Highlight

- In 1H-2019, Thai securities industry report a net profit of THB3.51 billion, improving 16%HoH, but falling 37%YoY due to a fall in brokerage fee (both securities and derivatives) as well as interest incomes.
- ROE in 1H-2019 was at 6.6%, which was much lower than 10.4% in the same period of last year and the 10-yr average level of 10.9%.
- Average commission rate (exclude proprietary trading) for 1H-2019 was at 0.09%, fell from 0.1% at the end of 2018

Key Financial Ratio

	10-yr Average	1H-2019
ROE (%)	10.9%	6.6%
ROA (%)	3.7%	1.7%
Net Profit Margin (%)	22.3%	16.7%
Cost to Income Ratio	0.71	0.79
Debt to Equity Ratio	2.08	2.79

Aggregate Income Statement of Securities Companies 1H-2019

(unit : mil. baht)	1H-2018	2H-2018	1H-2019	%HoH	%YoY
Brokerage – Securities	13,644	10,159	9,222	-9%	-32%
Brokerage - Derivatives	1,736	1,421	1,390	-2%	-20%
Underwriting	416	1,149	531	-54%	28%
Financial Advisory	522	385	466	21%	-11%
Gains (loss) on Securities* & Derivatives - net	1,811	2,047	3,499	71%	93%
Gains (loss) on Securities*	-5,386	-1,941	5,583	387%	204%
Gains (loss) on Derivatives	7,197	3,988	-2,084	-152%	-129%
Interest and Dividend	2,407	1,757	2,199	25%	-9%
Interest on margin loans	1,982	1,852	1,734	-6%	-13%
Others	2,290	2,030	1,984	-2%	-13%
Total Revenue	24,808	20,800	21,025	1%	-15%
Expenses on Borrowing	1,411	1,308	1,237	-5%	-12%
Fee & Service Expenses	2,452	2,112	2,211	5%	-10%
Provision for Bad Debt / Doubtful Account	125	-35	-21	-40%	-117%
Personnel Expenses	9,297	8,742	8,595	-2%	-8%
Other Expenses**	4,575	4,791	4,628	-3%	1%
Total Expenses	17,860	16,918	16,650	-2%	-7%
Corporate Tax	1,397	849	865	2%	-38%
Net Profit	5,551	3,033	3,510	16%	-37%

%YoY change in Green = positive impact to P&L, %YoY change in Red = negative impact to P&L

Source : SEC (data from Bor.Lor.2/1) * Both trading and revaluation **Including rentals, depreciation, entertainments and others

Aggregate Income Statement of Securities Companies Q2-2019

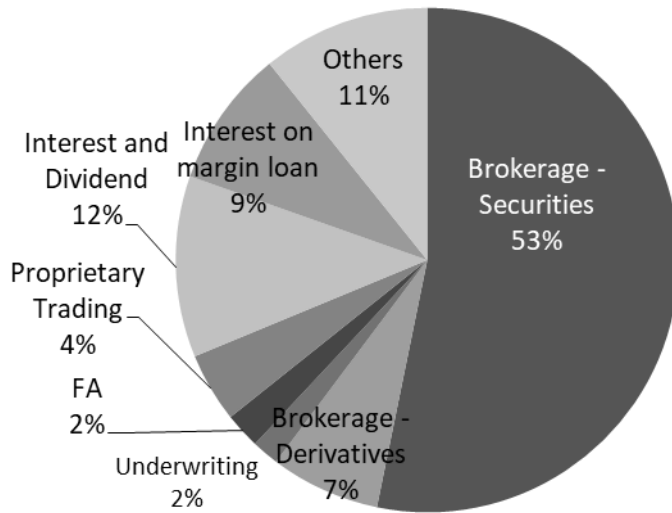
(unit : mil. baht)	Q2-2018	Q3-2018	Q4-2018	Q1-2019	Q2-2019	%QoQ	%YoY
Brokerage – Securities	5,884	5,510	4,649	4,511	4,710	4%	-20%
Brokerage - Derivatives	779	736	685	686	704	3%	-10%
Underwriting	193	183	966	239	292	22%	51%
Financial Advisory	254	225	160	300	166	-45%	-35%
Gains (loss) on Securities* & Derivatives - net	494	875	1,172	940	2,560	172%	418%
Gains (loss) on Securities*	-4,751	2,492	-4,433	1,567	4,017	156%	185%
Gains (loss) on Derivatives	5,245	-1,617	5,605	-627	-1,457	-132%	-128%
Interest and Dividend	1,285	1,004	753	1,041	1,158	11%	-10%
Interest on margin loans	975	934	919	862	872	1%	-11%
Others	1,193	872	1,156	800	1,184	48%	-1%
Total Revenue	11,057	10,339	10,460	9,379	11,646	24%	5%
Expenses on Borrowing	700	653	655	592	645	9%	-8%
Fee & Service Expenses	1,146	1,115	997	1,025	1,186	16%	3%
Provision for Bad Debt / Doubtful Account	65	-11	-25	2	-23	-1,250%	-135%
Personnel Expenses	4,352	4,294	4,448	4,210	4,385	4%	1%
Other Expenses**	2,245	2,255	2,537	2,282	2,346	3%	4%
Total Expenses	8,508	8,306	8,612	8,111	8,539	5%	0.4%
Corporate Tax	525	452	397	271	594	119%	13%
Net Profit	2,025	1,582	1,451	997	2,512	152%	24%

