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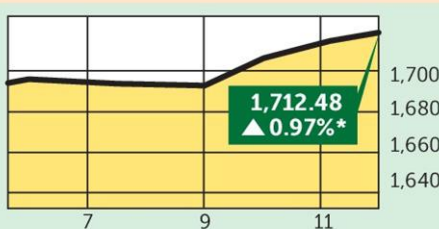
ELECTION DATE SPARKS SET, US RALLY CONTINUES

RECAP: US stock exchanges kept rising this week despite increasing signs of mixed opinions among US Federal Reserve members on interest rates, as investors focused on the operating results of major US listed companies.

Domestic factors had a greater effect on the local market than external ones. The SET index broke 1,700 points after Prime Minister Prayut Chan-o-cha affirmed that the general election would be held in November 2018. The index remained above the significant resistance line through Thursday.

The index moved between 1,687.97 and 1,719.60 points before closing the holiday-shortened week at 1,712.48, up 1% from the previous week, in heavy turnover averaging 68.14 billion baht a day. Foreign investors were net buyers for the second straight week of 5.09 billion baht, followed by brokerages at 1.76 billion and institutional investors at 1.46 billion, while retail investors sold 8.32 billion baht worth of shares.

NEWSMAKERS: The International Monetary Fund (IMF) has cut its forecasts for the US economy, and says it longer expects President Donald Trump's proposed tax cuts to happen. The IMF forecasts 2.2% growth this year and 2.3% in 2018, a decline from April when it projected 2.3% growth this year and 2.5% in 2018.



* From the previous week

BANGKOK POST GRAPHICS

- Tokyo's main stock index closed at a two-decade high on Wednesday as optimism spread across global markets. The Nikkei 225 added 0.3%, or 57.7 points, to end at 20,881.2. It was the best finish for the index since 1996 and followed fresh record highs on Wall Street overnight.
- China and South Korea have failed to extend their US\$56-billion currency swap deal amid diplomatic tension over Seoul's installation of a controversial US missile shield. The extension of the eight-year-old deal had been seen as a yardstick for relations between the two neighbours.
- Euro zone finance ministers are reviewing the role of their bailout fund in euro zone integration. Most believe the fund should continue

to be owned by governments, play a role in crisis prevention and become a backstop for a bank resolution fund. The European Stability Mechanism was created at the height of the sovereign debt crisis as a lender of last resort to governments. It has a lending capacity of €500 billion (US\$588 billion).

- China's top e-commerce firm, Alibaba Group Holding, is launching a \$15-billion drive to build overseas research hubs as it looks to compete with global leaders in e-commerce, logistics and cloud technology.
- Prime Minister Prayut Chan-o-cha has finally announced that a general election will be held in November next year after a week of confusion, though he has still not pinned down an exact date. The announcement resulted in a jump in the Thai stock market, which closed above 1,700 points on Tuesday for the first time in 24 years.
- Shares in Thai airlines moved sharply higher on Monday after the Thai authorities confirmed that the International Civil Aviation Organization had removed its "red flag" against Thailand for substandard aviation safety oversight and regulation.
- Prime Minister Prayut insisted on Tuesday that Thailand has not yet struck any deal to allow pork imports from the United States. He said he did not discuss the matter with US

President Donald Trump during his visit to the White House last week. However, Gen Prayut admitted it was a trade issue that a special committee needs to review.

- Cutting the exemption ceiling for first homes to 20 million baht from 50 million will nearly triple the number of residences subject to the land and buildings tax to 30,000, says Deputy Finance Minister Wisudhi Srisuphan. Passage of the law is looking increasingly doubtful, however.
- CP All ended sales of fresh draught beer at its 7-Eleven convenience stores in the face of strong opposition from anti-alcohol campaigners.
- TOA Paint Plc, a maker of decorative paint and coating products, began trading Tuesday on the SET, aiming to raise funds to expand three factories in the region. At 48.7 billion baht, TOA is the second-largest SET-listed company by market capitalisation to list this year, trailing TPI Polene Power Plc (58.8 billion) and ahead of B Grimm Power Plc (40.7 billion).
- Three groups of investors, one of them local, have shown interest in acquiring a sizeable stake in the state-owned Islamic Bank of Thailand. Local media recently reported Wichai Thongtang, a major shareholder of Bangkok Dusit Medical Services Plc, was among the interested investors.

COMING UP: China will release local lending data for September today. On Monday Beijing will release consumer and producer prices for September.

On Tuesday, Malaysia will release jobless figures for August and Singapore will release trade figures for September. The UK and EU will release September inflation data the same day.

STOCKS TO WATCH: Tisco Securities recommends shares of listed companies that will benefit from Thailand's economic growth and those with future business expansion plans in banking, commerce and media sectors. Also, those benefiting from the general election next year include TCAP, TMB, BEAUTY, BIG, COM7, ROBINS, PLANB, TKS, VGI, KBANK, BANPU, INTUCH, AMATA, JMART, ERW and MINT.

KT Zmico Securities forecasts banks will report good third-quarter earnings. Its stock picks are TCAP and equities in tourism (ERW) and petrochemicals (IRPC).

TECHNICAL VIEW: Bualuang Securities sees support at 1,680 points and resistance at 1,720. KT Zmico Securities sees support at 1,680 points and resistance at 1,750.