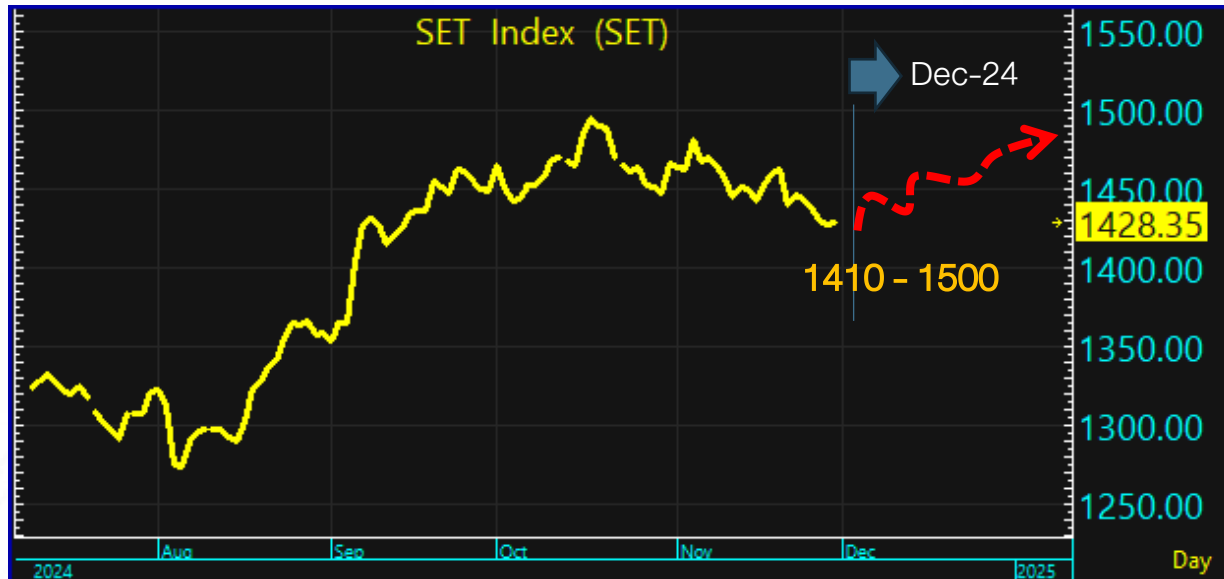




Monthly Insights

December 2024



Market outlook

- Expected index range: 1,410-1,500 points.
- Key drivers and risks:
 - FOMC meeting: The upcoming FOMC meeting is scheduled for December 18th.
 - China's economic measures: The Chinese government is expected to announce new economic stimulus measures in mid-December.
 - Thailand's economic stimulus: Additional economic stimulus measures could be implemented.
 - Geopolitical risks: Ongoing geopolitical tensions, particularly the ongoing war, continue to pose significant downside risks to global markets.

Investment strategy

- The SET Index is likely to remain volatile. Given this uncertainty, a short-term trading strategy can be effective. This approach focuses on stocks with strong growth potential and high dividend yields, particularly when the index is near support levels or shows signs of an uptrend.
- Stock picks: AAV, CENTEL, CRC, MAGURO, SISB, SPRC, and TOG.

KEY FACTORS



(±) US Monetary policy: The upcoming FOMC meeting on December 18th is expected to result in a 25 bps rate cut. However, the recent economic recovery, including GDP growth (+2.8%) and declining unemployment, coupled with potential inflationary pressures from the Trump administration's policies, could influence the Fed's decision.



(+) Domestic economy recovery: Thailand's 3Q24 GDP growth exceeded expectations at 3.0%, driven by government stimulus measures such as debt relief and cash handouts. The reduced political tension has also provided the government with greater flexibility to implement economic policies.



(±) China's economic policies: Chinese equities have shown signs of recovery, fueled by speculations of significant economic discussions in December. Additional stimulus measures are anticipated to boost economic growth, particularly after the disappointment from previous announcements. However, the recent 10% tariff hike on Chinese imports imposed by the US could negatively impact Chinese exports.