%YoY change in Green = positive impact to P&L, %YoY change in Red = negative impact to P&L

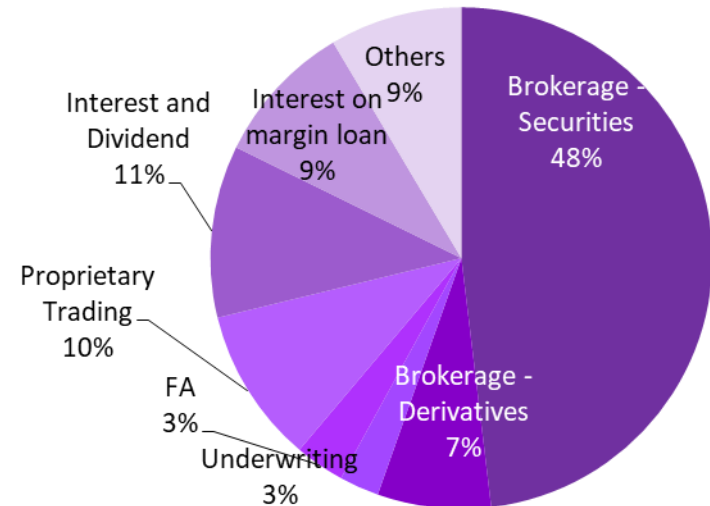
Source : SEC (data from Bor.Lor.2/1) * Both trading and revaluation **Including rentals, depreciation, entertainments and others

