



15 August 2025

1,255 – 1,270

Downward mode: The SET index looks set to decline after US PPI and Core PPI inflation data for Jul showed accelerated growth, raising market concerns. In addition, all eyes are on the meeting between the US and Russian leaders today, with a positive outcome likely to lower oil prices.

Trading ideas

- 1) **Stocks with positive earnings results and anticipated further growth:** PR9, BDMS, NER, MAJOR, KTC and MTC
- 2) **Beneficiaries of lower interest rates:** TCAP, SIRI, SPALI, AP and BRI
- 3) **Tourism-related stocks:** CENTEL, ERW, AWC, OR and PTG
- 4) **Anti-commodity stocks:** BGRIM, GPSC, GULF, SCGP, TASCO and TOA
- 5) **Dividend and defensive stocks:** KKP, TTW, WHAIR, SCB and ADVANC

Picks of the day

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|--|----------------|---------------|
| | Target | 37.25 / 38.00 |
| | Support | 35.75 |
| | BUY | |

- Positive outlook for 2HFY25
- Potential upside from special gains

| | | |
|--|----------------|-------------|
| | Target | 7.00 / 7.10 |
| | Support | 6.80 |
| | BUY | |

- Punthai coffee boosts 2QFY25 earnings
- Potential support for marketing margin

- **Higher inflation spooks market:** US PPI in Jul increased by 0.9% m-m and 3.3% y-y, accelerating from the previous month's zero m-m growth and 2.4% y-y increase, and beating expectations. Core PPI in Jul climbed 0.9% m-m and 3.7% y-y, outpacing the previous month's zero m-m growth and 2.6% y-y rise, also topping estimates. This accelerated inflation has unsettled the market and reinforced remarks by John C. Williams, the president of Federal Reserve Bank of New York, who said that the impact of US tariffs is only beginning and the full effect will be felt in the coming phases. He expects the tariffs to boost inflation by 1 percentage point during the second half of 2025 and into early 2026. US unemployment is also expected to rise from 4.1% to 4.5% by the end of 2026, he noted. The surge in inflation dampened the US stock market yesterday and led to the probabilities of only two interest rate cuts – in Sep and Oct – of 25 bps each by year-end, down from the previously anticipated three cuts. Meanwhile, the 2-year and 10-year US bond yields rose to 3.73% and 4.28%, respectively, and the dollar index climbed above 98 once again. This development is likely to put pressure on the Thai stock market as well. Now attention turns to the Jackson Hole Economic Policy Symposium during Aug 21-23, where the Fed Chair is scheduled to deliver remarks that could shed light on the central bank's monetary policy directions.
- **Meeting of US-Russia leaders in focus:** All eyes will be on the meeting between US President Donald Trump and Russian President Vladimir Putin in Alaska today to find ways to end the Russia-Ukraine war. Trump warned there would be severe consequences if Putin did not agree to a ceasefire, though he stopped short of specifying whether military or tax measures would be imposed. Meanwhile, Europe and Ukraine have cautioned the US that the talks could be only a trap – forcing Ukraine to withdraw troops and allowing Russian forces to strike Kiev. However, a favorable outcome of the talks could lead the US and Europe to ease energy sanctions against Russia. This may reduce oil prices, potentially weighing on energy stocks while benefiting anti-commodity stocks.

+ Additional Factors

- (+) Japanese investors and the Japan Chamber of Commerce reiterated their confidence in Thailand, emphasizing plans to expand investments in the automotive, electronics, machinery, food, and metal products industries.
- (+) China is preparing to mobilize state-owned enterprises and major bad debt management companies to inject over 300 billion yuan into purchasing surplus homes from financially troubled property developers, as government support measures have shown limited results.
- (+) The United States has postponed the announcement of the investigation into drug imports and the industry-specific taxation plan by several weeks, originally expected to conclude in July, due to the focus on the US-Russia summit.
- (-) The chairman of the credit card business association revealed that the total credit card spending in the first half of 2025 was 1.13 trillion baht, representing a 0.8% increase compared to the same period last year, which is below the usual growth rate of 5-6%.

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