(-) Geopolitical risks: Despite a ceasefire agreement between Israel and Lebanon, ongoing regional tensions in the Middle East, coupled with the unresolved Russia-Ukraine war, continue to pose significant geopolitical risks that could lead to increased market volatility and pressure on oil prices.

November recap

The SET Index ended lower in November after hitting the year's high of 1,506 in October. In the second week of November, the index broke below the 1,470 support and further drifted sideways down below the 1,440 and 1,430, earlier acting as the key support levels. The MACD also crossed below the zero line, confirming the bearish outlook.

December outlook

The SET Index is likely to continue its downward trend. Support levels are set at 1,400 and 1,380, also coincided with the 200-day SMA. Resistance levels are at 1,450 and 1,470.



Support: 1,400-1,380

Resistance: 1,450-1,470

- **AAV:** Sustained profit growth in 4Q24-1Q25E on rising passenger numbers
- **CENTEL:** Strongest 2025E profit forecast among peers
- **CRC:** Promising growth forecast for upcoming holiday season
- **MAGURO:** Strong 4Q24E earnings outlook and new brand excitement
- **SISB:** Riding the wave of new academic year growth
- **SPRC:** Turnaround in sight amid improving crack spreads
- **TOG:** High season drive for 4Q24E and capacity expansion in 1Q25E

Stock	Rec	Price 29-Nov-24	Target price	Upside (%)	Net profit gwth (%)		Core profit gwth (%)		PER (x)		PBV (x)		Div. yield (%)	
					24E	25E	24E	25E	24E	25E	24E	25E	24E	25E
AAV	BUY	2.82	3.60	27.7	382.5	32.9	1,430.6	17.1	16.1	12.1	3.4	2.7	0.0	0.0
CENTEL	BUY	37.75	44.00	16.6	15.5	17.5	45.6	17.5	35.1	29.9	2.3	2.1	1.3	1.5
CRC	BUY	33.50	45.00	34.3	8.0	14.3	7.7	19.4	23.3	20.4	2.2	2.0	1.7	2.0
MAGURO	BUY	20.80	22.50	8.2	31.0	35.5	38.8	27.9	27.5	20.3	4.2	3.9	2.4	3.2
SISB	BUY	31.25	40.00	28.0	46.3	32.5	37.6	32.5	31.7	23.9	8.8	7.0	0.9	1.3
SPRC	BUY	6.80	8.50	25.0	n.m.	6.4	n.m.	93.1	11.7	11.0	0.8	0.7	3.7	3.7
TOG	BUY	10.00	12.00	20.0	2.5	9.5	1.9	9.5	10.9	9.9	2.0	1.9	6.4	7.1

Asia Aviation (AAV): BUY, Target Bt3.60

Sustained profit growth in 4Q24-1Q25E on rising passenger numbers



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	17,553	41,241	50,167	52,655
EBITDA	(1,230)	6,981	9,321	10,034
Net profit	(8,030)	466	2,247	2,988
EPS (Bt)	(0.66)	0.04	0.17	0.23
EPS growth	n.m.	n.m.	382.5%	32.9%
Core EPS (Bt)	(0.56)	0.01	0.20	0.23
Core EPS growth	n.m.	n.m.	1,430.6%	17.1%
DPS (Bt)	0.00	0.00	0.00	0.00
Dividend yield	0.0%	0.0%	0.0%	0.0%
PER (x)	n.m.	77.8	16.1	12.1
Core PER (x)	n.m.	217.4	14.2	12.1

HIGHLIGHTS

- **Strong passenger volume anticipated in 4Q24E:** Passenger volume is expected to reach its annual peak in 4Q24E, potentially surpassing the 5.5mn passengers recorded in 1Q24. The total number of operating aircrafts is projected to increase to 56 from 50 in 3Q24.
- **Higher average airfare anticipated during high season:** Average airfare is expected to rise due to increased demand during the high tourism season, coupled with limited aircraft availability.
- **Robust growth in key markets:** India continues to be the primary growth driver, with sustained demand expansion. Potential increases in flight quotas could further enable the company to capitalize on India’s growing market. Vietnam is also leading regional growth momentum, positioning AAV to capture the rising demand in this market.