Revenue Structure of Securities Companies

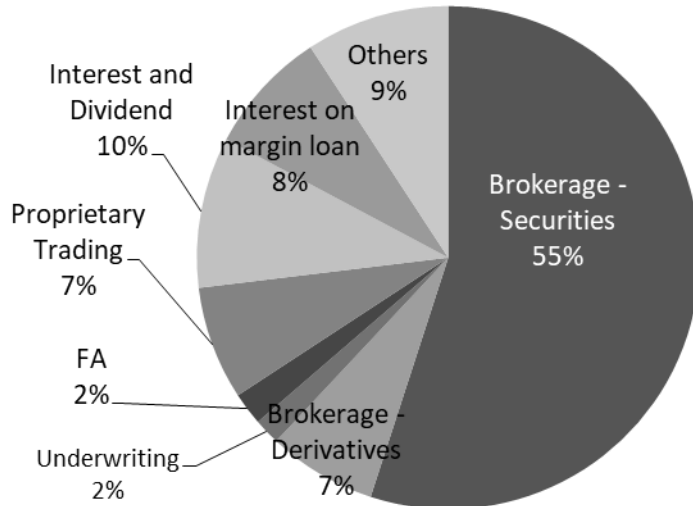
Q2-2018



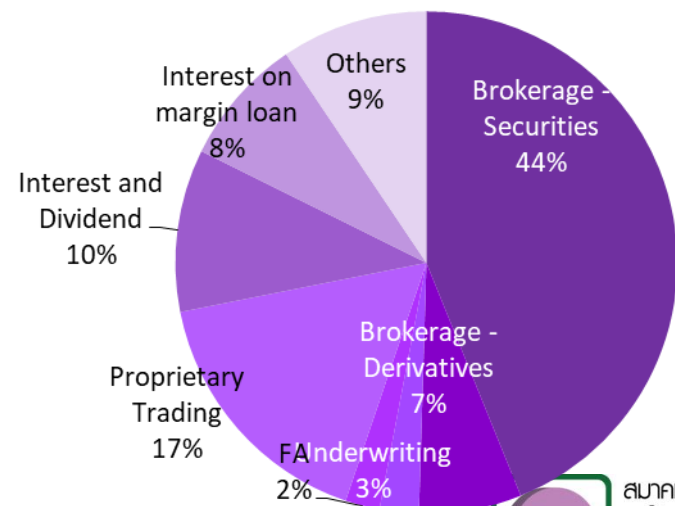
Q2-2019



1H-2018

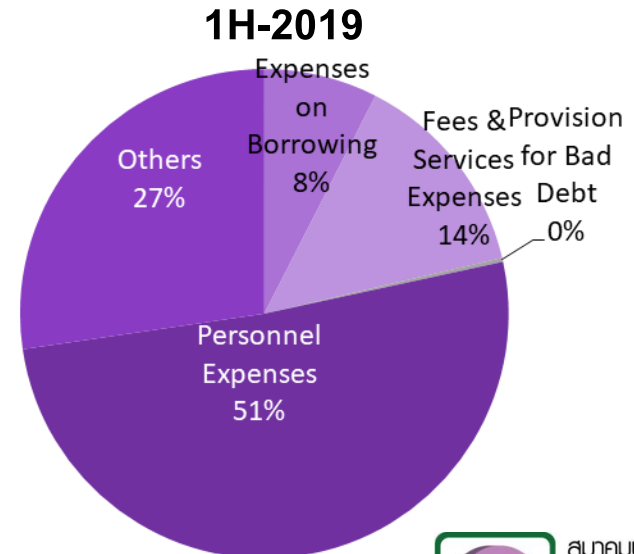
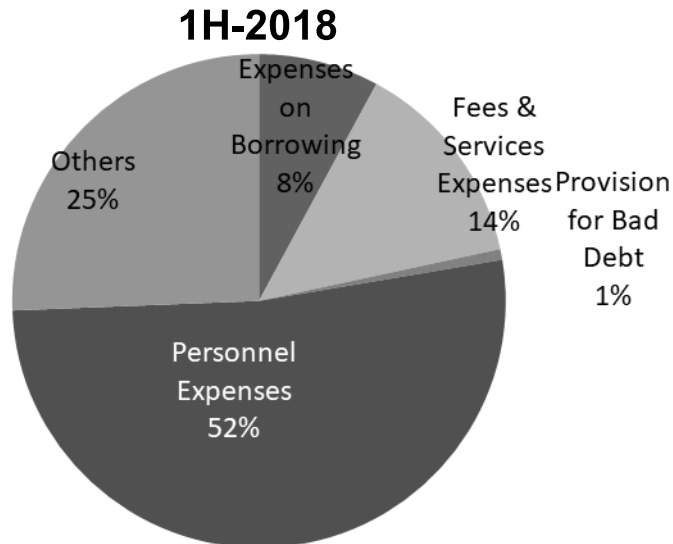
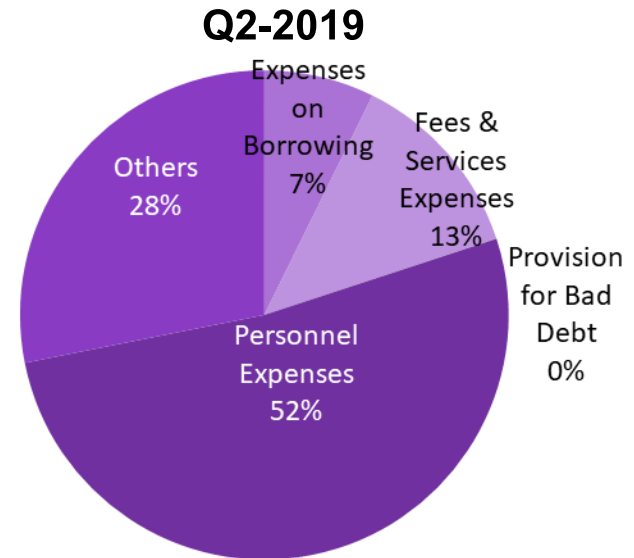
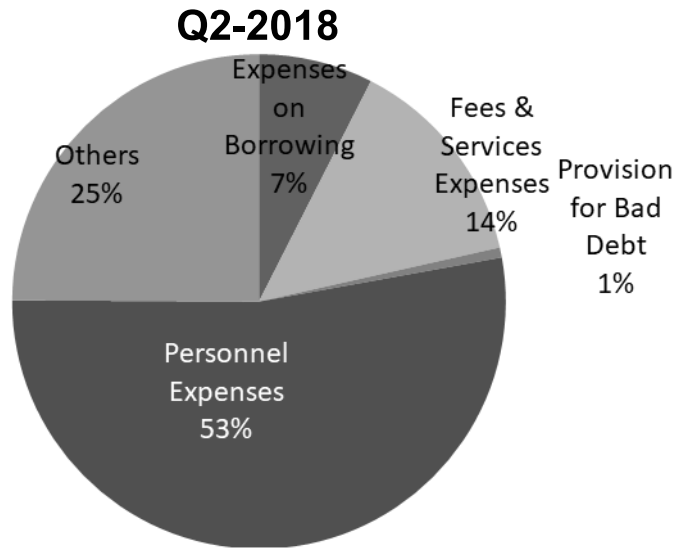


