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The SET Index poised to move sideways in today's trading session: The Thai stock market is likely to receive a boost from anticipation of a further interest rate cut by the Fed and optimism over economic stimulus measures introduced by Thailand and China. However, upside potential could be limited by reduced positions in risky assets and unattractive earnings results from SET-listed companies.

Trading ideas

- 1) Tourism and related industries:** AAV, AU, BA, CPAXT, ERW, MINT and OKJ
- 2) Property sector:** AP, SC, SIRI and SPALI
- 3) Data center-driven stocks:** ADVANC, AMATA, BBIK, DELTA, GULF, HTECH, TRUE and WHA
- 4) 3QFY24 earnings speculations:** BDMS, BEM, BTG, ITC, SISB, TTW and TU
- 5) Vayupak-boosted stocks:** TCAP, TISCO and TTB

Picks of the day

 <p>SISB</p>	<p>Target</p> <p>36.00 / 38.00</p>
	<p>Support</p> <p>33.50 / 34.00</p>

BUY

- Profit anticipated to reach Bt221mn in 3QFY24
- Anticipated growth in student numbers

 <p>SANSIRI</p>	<p>Target</p> <p>1.90 / 1.93</p>
	<p>Support</p> <p>1.80 / 1.83</p>

BUY

- Speculations ahead of next week's anticipated stimulus measures for property sector
- Anticipated peak earnings in 4QFY24

- **Weak economic data ahead of FOMC meeting:** The US has released some important economic data for Oct that are viewed unfavorably. This includes: 1) an increase of only 12,000 jobs in nonfarm payrolls, falling short of the estimated rise of 100,000 and marking the lowest level in almost four years, impacted by hurricanes and a Boeing strike, and 2) a decline in the US ISM Manufacturing PMI to 46.5, below the estimated 47.6, hitting a 15-month low. While these figures highlight downbeat economic conditions, they are raising hopes of a further interest rate cut by the Fed at the FOMC meeting later this week, potentially boosting risky assets, including stocks in the SET index. However, other US economic data released last Fri showed a less severe outlook. The US unemployment rate held steady at 4.1% in Oct, while S&P Global US Manufacturing PMI rose to 48.5 in Oct, up from 47.8 in Sep.
- **Hopes for economic measures devised by China and Thailand:** Sentiment in the SET Index is likely to benefit from various positive factors. First, hopes are pinned on the Thai government's efforts to address economic problems, as the Finance Ministry held discussions with the Thai Bankers' Association on ways to tackle household debts last Fri. The assistance targets borrowers with debts that are overdue by up to one year, totaling about Bt1tn, with a proposed suspension of interest for three years. Second, optimism is growing for the Chinese economy, as China will launch a series of consumption promotion events in five major cities in Nov and roll out new policies aimed at stimulating consumer spending, according to the vice-minister of commerce. It is also important to closely monitor the Nov 4–8 meeting of the Standing Committee of China's National People's Congress for further stimulus measures.
- **More attractive markets than SET:** The SET Index's upside could be constrained by sell-offs among investors reducing their positions in risky assets ahead of the US presidential election on Tue, which may lead to volatility in risky assets. Furthermore, the SET Index could continue to face fund outflows to other markets with more upbeat results, including the S&P 500, where 75% of the 352 companies that have announced earnings results posted higher-than-expected earnings per share (EPS). For the SET Index, only 45% of 20 announcing listed firms (only companies with estimated results) showed higher-than-expected EPS.

+ Additional Factors

- (+) The Board of Investment (BOI) has approved investment promotion for two major data center. These projects include an investment of THB 33 billion by Quartz Computing Co., Ltd., a subsidiary of Google, and THB 28 billion by Digital Land Services Co., Ltd., a subsidiary of GDS.
- (+) The Bank of Thailand reported a Business Sentiment Index of 47.0 in October 2024, up from 45.7 in September. This indicates a gradual increase in the proportion of businesses with improved confidence. The confidence index for the production sector rose across almost all industry categories.
- (+) The Prime Minister has directed all government agencies to urgently propose relief and recovery measures for flood-affected communities. These proposals are to be reviewed by the Flood, Storm, and Landslide Victim Assistance Operations Center before being submitted to the Cabinet. The aim is to establish a comprehensive set of measures to ensure prompt and sustained support for those impacted by the flooding.
- (-) Risks to Asia's economy have increased from escalating trade tensions, China's property sector woes and the potential for further market turbulence, the International Monetary Fund (IMF) said.

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