

Financial Performance of Thailand's Securities Industry

Data as of June 2024

Compiled by Business Development Department

Association of Thai Securities Companies



Industry Highlight

- Thai Securities Industry reported a sharp decline in 1H-2024 net profit to THB771 million, plunged by 69.9% year-on-year, on the back of falling brokerage income, a decline in financial advisory, underwriting fees and interest on margin loans. On the other hand, expenses saw only a slight decrease, as lower expenses on borrowing, fees & services, and personnel expenses were offset by a rise in Provision for Bad Debt / Doubtful Account in Q2-2024.
- The return on equity (ROE) in 1H-2024 was at 1.2% (annualized), which was lower than 4.0% (annualized) in 1H-2023 and well below the 10-year average level of 9.2%.
- The average commission rate for equity (excluding proprietary trading) for 1H-2024 stood at 0.063%, representing a continued downward trend from the 1H-2023, which marked at 0.067%.
- The average commission rate for derivatives decreased to 12.40 Baht/contract in 1H-2024 from 12.70 Baht/contract in 1H-2023

Aggregate Financials

(unit : in million of Baht)	Avg. 10-yr	2023	1H-2023	1H-2024
Brokerage Revenue*	28,155	19,090	10,531	7,773
Total Revenue	48,172	47,017	24,615	21,717
Total Expenses	36,284	41,591	21,189	20,276
Net Profit	9,456	3,768	2,563	771
Total Assets	400,111	504,394	522,120	455,417
Total Equities	105,845	124,522	127,429	124,739

*Securities + Derivatives brokerage

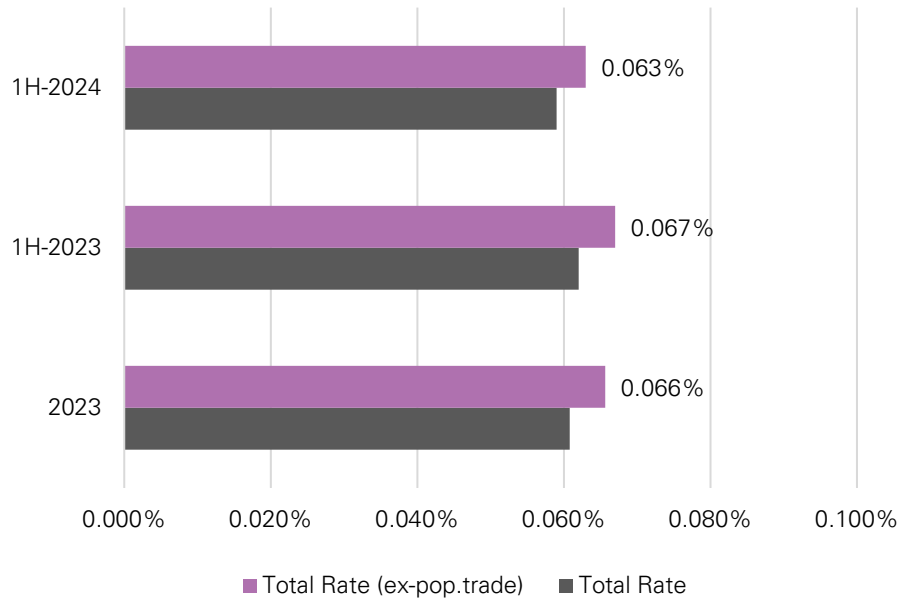
Financial Ratios

	Avg. 10-yr	2023	1H-2023	1H-2024
ROE	9.2%	3.0%	4.0%*	1.2%*
ROA	2.6%	0.7%	1.0%*	0.3%*
Net Profit Margin	19.5%	8.0%	10.4%	3.6%
Cost to Income	0.76x	0.88x	0.86x	0.93x
Debt to Equity	2.72x	3.05x	3.10x	2.65x