EARNINGS OUTLOOK

- **Strong earnings momentum expected in 4Q24-1Q25E:** Profit growth is expected to accelerate in 4Q24-1Q25E, driven by the peak tourism season, increased

aircraft availability, and higher average airfare. We estimate 2024E core profit at Bt2.6bn, a significant improvement from Bt167mn in 2023, primarily due to expanded fleet operations and seasonal demand.

PERFORMANCE & VALUATION

- **AAV is rated a BUY with a target price of Bt3.60.** This valuation is based on a 2025E estimated core PER of 15.5x, positioned at -1 SD below the pre-COVID average during profitable years. AAV is expected to outperform the SET Index in 4Q24-1Q25E, driven by robust growth projections.



Central Plaza Hotel (CENTEL): BUY, Target Bt44.00

Strongest 2025E profit forecast among peers



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	17,502	21,558	23,298	25,077
EBITDA	4,444	5,624	6,848	7,641
Net profit	398	1,248	1,441	1,694
EPS (Bt)	0.29	0.92	1.07	1.25
EPS growth	n.m.	213.5%	15.5%	17.5%
Core EPS (Bt)	0.29	0.73	1.07	1.25
Core EPS growth	n.m.	155.8%	45.6%	17.5%
DPS (Bt)	0.00	0.42	0.48	0.56
Dividend yield	0.0%	1.1%	1.3%	1.5%
PER (x)	127.2	40.6	35.1	29.9
Core PER (x)	130.8	51.1	35.1	29.9

HIGHLIGHTS

- **Stronger 2025E growth potential compared to peers:** While CENTEL is poised to deliver further QoQ growth in 4Q24-1Q25E, its 2025E earnings growth is projected to outpace peers like MINT and ERW. Furthermore, CENTEL's current valuation of 11.7x 2024E EV/EBITDA is attractive, as it's -1.25 SD below its 8-year historical average, making it more compelling than ERW, which is trading at 14.6x.

EARNINGS OUTLOOK

- **Strong tailwinds from the peak tourism season:** CENTEL is well-positioned to capitalize on the peak tourism season in Thailand, Maldives, and Japan. October's RevPAR increased by +2% YoY.
- **Sector-leading growth for 2025E:** CENTEL is projected to lead the sector in terms of earnings growth in 2025E, with a forecast net profit of Bt1.7bn, representing an +18% YoY increase. This growth will be driven by the absence of significant expenses incurred in 2024 and the full-year contribution of two renovated hotels in Phuket and Pattaya, which are expected to resume

normal operations between late November and early December 2024E.

PERFORMANCE & VALUATION

- **CENTEL is a BUY with a 2025E target price of Bt44.00.** This valuation is derived from a DCF analysis, using a 7.6% WACC and a 2.5% terminal growth rate.



Central Retail Corporation (CRC): BUY, Target Bt45.00

Promising growth forecast for upcoming holiday season



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	219,898	231,438	245,583	266,316
EBITDA	30,049	32,436	35,705	37,954
Net profit	7,175	8,016	8,660	9,900
EPS (Bt)	1.19	1.33	1.44	1.64
EPS growth	11,985%	11.7%	8.0%	14.3%
Core EPS (Bt)	1.19	1.28	1.38	1.64
Core EPS growth	11,985%	7.4%	7.7%	19.4%
DPS (Bt)	0.48	0.53	0.57	0.66
Dividend yield	1.4%	1.6%	1.7%	2.0%
PER (x)	28.2	25.2	23.3	20.4
Core PER (x)	28.2	26.2	24.4	20.4

HIGHLIGHTS

• **Positive momentum in 4Q24E:** CRC is poised for strong QoQ profit growth in 4Q24E, driven by the high retail season and contributions from all business segments in Thailand. The fashion segment, in particular, is expected to benefit from completed renovations at major flagship stores in Thailand and Italy. Additionally, the food segment and rental income are projected to increase due to higher foot traffic and year-end spending. The hardline segment is anticipated to grow as construction activities resume post-rainy season, with momentum likely to carry over into 1Q25E. Gross profit margin is projected to improve, supported by a higher contribution from fashion sales and increased rental income towards the end of the year. Furthermore, the QTD same-store sales growth trend showed MoM improvement in November, with further gains anticipated in December 2024.

