



8 August 2025

1,250–1,270

Downward trajectory: The SET Index is expected to decline in today's trading session due to the potential sell-off to mitigate risks ahead of the long holiday (Mother's Day) and falling oil prices. Meanwhile, attention also shifts to the MSCI rebalancing on Aug 26.

Trading ideas

- 1) **Bets on 2QFY25 earnings:** AP, CK, GULF, LH and PR9
- 2) **Anticipation of MPC's decision to cut interest rate:** BEM, BTS, KTC, MTC, SIRI, SPALI, TIDLOR and WHA
- 3) **Anti-commodity plays:** BGRIM, GPSC, SCGP and TASCO
- 4) **Dividend stocks:** KKP, TISCO, KBANK, ADVANC, SCB, SC, PRM, TTW, 3BBIF and WHAIR

Picks of the day

 AP	Target
	7.65 / 7.80
	Support
	7.30

BUY

- Additional project launches in 2H25 and easing monetary policy provide support
- 2QFY25 earnings expected to rebound q-q

 GULF	Target
	49.00 / 50.00
	Support
	47.25

BUY

- Continued expansion in power generation capacity
- Gradual rollout of data center operations

- **Long holiday ahead:** The SET Index is expected to face selling pressure ahead of the long holiday of Aug 9-12 (Mother's Day). Meanwhile, foreign investors, who had been net buyers since the beginning of this week, turned to net sellers yesterday, with net sales of Bt297.85mn. YTD, foreign investors have been net sellers of Bt58.1bn. In our view, selective buying may dominate today, particularly in stocks with supportive factors—such as those in the property, finance, commerce and power plant sectors, which are deemed to benefit from the downward trend in the Thai interest rates. We estimate that the central bank's Monetary Policy Committee (MPC) will decide to lower policy rates twice (25 bps each) during the remainder of the year, bringing the rate to 1.25% by year-end. Accordingly, stocks in the aforementioned sectors may be suitable for short- to medium-term buy-and-hold strategies. In addition, stocks with upbeat 2QFY25 earnings outlooks and dividend stocks could be good options for parking funds in the event of a market sell-off.
- **Falling oil prices:** WTI crude fell below US\$64 per barrel yesterday, marking the sixth consecutive day of declines. This followed an announcement from the Kremlin that Russian President Vladimir Putin will meet with US President Donald Trump in the coming days. This event could mark the first meeting between the US and Russian leaders since 2021, raising hopes for a peaceful resolution to the Russia-Ukraine war. However, this could put pressure on upstream energy and oil refinery stocks.
- **MSCI rebalancing:** All eyes will be on the MSCI rebalancing, which will take effect at the closing price on Aug 26. In this round, the MSCI Global Standard Index has no additions, but removes HMPRO and OR from its calculation. Meanwhile, the MSCI Global Small Cap Index adds HMPRO and KTC, but removes ICHI, SISB and TPIPL. There may be speculative buying pressure on stocks added to the calculation, while caution may be needed for potential selling pressure on those removed.
- **Factors to watch:** Factors to watch next week include the release of the OPEC Monthly Report, along with US Core CPI and CPI; Core PPI and PPI; and retail sales and core retail sales data for Jul. From China, industrial production and unemployment rate figures for Jul will be announced. In Thailand, the MPC will hold its meeting. From Japan, 2Q25 GDP and industrial production data for Jun will be released.

+ Additional Factors

- (+) Defense Minister revealed after the GBC meeting that Thailand and Cambodia have mutually agreed to a strict ceasefire for all types of weapons. They will also maintain their current military positions from the ceasefire date, halt all military provocations, and cease spreading false information. This is expected to help alleviate concerns about instability in the border area.
- (-) The consumer confidence index of the Thai Chamber of Commerce for July 2025, during the period from July 25 to July 31, 2025, was at 51.7. It has continued to decline for the sixth consecutive month and is at its lowest level in 31 months since January 2023.
- (-) China's National Customs Office reported a significant 23% year-on-year drop in coal imports for July. The main reason for this decline is an oversupply of domestically produced coal, which has a negative impact on the stock prices of companies in the coal sector.
- (-) Toyota Motor reported a first-quarter 2025 profit of \$5.7 billion, a 36.9% year-on-year decrease. This was largely due to the impact of the 25% US auto tariff.

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