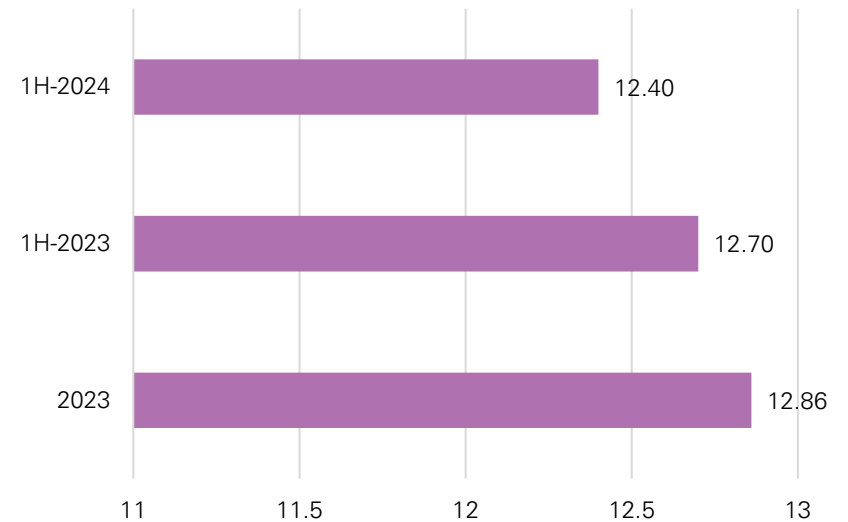
*annualized

Average Commission Rate – Equity and Derivatives

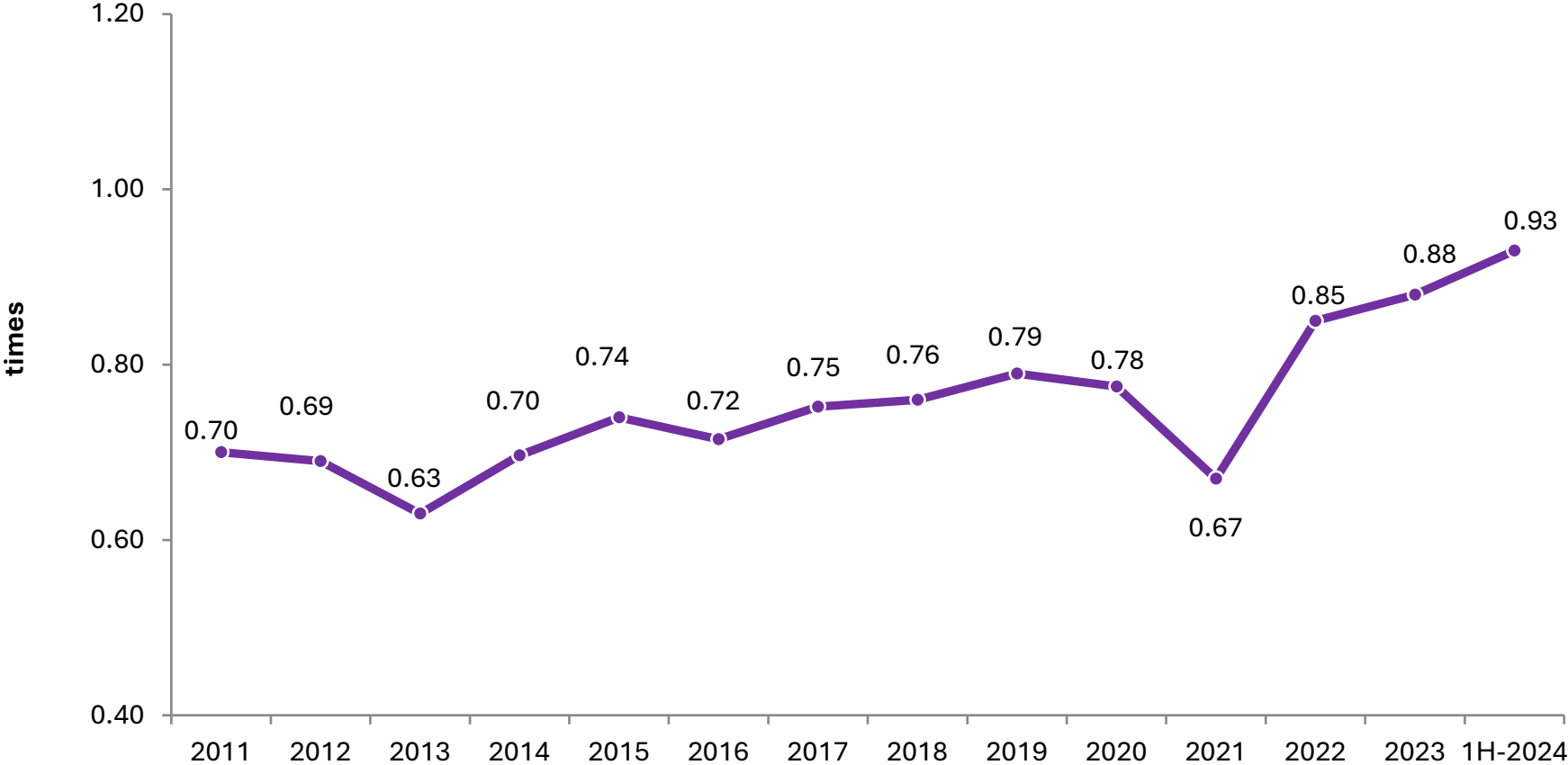
Equity Brokerage



Derivatives Brokerage (Baht per contract)