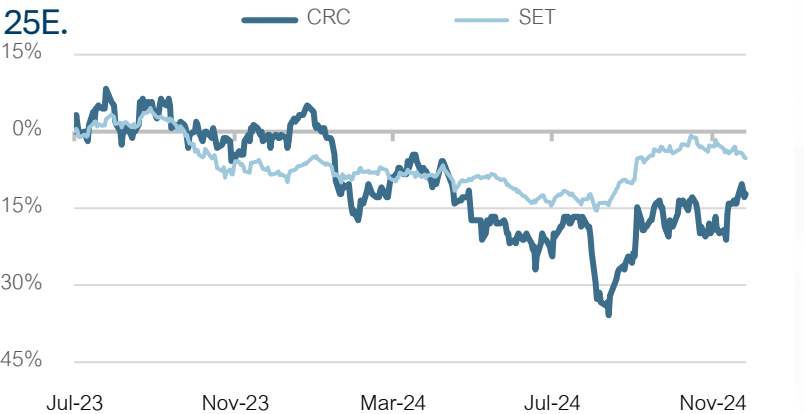
EARNINGS OUTLOOK

• **Growth driven by high season and renovations:** CRC is well-positioned to capitalize on the high season and year-end spending in 4Q24E, particularly in the fashion, food, and home improvement segments. Same-store

sales are expected to decline, while revenue recovery will be supported by the reopening of renovated stores in October. We estimate net profit of Bt8.7bn and Bt9.9bn for 2024E and 2025E, representing YoY growth of +8% and +14%. This strong momentum is driven by increasing consumer spending, operational efficiency, and the positive impact of renovated outlets.

PERFORMANCE & VALUATION

• **CRC is a BUY with a target price of Bt45.00.** This valuation is based on a 2025E PER of 27.5x, positioned at -0.5 SD below the 3-year historical average. While the current valuation of 20x 2025E PER offers a significant discount, we project strong growth prospects in 2024-25E.



Maguro Group (MAGURO): BUY, Target Bt22.50

Strong 4Q24E earnings outlook and new brand excitement



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	664	1,044	1,367	1,641
EBITDA	115	218	308	362
Net profit	31	72	95	129
EPS (Bt)	0.25	0.58	0.75	1.02
EPS growth	227.6%	131.1%	31.0%	35.5%
Core EPS (Bt)	0.25	0.58	0.80	1.02
Core EPS growth	227.6%	131.1%	38.8%	27.9%
DPS (Bt)	0.24	0.68	0.49	0.66
Dividend yield	1.2%	3.3%	2.4%	3.2%
PER (x)	83.2	36.0	27.5	20.3
Core PER (x)	83.2	36.0	25.9	20.3

HIGHLIGHTS

- **Expansion with new brands to drive growth:** MAGURO is set to expand its portfolio with the launch of two new brands in December. Tonkatsu Aoki will open at CentralWorld on December 20th, while CouCou is scheduled to open on December 25th. These new brands are expected to be well-received by the market and contribute approx. Bt93mn to revenue in 2025E, with a net profit margin of around 9-10%.

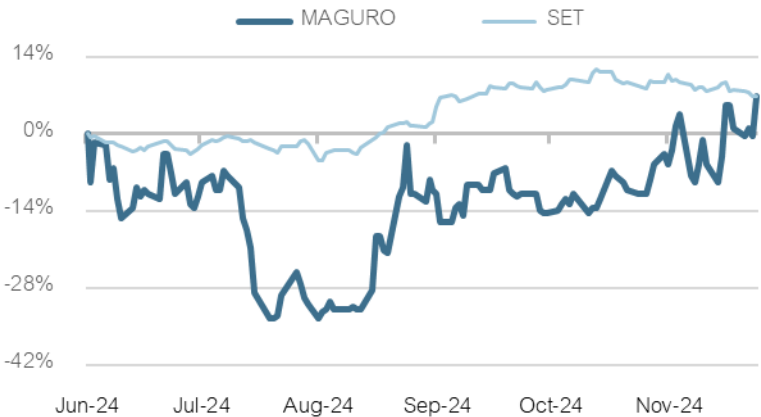
EARNINGS OUTLOOK

- **Sustained momentum and record-high profits:** MAGURO is poised to achieve record-high profits in 4Q24E, with estimated net profit ranging from Bt32mn to Bt38mn. This strong performance is driven by the opening of six new restaurants, the launch of two new brands, and the positive impact of the high season, which is expected to drive record-high revenue and same-store sales growth. October same-store sales experienced +2-3% growth.
- **Maintaining 2024-25E estimates:** Our net profit estimate for 2024E remains unchanged at Bt95mn, representing +31% YoY growth. The core profit is projected to reach Bt101mn, up +39%. For 2025E, we