1H-2019



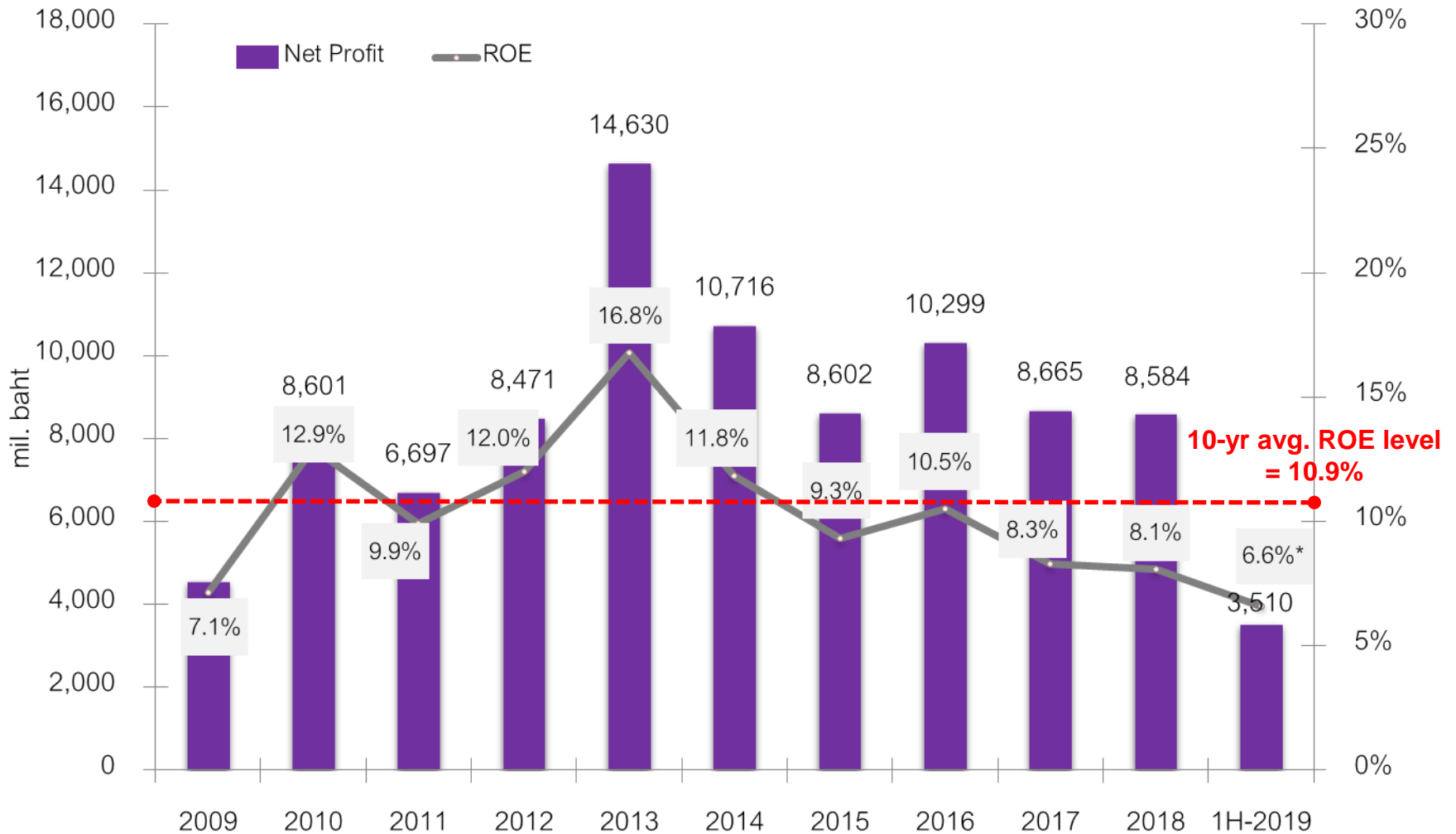
Source : SEC (data from Bor.Lor.2/1)