Cost to Income Ratio of Securities Companies*



*data at the end of each period

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

Aggregate Income Statement of Securities Companies 1H2024

(unit : in million of Baht)	1H-2023	2H-2023	1H-2024	%HoH	%YoY
Brokerage – Securities	8,813	6,946	6,439	-7.3%	-26.9%
Brokerage - Derivatives	1,717	1,613	1,334	-17.3%	-22.3%
Underwriting	1,208	998	708	-29.0%	-41.4%
Financial Advisory	587	759	357	-53.0%	-39.1%
Mutual Fund trading service	1,120	1,167	1,549	+32.7%	+38.2%
Gains (loss) on Securities* & Derivatives - net	1,084	1,774	1,775	+0.1%	+63.8%
Gains (loss) on Securities*	-5,180	-1,277	-2,757	-115.8%	+46.8%
Gains (loss) on Derivatives	6,263	3,051	4,532	+48.5%	-27.6%
Interest and Dividend	2,904	2,818	3,327	+18.1%	+14.5%
Interest on margin loans	3,040	2,960	2,758	-6.8%	-9.3%
Others	4,141	3,368	3,470	+3.1%	-16.2%
Total Revenue	24,615	22,402	21,717	-3.1%	-11.8%
Expenses on Borrowing	1,810	1,778	1,701	-4.3%	-6.0%
Fee & Service Expenses	3,023	2,899	2,795	-3.6%	-7.5%
Provision for Bad Debt / Doubtful Account	1,056	282	1,326	+370.3%	+25.5%
Personnel Expenses	9,902	9,782	8,999	-8.0%	-9.1%
Other Expenses**	5,397	5,672	5,455	-3.8%	+1.1%
Total Expenses	21,189	20,402	20,276	-0.6%	-4.3%
Corporate Tax	863	795	670	-15.8%	-22.4%
Net Profit	2,563	1,204	771	-36.0%	-69.9%

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

* Both trading and revaluation **Including rentals, depreciation, entertainments and others

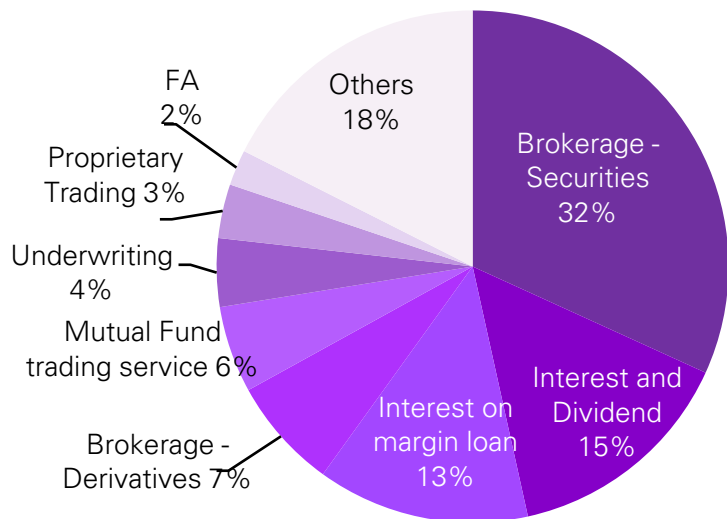
Aggregate Income Statement of Securities Companies 2Q2024

(unit : in million of Baht)	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	%QoQ	%YoY
Brokerage – Securities	3,594	3,826	3,120	3,368	3,071	-8.8%	-14.6%
Brokerage - Derivatives	796	834	779	689	645	-6.3%	-18.9%
Underwriting	488	464	534	365	343	-6.2%	-29.8%
Financial Advisory	255	304	455	156	201	+28.7%	-21.1%
Mutual Fund trading service	619	526	641	738	811	+10.0%	+31.1%
Gains (loss) on Securities* & Derivatives - net	385	848	926	1,542	234	-84.8%	-39.3%
Gains (loss) on Securities*	-2,230	-97	-1,180	-558	-2,199	-294.0%	+1.4%
Gains (loss) on Derivatives	2,615	945	2,106	2,100	2,432	+15.8%	-7.0%
Interest and Dividend	1,664	1,477	1,341	1,462	1,865	+27.6%	+12.1%
Interest on margin loans	1,515	1,489	1,471	1,416	1,342	-5.3%	-11.5%
Others	1,984	1,614	1,754	1,730	1,740	+0.6%	-12.3%
Total Revenue	11,300	11,381	11,021	11,466	10,251	-10.6%	-9.3%
Expenses on Borrowing	888	882	896	859	842	-2.0%	-5.2%
Fee & Service Expenses	1,341	1,491	1,408	1,446	1,349	-6.7%	+0.7%
Provision for Bad Debt / Doubtful Account	589	32	250	168	1,157	+587.9%	+96.6%
Personnel Expenses	4,715	4,730	5,053	4,529	4,470	-1.3%	-5.2%
Other Expenses**	2,698	2,665	3,008	2,596	2,859	+10.1%	+6.0%
Total Expenses	10,230	9,799	10,603	9,598	10,678	+11.2%	+4.4%
Corporate Tax	291	422	373	440	230	-47.6%	-21.0%
Net Profit	778	1,160	45	1,428	-657	-146.0%	-184.5%

