



1,135 – 1,155

Sideways pattern: The SET index is expected to move sideways in today's trading session, pressured by the ongoing trade war, with the EU threatening retaliatory levies on US goods. Meanwhile, the US is considering imposing tariffs targeting Russia's trade partners. Nevertheless, the stock market could find support from anticipation of the appointment of a new BoT governor with a more dovish monetary stance, as well as speculations on listed companies with an upbeat 2QFY25 earnings outlook.

Trading ideas

- 1) **Bets on 2QFY25 earnings results:** ADVANC, BBL, KBANK, KKP, KTB, MAJOR and PR9
- 2) **Tourism-linked stocks:** AAV, AOT, BA, CENTEL, ERW, MINT and OR
- 3) **Anti-commodity plays:** BGRIM, GPSC, SCGP and TASCO
- 4) **Anticipation of new BoT governor with monetary easing stance:**
 - i. **Finance and property stocks:** AP, KTC, MTC, SIRI, SC
 - ii. **Stocks with high debt burdens:** AAV, BEM, BTS, CPAXT, TRUE
 - iii. **Export-related stocks:** DELTA, HANA, KCE

Picks of the day

<p>KTC</p>	Target
	27.00 / 28.00
	Support
	25.50

BUY

- Outperforming peers
- 2Q profit seen up y-y and q-q

<p>SC</p>	Target
	1.68 / 1.73
	Support
	1.61

BUY

- 2QFY25 sales show strongest q-q growth in sector
- 2Q profit seen up

- **EU threatens countermeasures over US tariffs:** The stock market could be pressured by an intensifying trade war. First, EU trade ministers held a meeting yesterday and called US President Donald Trump's imposition of a 30% tariff on EU imports "absolutely unacceptable." They are also considering countermeasures in response to the US tariffs. European Commissioner for Trade Maros Sefcovic said the EU member states agreed the 27-nation bloc would need to take countermeasures if the trade negotiations with the US fail. These measures will cover 72 billion euro worth of US imports. Second, Trump threatened secondary tariffs targeting Russia if a ceasefire deal with Ukraine is not concluded within 50 days, or by Sep 2. Under this measure, Russia and countries buying oil from Russia could face a 100% tariff on their exports to the US. The prospect of Trump's determination to end the Russia-Ukraine war could weigh on oil prices, with WTI crude dropping 2.15% to close at US\$66.98 a barrel. This could dampen sentiment in energy stocks.
- **Anticipation of new BoT governor with more dovish monetary stance:** However, the potential downside for the stock market could be limited amid anticipations that the new Bank of Thailand (BoT) governor would adopt a more dovish monetary approach. It is now highly likely that Vitai Ratanakorn, president of Government Savings Bank, will be chosen for the position, and he is expected to pursue the monetary policy in a way that accommodates the economy. Today, it is important to closely monitor the finance ministry's nomination of the new BoT governor at the cabinet meeting. Furthermore, the market could find further support from speculation on listed companies with an upbeat 2QFY25 earnings outlook, with earnings announcements set to start today, led by TISCO.
- **China's GDP and US inflation data in focus:** This morning, attention will turn to the release of China's 2Q25 GDP and other economic data for Jun —including retail sales, manufacturing output, fixed asset investment and the unemployment rate. In the US, June CPI data will take the center stage. Headline and Core CPIs for Jun are expected to increase 2.6% y-y and 3.0% y-y, respectively, accelerating from the previous month's 2.4% y-y and 2.8% y-y, respectively. On a m-m basis, both Headline and Core CPIs are projected to climb 0.3%, strengthening from the previous month's 0.1%. In addition, statements from Fed officials tonight will be closely monitored.

+ Additional Factors

- (+) The Deputy Prime Minister and Finance Minister announced that the government has prepared a set of measures to cushion the impact of impending U.S. tariffs. These include directing state-owned specialized financial institutions to ready a THB 200 billion soft loan package at an ultra-low interest rate of 0.1% to support investment, safeguard employment, and assist with inventory management.
- (+) The Assistant Minister attached to the Ministry of Tourism and Sports disclosed that the implementation timeline for the proposed travel fee may need to be postponed. The Tourism and Sports Minister further stated that "the year 2025 is not an appropriate time to begin enforcement."
- (+) China and the United States are accelerating efforts to implement outcomes from the framework reached during the economic and trade talks in London, an official with the General Administration of Customs (GAC) said.
- (-) According to a report from the National Anti-Corruption Commission (NACC), the Commission has unanimously resolved to set up an investigative panel into Prime Minister Paetongtarn on grounds of serious ethical misconduct, following the emergence of an audio clip allegedly capturing a conversation with the President of Cambodia's Senate.

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