Expenses Structure of Securities Companies



Source : SEC (data from Bor.Lor.2/1)

Net Profit and ROE of Securities Companies



*annualized

Source : SEC (data from Bor.Lor.2/1)

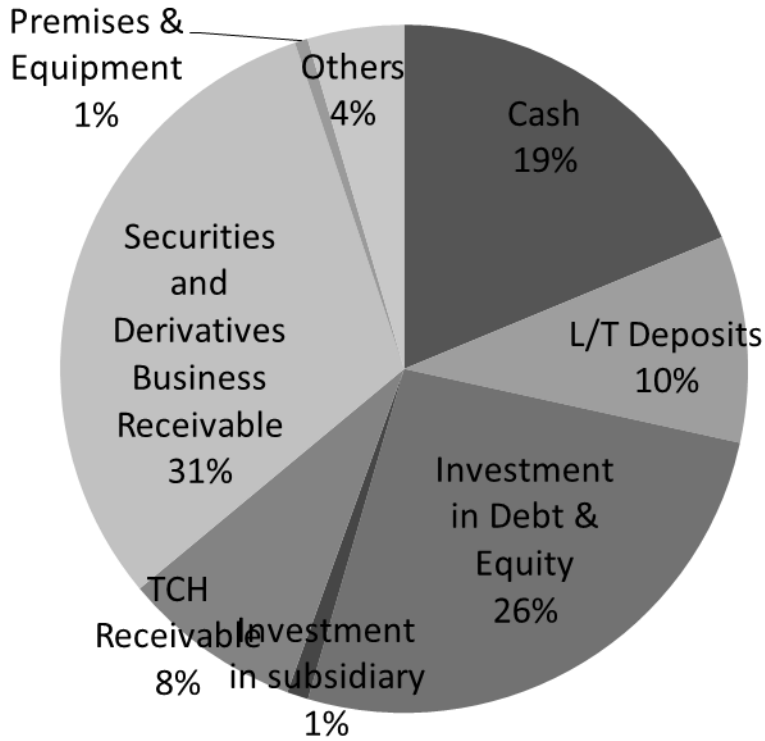
Aggregate Balance Sheet of Securities Companies

(unit : mil. baht)	Q2-2018	Q2-2019	%YoY
Cash and cash equivalents	73,297	79,549	8.5%
Receivables from Clearing House	33,012	28,287	-14.3%
Securities & Derivatives business receivables - net	120,710	118,562	-1.8%
Investments* - net	139,806	151,313	8.2%
Loans	1,826	3,009	64.8%
Investments in subsidiaries and associates – net	3,922	3,781	-3.6%
Properties, plants and equipment – net	2,392	2,096	-12.4%
Intangible assets – net	2,791	3,027	8.5%
Other assets			-5.3%
Total Asset	390,883	402,051	2.9%
Borrowings from financial institutions	19,474	30,519	56.7%
Payable to Clearing House	13,709	11,285	-17.7%
Securities & Derivatives business payables	186,350	201,771	8.3%
Other debt instruments	48,397	32,922	-32.0%
Other liabilities	16,660	19,531	17.2%
Total Liabilities	284,590	296,028	4.0%
Total Equity	106,292	106,023	-0.3%