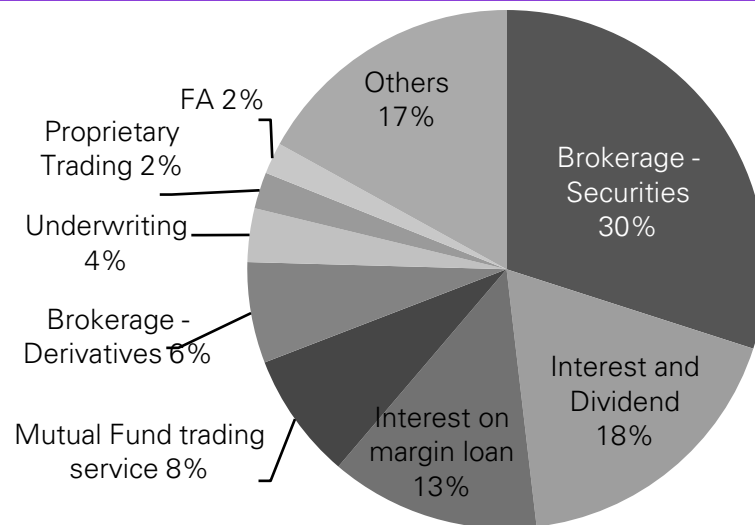
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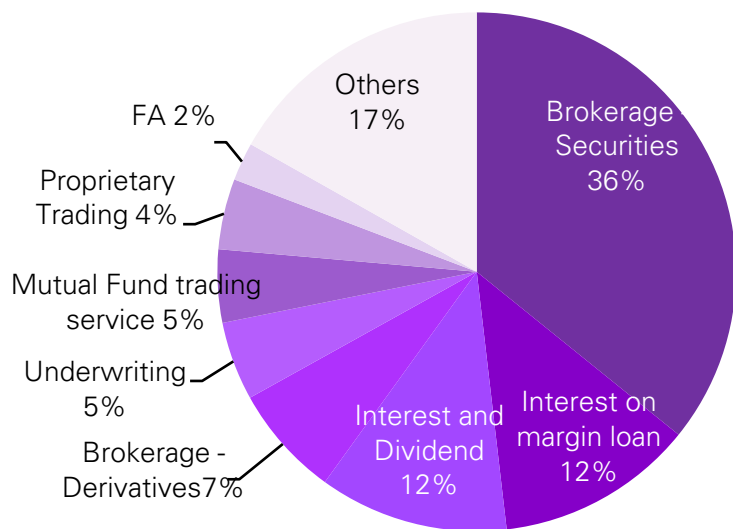
Revenue Structure of Securities Companies



