



### 1,240–1,255

**Upward trajectory:** The SET index is expected to rise in today's trading session, buoyed by expectations that the US will impose a tariff of less than 20% on goods from Thailand as well as by stocks that are anticipated to benefit from a weaker baht and stronger exports. Furthermore, the stock market could find support from the potential rollout of new economic policies in China following a Politburo meeting, which could boost China-related stocks.

## Trading ideas

- 1) Speculations ahead of 2QFY25 earnings reports:** ADVANC, AP, BCH, BDMS, GULF, PR9, TIDLOR and TOP
- 2) Stocks linked with exports and weaker baht:** KCE, TU, CPF, SAPPE, ITC, BA, DELTA, NER and STA
- 3) China plays:** PTTGC, SCGP, SCC and HANA
- 4) Rising oil prices:** PTTEP, PTT, BCP, TOP, IRPC, BANPU and SPRC
- 5) Selective plays:** TTB, SIRI and CPAXT

## Picks of the day

 <b>BCH</b>	Target	14.40 / 14.70
	Support	14.00
	<b>BUY</b>	

- 2QFY25 profit expected to grow y-y
- Positive long-term outlook:

 <b>TTB</b>	Target	1.95 / 1.97
	Resistance	1.90
	<b>BUY</b>	

- Asset quality seen improving
- Highest interim dividend yield expected

- **Fed keeps rate on hold:** Yesterday, the US Federal Open Market Committee (FOMC) kept interest rates unchanged at 4.25-4.50%, with Fed Chair Jerome Powell saying higher tariffs have begun to affect the prices of some import goods. Considering the base case, it is important to monitor the impact of the tariffs on economic activities and inflation, he said, reflecting a cautious stance. This has sent 10-year and 2-year US bond yields to reach 4.36% and 3.94%, respectively. According to the CME Group's FedWatch Tool, the market now expects a 25bps cut at its Sep meeting — the first cut of the year. The dollar index has approached 100, heaping pressure on the Thai baht, which weakened to Bt32.67 a dollar—its lowest level in 15 days. This could provide support for export-related stocks.
- **Hopes pinned on favorable US tariffs:** Traders are giving a significant weight to the trade negotiations between Thailand and the US. US President Donald Trump stressed the Aug 1 deadline for tariff talks will not be extended. He stated that the US will impose a 25% tariff on goods from India, citing the country's support for Russia through energy and weapon purchases. Meanwhile, the US will charge a 15% tariff on imports from South Korea. For Thailand, the Thai finance minister indicated that final proposals had been submitted to the US. Optimism is now high that Thailand could secure a deal with a tariff of less than 20% imposed by the US. This anticipation has sparked the speculative buying of stocks with a high proportion of revenue from exports.
- **Stimulus policies from Politburo meeting could drive China-related stocks:** According to the Jul meeting of China's Politburo, it committed to proceeding with economic policies aimed at shoring up the economy and dealing with trade tensions. Accelerated efforts will be made to enforce existing policies. First, it vowed to expedite the issuance of bonds. Second, it committed to ensuring sufficient liquidity to meet demand and reduce economic costs. In addition, efforts will be made to stimulate consumption in both products and services. This move is in line with the views of a Barclays analyst, who noted that stronger stimulus efforts are needed for China to achieve the country's 5% economic growth target for this year. In our view, these measures could be a boost for China-related stocks.

## + Additional Factors

- (+) The Ministry of Finance has revised its forecast for Thailand's GDP growth in 2025 upward from 2.1% to 2.2%, while also raising its projections for private investment, public investment, and export value growth—from 0.4%, 2.8%, and 2.3% to 3.0%, 3.9%, and 5.5%, respectively.
- (+) The Office of Industrial Economics reported that the Manufacturing Production Index (MPI) stood at 97.35 in June 2025, marking a y-y growth of 0.58%. The expansion was supported by a recovery in the automotive industry, sustained growth in exports, and government economic stimulus measures.
- (+) Global automobile sales at the Toyota Motor Corp. group in January-June, including those of its subsidiaries Daihatsu and Hino, went up 7.4% from a year earlier to about 5.54 million units, hitting an all-time high for the first half of a year, Toyota said.
- (+) The price of crude oil WTI rose above \$70 per barrel, boosting upstream energy stocks after Trump began to adopt a more hardline stance on sanctions against Russia, targeting key supporter countries such as China and India.

### Strategy team

Teerada Charnyingyong - Securities Investment Analyst and Technical Analyst #9501  
 Chutikan Santimetvirul - Capital Market Investment Analyst and Technical Analyst #37928  
 Pasut Ngowiwatchai, CISA - Capital Market Investment Analyst #127632  
 Pattharadanai Jaturaporn - Capital Market Investment Analyst #094041

Thanapong Saelo - Assistant Analyst  
 Pattharadanai Jaturaporn - Assistant Analyst

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