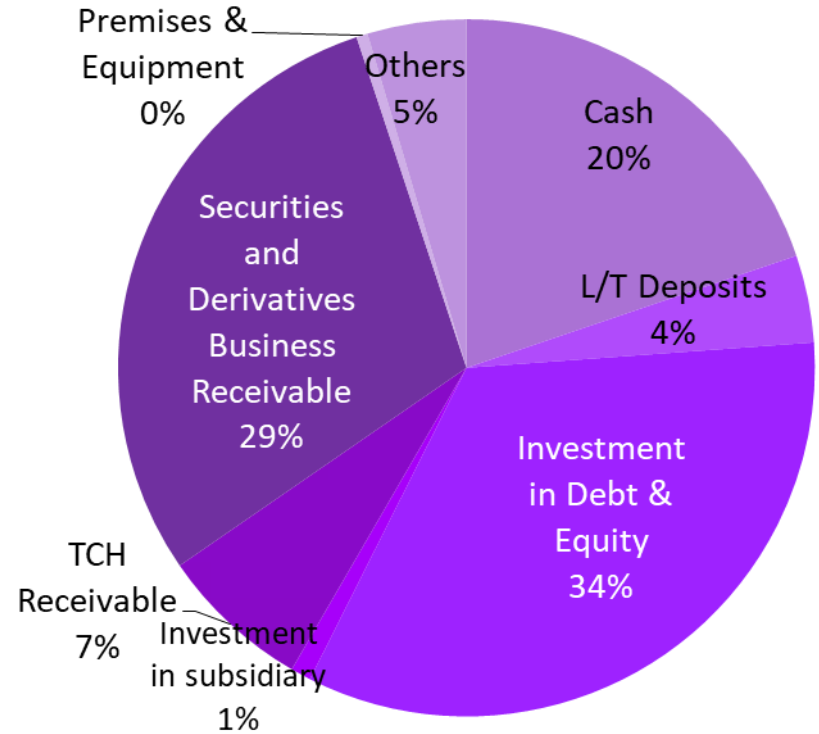
* Investments in Debt instruments & equity & deposits at financial institutions

Source : SEC (data from Bor.Lor.2)