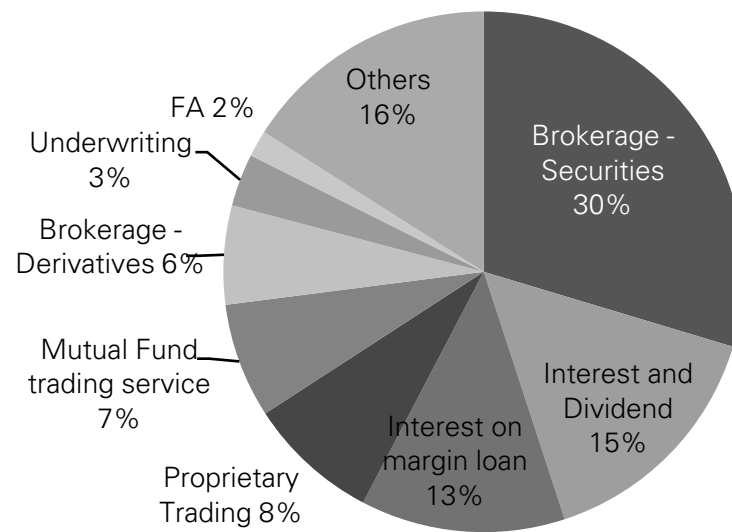
Q2-2023



Q2-2024

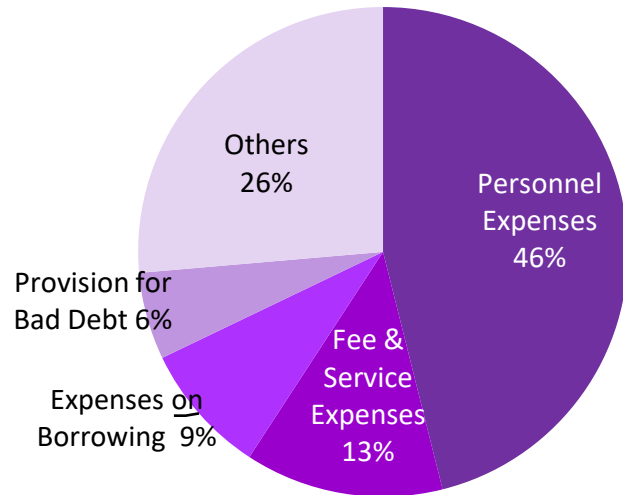


1H-2023

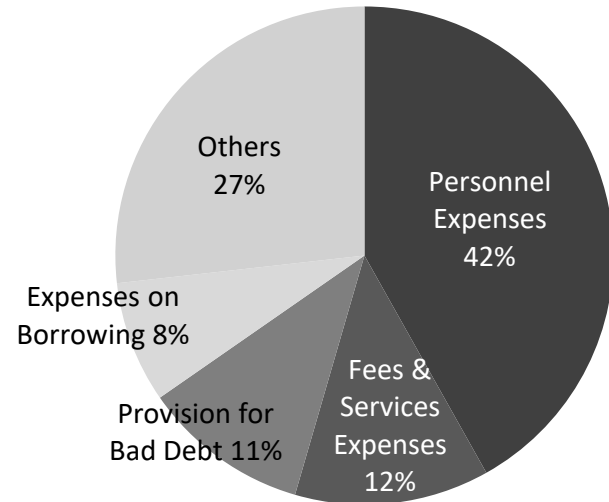


1H-2024

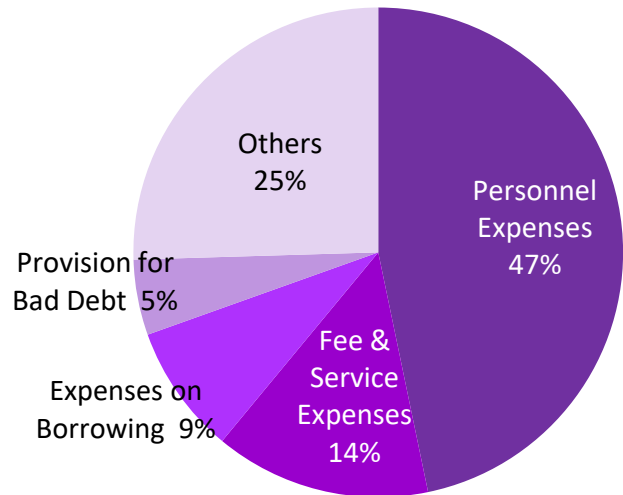
Expenses Structure of Securities Companies