maintain our net profit estimate at Bt129mn, indicating a +36% YoY increase.

PERFORMANCE & VALUATION

- **MAGURO is a BUY with a 2025E target price of Bt22.50**, based on a 2025E PER of 22.0x. Our positive outlook on MAGURO is driven by the strong growth potential in the Thai full-service restaurant sector and its relatively low penetration rate compared to competitors. The stock's valuation remains attractive, particularly given its robust earnings growth outlook for 2024E–2025E, with profits expected to reach record highs.



SISB (SISB): BUY, Target Bt40.00

Riding the wave of new academic year growth



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	1,319	1,803	2,304	2,795
EBITDA	556	828	1,132	1,444
Net profit	369	633	926	1,227
EPS (Bt)	0.39	0.67	0.99	1.30
EPS growth	77.3%	72.6%	46.3%	32.5%
Core EPS (Bt)	0.39	0.67	0.99	1.30
Core EPS growth	77.3%	72.6%	46.3%	32.5%
DPS (Bt)	0.10	0.20	0.30	0.39
Dividend yield	0.3%	0.6%	0.9%	1.3%
PER (x)	80.1	46.4	31.7	23.9
Core PER (x)	80.1	46.4	31.7	23.9

HIGHLIGHTS

- Poised for strong growth in international education:** The international education industry is well-positioned for future growth, driven by increasing demand for quality education and rising income levels. SISB is uniquely positioned to capitalize on this trend, particularly due to its inclusion of Mandarin as part of its core curriculum, which appeals to expatriates, especially those relocating to Thailand from China.
- High season tailwinds:** We project 4Q24E net profit of Bt260–270mn, representing a +26% YoY and +21% QoQ increase. This strong performance is driven by an increase in enrollments, approaching the company's target of 4,600 students, and the full-quarter impact of tuition fee hikes for the new academic year.

EARNINGS OUTLOOK

- Robust earnings growth for 2024E:** SISB is expected to deliver impressive growth in 2024E, with a projected net profit of Bt914mn, reflecting a +35% YoY increase. Key growth drivers include increased enrollments, approaching the 4,600 student target (+10% YoY), and a

+5% tuition fee hike.

PERFORMANCE & VALUATION

- SISB is a BUY with a target price of Bt40.00**, based on a DCF valuation with a 7.2% WACC and a 3% terminal growth rate. Key catalysts include growing enrollments and tuition fee hikes.



Star Petroleum Refining (SPRC): BUY, Target Bt8.50

Turnaround in sight amid improving crack spreads



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	285,264	238,284	263,272	220,797
EBITDA	13,590	1,522	5,467	6,336
Net profit	7,674	-1,230	2,492	2,650
EPS (Bt)	1.77	-0.28	0.57	0.61
EPS growth	61.7%	n.m.	n.m.	6.4%
Core EPS (Bt)	2.04	-0.23	0.29	0.56
Core EPS growth	93.3%	n.m.	n.m.	93.1%
DPS (Bt)	1.11	0.00	0.25	0.25
Dividend yield	16.3%	0.0%	3.7%	3.7%
PER (x)	3.8	n.m.	11.7	11.0
Core PER (x)	3.3	n.m.	23.4	12.1

HIGHLIGHTS

- **Recovery in crack spread and reduced stock loss to drive 4Q24E profit:** We anticipate a QoQ increase in market GRM in 4Q24E, driven by higher crack spreads and the full-quarter operation of the Single Point Mooring (SPM) system. Additionally, with relatively stable crude oil prices QTD, we expect a reduced stock loss in 4Q24, further boosting earnings.
- **Robust middle distillate demand expected in 2025E:** Middle distillate demand is anticipated to experience strong growth in 2025E, even as new supply additions may pressure gasoline crack spreads. According to Energy Aspects, global middle distillate demand is projected to increase by 0.5 mbd in 2025E, driven by rising travel activities and economic expansion in Asia. This positive trend is expected to support refiners like SPRC, mitigating some challenges in the gasoline segment.