Assets Structure of Securities Companies



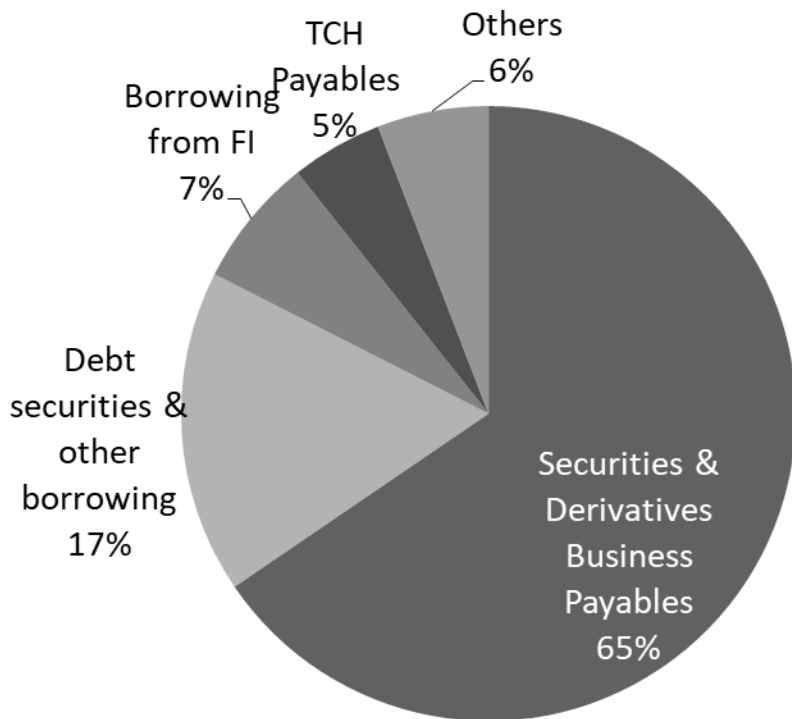
Q2-2018



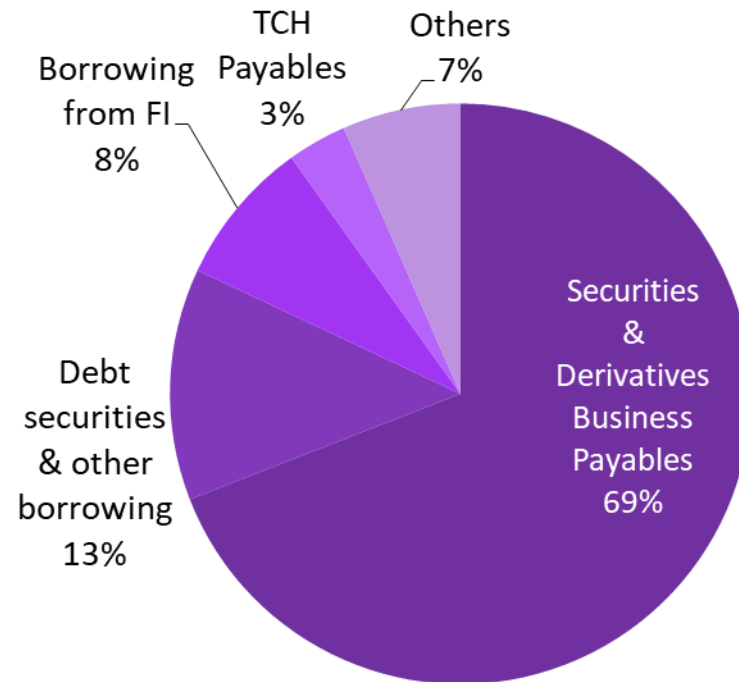
Q2-2019

Source : SEC (data from Bor.Lor.2)

Liabilities Structure of Securities Companies



Q2-2018



Q2-2019

Source : SEC (data from Bor.Lor.2)

Average Commission Rate - Equity

	2017			2018			1H-2019		
Type of Investor	Trading Volume* (Mil. Baht)	Brokerage Fee (Mil. Baht)	Avg. Commission Rate	Trading Volume* (Mil. Baht)	Brokerage Fee (Mil. Baht)	Avg. Commission Rate	Trading Volume* (Mil. Baht)	Brokerage Fee (Mil. Baht)	Avg. Commission Rate
Total	24,455,496	24,269	0.10%	28,260,155	23,803	0.08%	11,912,352	9,222	0.08%
Total (x-prop)	21,899,207	24,269	0.11%	24,790,495	23,803	0.10%	10,416,591	9,222	0.09%