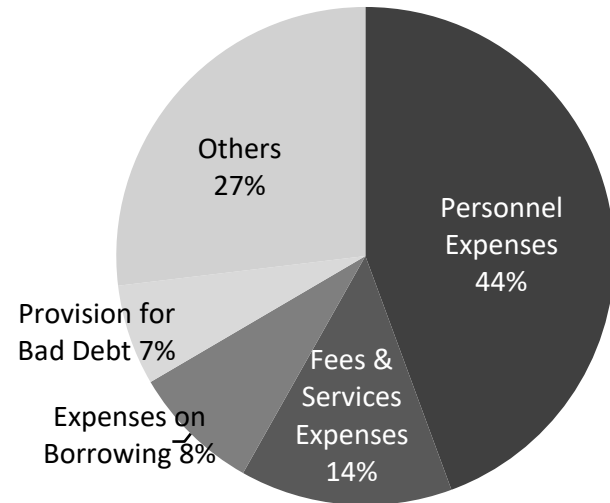
Q2-2023



Q2-2024

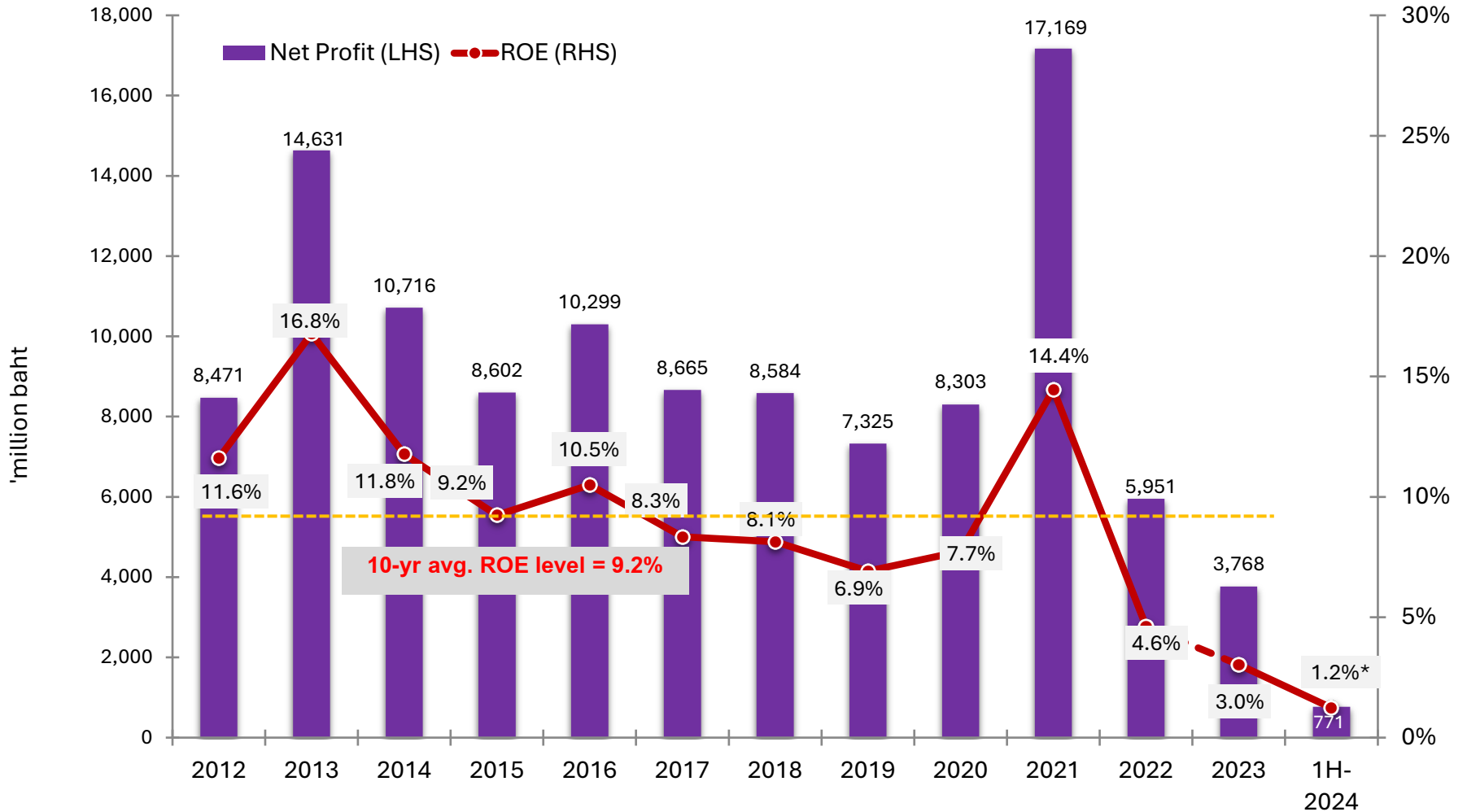


1H-2023



1H-2024

Net Profit and ROE of Securities Companies



*annualized

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

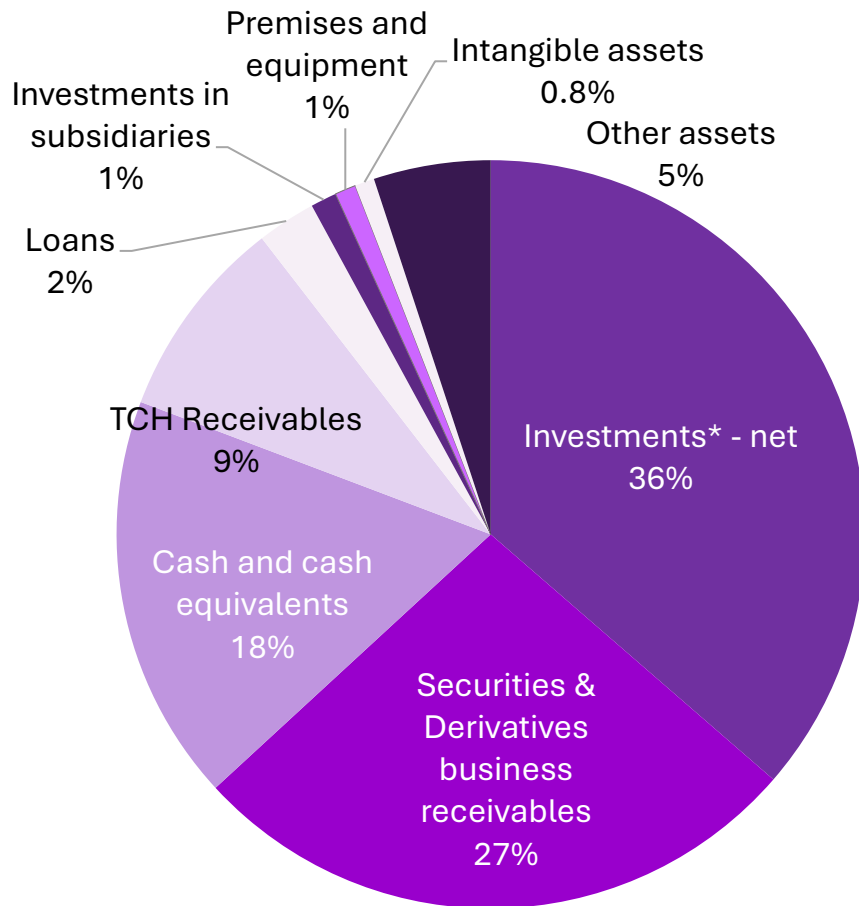
Aggregate Balance Sheet of Securities Companies