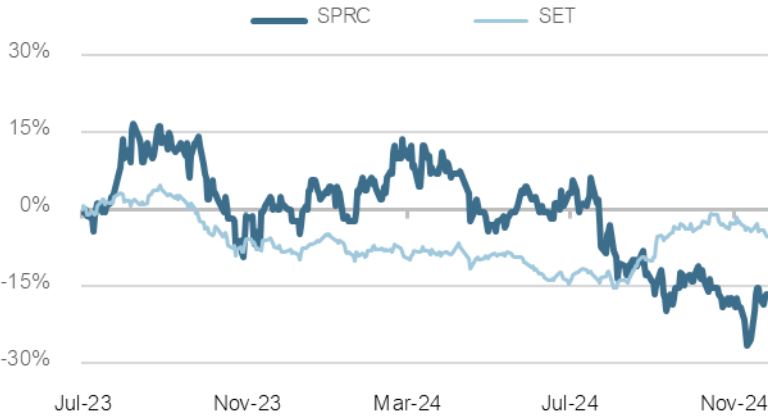
EARNINGS OUTLOOK

- **Expected return to profitability in 2024E:** SPRC is projected to report a net profit of Bt2.5bn in 2024E, a

significant recovery from the Bt1.2bn net loss in 2023. This turnaround is driven by improved market GRM, supported by favorable crack spread dynamics and operational efficiencies, as well as higher crude throughput, reflecting increased volumes of crude oil processed compared to the prior year.

PERFORMANCE & VALUATION

- **SPRC is a BUY with a target price of Bt8.50.** Based on a 2025E PBV of 0.88x, this valuation is -1.8 SD below the 5-year historical average. The current stock price offers a dividend yield of 3.7% for the next two years.



Thai Optical Group (TOG): BUY, Target Bt12.00

High season drive for 4Q24E and capacity expansion in 1Q25E



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	2,923	2,993	3,654	3,990
EBITDA	598	659	759	849
Net profit	404	426	436	478
EPS (Bt)	0.85	0.90	0.92	1.01
EPS growth	30.1%	5.5%	2.5%	9.5%
Core EPS (Bt)	0.81	0.90	0.92	1.01
Core EPS growth	46.6%	11.8%	1.9%	9.5%
DPS (Bt)	0.60	0.65	0.64	0.71
Dividend yield	6.0%	6.5%	6.4%	7.1%
PER (x)	11.8	11.1	10.9	9.9
Core PER (x)	12.4	11.1	10.9	9.9

HIGHLIGHTS

- **Peak profit expected in 4Q24E:** 4Q24 is expected to be the peak earnings quarter, driven by ongoing production ramp-up, accelerated utilization of vision insurance policies, particularly in Europe, and an improving gross profit margin. The higher proportion of revenue from the higher-margin Rx lens segment, coupled with the low base of 19.8% in 4Q23, will contribute to the margin expansion.
- **New capacity slated for 1Q25E:** A new Rx lens production line is scheduled to commence operations in 1Q25, increasing Rx lens capacity by 30%.

EARNINGS OUTLOOK

- **Accelerated profit growth in 2025E:** We estimate 2024 core profit at Bt436mn, a +2% YoY increase. For 2025E, we anticipate a stronger +10% YoY growth to Bt478mn, driven by the gradual ramp-up of the new Rx lens production line. This increased capacity will enable the company to meet both new and existing customer orders, particularly from the US.

