



>> 1445 – 1465 <<

Sideways pattern: The SET Index is likely to move sideways in today's trading session amid fund outflows to other markets or assets seen as more attractive and downward pressure from falling oil prices. However, the downside could be limited by anticipated favorable stimulus measures expected from today's cabinet meeting.

Trading ideas

- 1) Tourism and related sectors:** AAV, AU, ADVANC, AOT, BTS, CPAXT, ERW, KTC, MINT, NSL, TACC and TRUE
- 2) Stimulus measures:** CRC, DOHOME, GLOBAL, HMPRO and ILM
- 3) 3QFY24 earnings results:** BEM and CPF
- 4) Bitcoin-linked stocks:** BTC, JTS and TTA
- 5) Selective plays:** COM7, DELTA, MOSHI, KTB, SIS and TASCO

Picks of the day



Target
21.50 / 22.00

Support
20.80

KTB

BUY

- Beneficiary of government investment projects
- Attractive dividend



Target
27.00 / 27.50

Support
26.00

MINT

BUY

- Earnings growth expected in 3QFY24
- Strong hotel revenue anticipated in 4QFY24

- **Fund outflows following Trump's win:** The SET Index faces growing pressure from fund outflows to other markets and assets seen as more attractive, with today's market likely to experience the fifth consecutive day of net selling in Thai stocks by foreign investors in response to Donald Trump's presidential win. This trend aligns with 1) the Dow Jones, S&P 500 and Nasdaq posting new all-time highs amid expectations of favorable policies under Trump and 2) Bitcoin hitting a new record high, nearing US\$90,000, as Trump is anticipated to ease regulations governing cryptocurrencies.
- **Declining oil prices and growing concerns about Chinese economy:** Energy stocks could face downward pressure due to declining oil prices, with WTI crude oil falling 3.32% to settle at \$68.04 per barrel on Mon. This decrease reflects growing concerns over China's sluggish economy, as the CPI for Sep experienced three consecutive months of slower y-y growth, and the PPI has contracted y-y every month since Oct 2022. In addition, investors are concerned that China's fresh stimulus measures may not be strong enough to shore up its sluggish economy.
- **Bets on additional holidays and fresh measures for property sector:** The SET Index is likely to see limited downside due to the anticipation of assistance measures at today's cabinet meeting. First, the government may consider additional holidays for civil servants in 2025 and 2026, which could boost tourism during extended holiday periods and subsequently stimulate the economy. Second, the cabinet may consider a proposal to separate support for property purchases and construction from programs for property repair and renovation. A Bt5bn soft-loan program, with three years of low interest rates, is set to be offered to people seeking to repair and renovate properties. Furthermore, attention is on the progress of a proposed daily minimum wage of Bt400, which could be implemented in time as a 'New Year' gift, with the labor minister anticipated to present a list of a wage committee's members to the cabinet today.

+ Additional Factors

- (+) The Tourism Authority of Thailand (TAT) anticipates that during the 2024 Loy Krathong festival, there will be approximately 1.99 million domestic visitors, marking a 9% increase. This surge is expected to generate around 6.99 billion baht in revenue, reflecting a 12% rise.
- (+) The Minister of Agriculture relevance that Thailand and Italy are preparing to sign an MOU to strengthen agricultural collaboration. This partnership aims to enhance cooperation across agricultural production, trade, and investment.
- (-) China's trade surplus is on track to hit a fresh record this year, that risks provoking President-elect Donald Trump. The difference between Chinese exports and imports is set to reach almost \$1 trillion if it continues to widen at the same pace as it has in the year to date, according to Bloomberg calculations.
- (-) China's direct investment liabilities in its balance of payments dropped \$8.1 billion in the third quarter, according to data from the State Administration of Foreign Exchange. A sign that some investors are still pessimistic to China economy.

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

Ref.No.: C02567_0216