(unit : mil. baht)	Q1-2024	Q2-2024	%QoQ
Cash and cash equivalents	79,439	85,712	+7.9%
Receivables from Clearing House	39,590	40,020	+1.1%
Securities & Derivatives business receivables - net	120,873	123,383	+2.1%
Investments* - net	164,133	156,550	-4.6%
Loans	11,459	13,053	+13.9%
Investments in subsidiaries and associates – net	5,077	5,154	+1.5%
Properties, plants and equipment – net	4,112	4,260	+3.6%
Intangible assets – net	3,810	3,825	+0.4%
Other assets	22,806	23,461	+2.9%
Total Asset	451,299	455,417	+0.9%
Borrowings from financial institutions	26,918	29,239	+8.6%
Payable to Clearing House	8,834	9,694	+9.7%
Securities & Derivatives business payables	223,338	226,027	+1.2%
Other debt instruments	40,644	37,657	-7.3%
Other liabilities	28,265	28,062	-0.7%
Total Liabilities	328,000	330,679	+0.8%
Total Equity	123,310	124,739	+1.2%

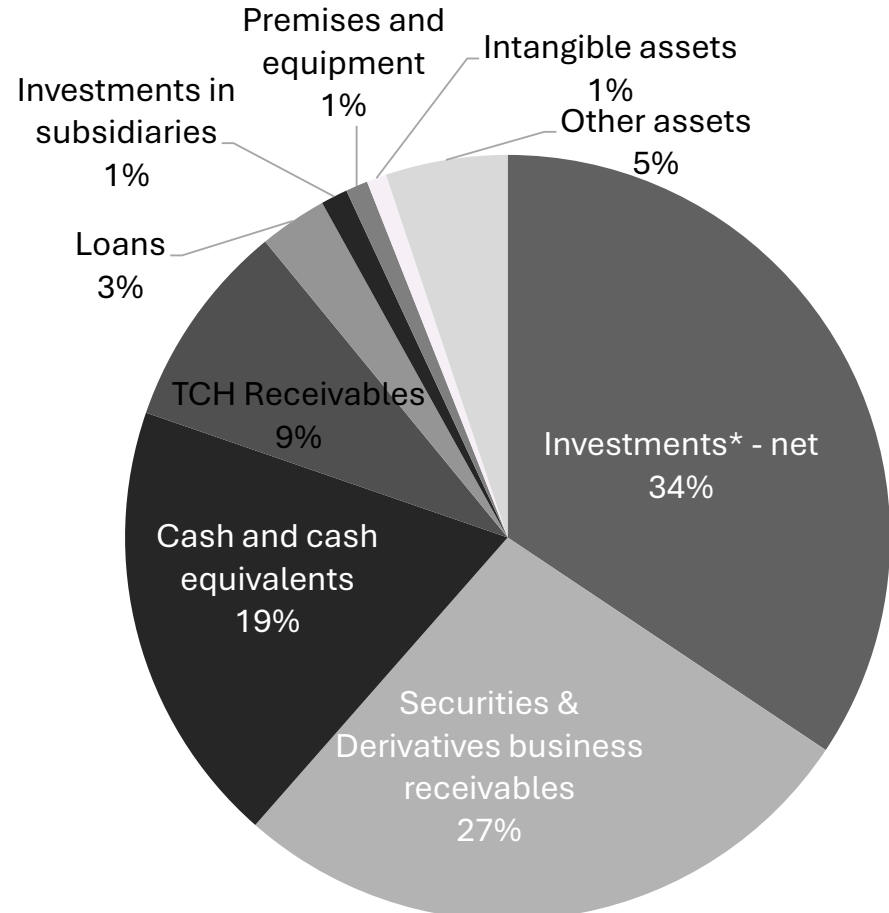
* Investments in Deposit at Fis, Debt instruments & equity