*Trading Volume (Buy+Sell) in SET and mai

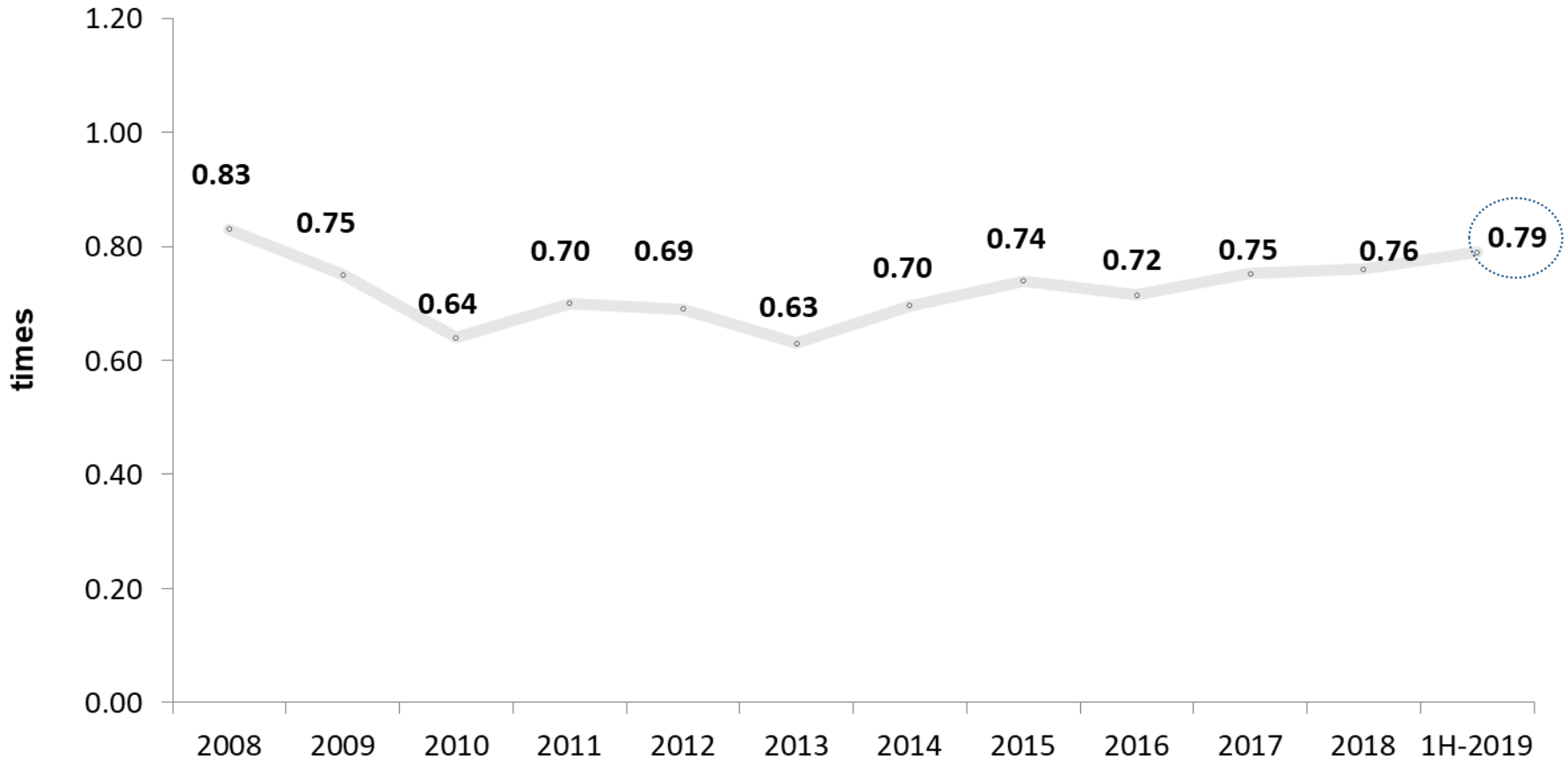
Source : SEC and SET

Average Commission Rate - Derivatives

2017			2018			1H-2019		
Trading Volume(L+S) (Contract)	Brokerage Fee (Mil. Baht)	Avg. Commission (Baht/Contract)	Trading Volume (L+S) (Contract)	Brokerage Fee (Mil. Baht)	Avg. Commission (Baht/Contract)	Trading Volume (L+S) (Contract)	Brokerage Fee (Mil. Baht)	Avg. Commission (Baht/Contract)
157,981,148	2,360	14.94	208,844,400	3,157	15.12	90,762,686	1,390	15.31

Source : SEC and SET

Cost to Income Ratio of Securities Companies*



*data at the end of each period

Source : SEC (data from Bor.Lor.2/1)

Disclaimer:

เอกสารนี้จัดทำขึ้นเพื่อเผยแพร่ข้อมูลและเพื่อการศึกษาเท่านั้น ซึ่งจัดทำขึ้นจากแหล่งข้อมูลต่างๆ ที่น่าเชื่อถือ โดยข้อมูลดังกล่าวเป็นเพียงข้อมูล ณ วันที่ปรากฏในเอกสารนี้เท่านั้น จึงอาจเปลี่ยนแปลงได้ภายหลังวันดังกล่าว หรือเมื่อข้อมูลที่เกี่ยวข้องมีการเปลี่ยนแปลง ทั้งนี้ สมาคมมิได้ยืนยัน ตรวจสอบ หรือรับรองความสมบูรณ์ ความถูกต้องครบถ้วน ทันกาลทันเวลา ของข้อมูลดังกล่าวแต่อย่างใด

สมาคมไม่รับผิดชอบต่อบุคคลใดๆ จากการเรียกร้องใดๆ ไม่ว่าจะในทางสัญญา ในการทำละเมิด รวมถึงความประมาท หรือเหตุอื่นใด ที่เกิดจากการตัดสินใจ หรือการกระทำใดๆ ที่เกิดจากความเชื่อถือในเอกสารดังกล่าว หรือในความเสียหาย ความสูญหาย ค่าสินไหมทดแทน หรือความรับผิดชอบใดๆ รวมถึงการสูญหายของข้อมูลหรือผลประโยชน์ ถึงแม้ว่าสมาคมจะได้รับแจ้งว่าอาจจะเกิดความเสียหายดังกล่าวขึ้นได้ก็ตาม