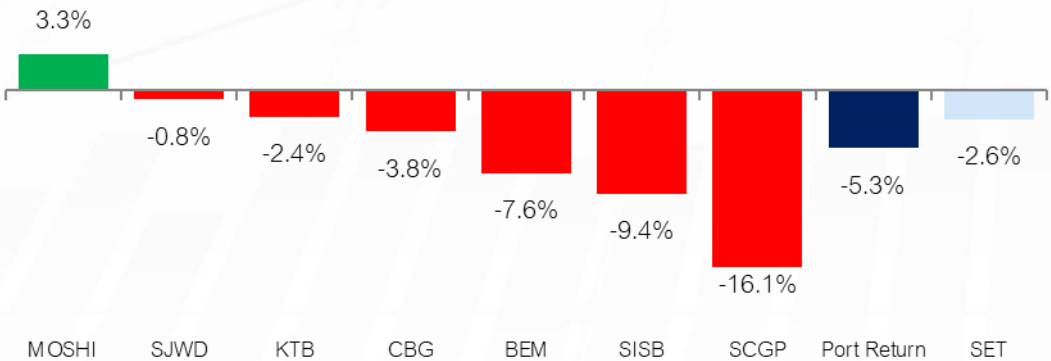
PERFORMANCE & VALUATION

- **TOG is a BUY with a target price of Bt12.00**, based on a 2025E PER of 12x, which is -1 SD below the 5-year historical average. Key catalysts for the stock include the depreciation of the Thai baht, the expansion of Rx lens production capacity, and the progress of the new factory investment plan scheduled for 1Q25E.



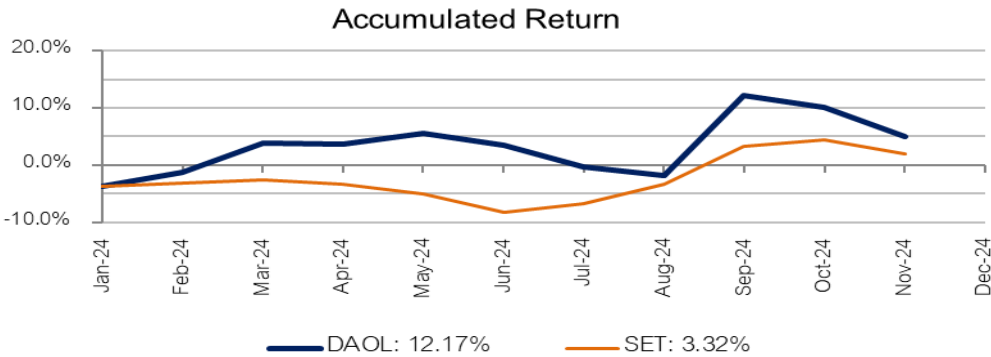
Last month performance

Stocks	Action	(24 Oct 31)	(24 Nov 29)	XD	Return Monthly
		Entry Price	Exit Price		
MOSHI	BUY	45.25	46.75		3.31%
SJWD	BUY	11.80	11.70		-0.85%
KTB	BUY	20.50	20.00		-2.44%
CBG	BUY	79.75	76.75		-3.76%
BEM	BUY	7.90	7.30		-7.59%
SISB	BUY	34.50	31.25		-9.42%
SCGP	BUY	25.50	21.40		-16.08%
Port Return					-5.26%
SET		1,466.04	1,427.54		-2.63%
Port - SET					-2.63%



YTD performance

Month	Monthly Return		Accumulated Return		DAOL - SET
	DAOL	SET	DAOL	SET	
Jan-24	-3.63%	-3.63%	-3.63%	-3.63%	-0.01%
Feb-24	2.29%	0.45%	-1.34%	-3.17%	1.83%
Mar-24	5.13%	0.53%	3.79%	-2.64%	6.44%
Apr-24	-0.05%	-0.72%	3.75%	-3.37%	7.11%
May-24	1.80%	-1.63%	5.55%	-5.00%	10.55%
Jun-24	-2.02%	-3.32%	3.53%	-8.32%	11.85%
Jul-24	-3.89%	1.53%	-0.36%	-6.79%	6.43%
Aug-24	-1.46%	3.50%	-1.82%	-3.29%	1.47%
Sep-24	13.99%	6.60%	12.17%	3.32%	8.85%
Oct-24	-1.98%	1.19%	10.19%	4.50%	5.68%
Nov-24	-5.26%	-2.63%	4.93%	1.88%	3.05%



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