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

Assets Structure of Securities Companies

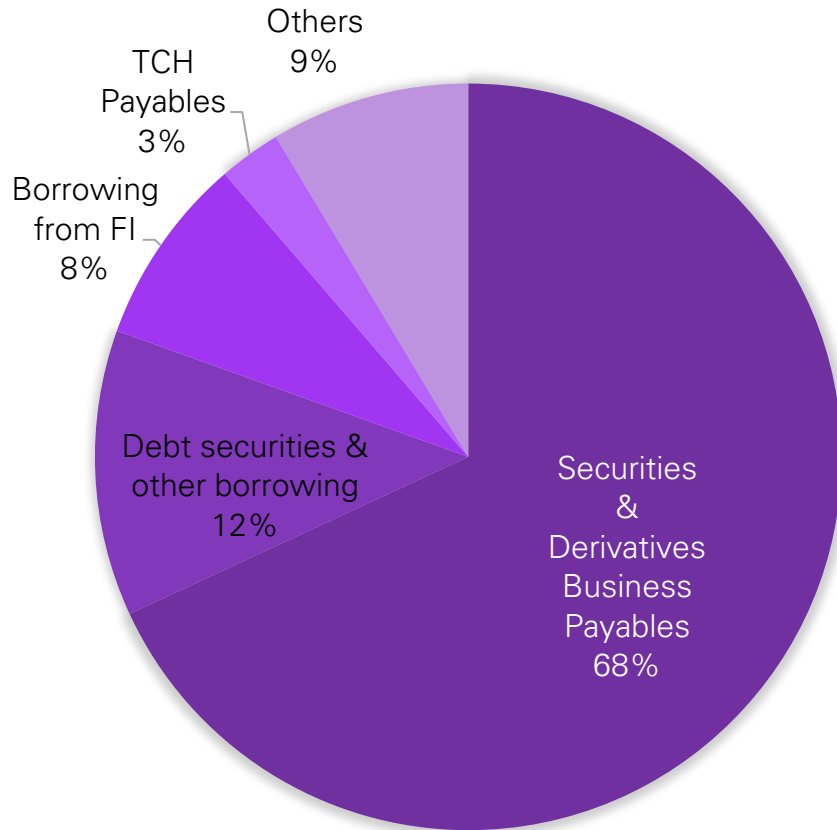


Q1-2024

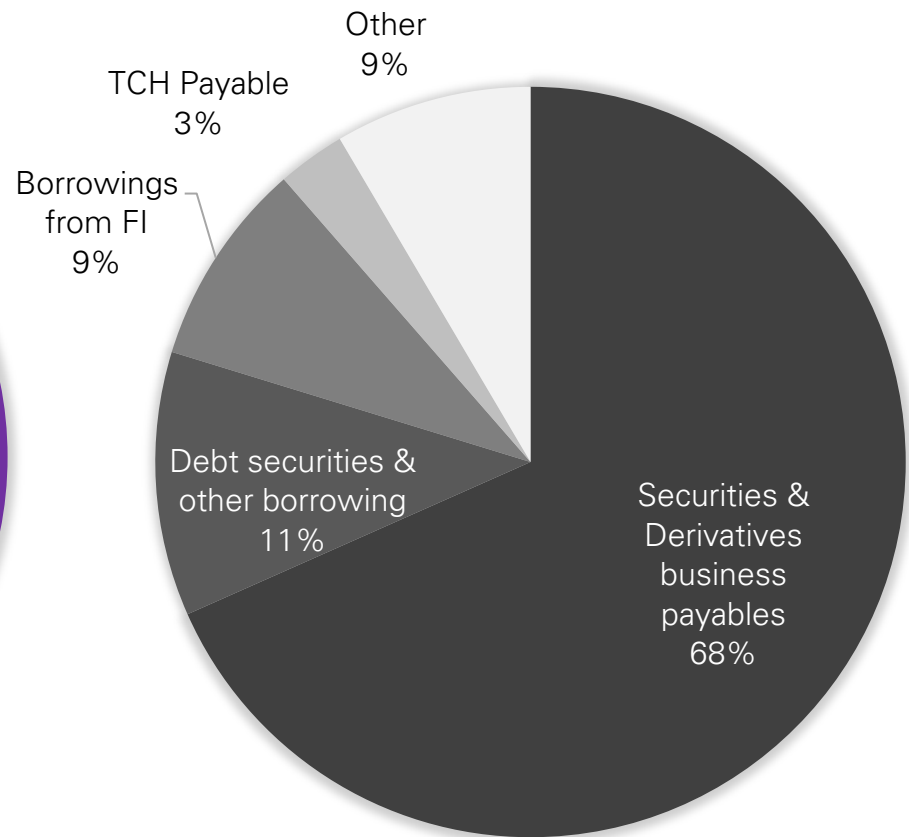


Q2-2024

Liabilities Structure of Securities Companies



Q1-2024



Q2-2024

Average Commission Rate - Equity

	2022			2023			1H-2024		
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	37,004,515	24,326	0.066%	25,913,893	15,759	0.061%	10,848,142	6,439	0.059%
Total (x-prop)	34,057,268	24,326	0.071%	24,012,532	15,759	0.066%	10,148,426	6,439	0.063%

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

Average Commission Rate - Derivatives

2022			2023			1H-2024		
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)
272,632,024	3,376	12.38	258,982,482	3,331	12.86	107,530,916	1,334	12.40

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