



Monthly Insights

January 2025



- **Expected trading range:** The SET Index is projected to fluctuate within a range of 1,360-1,415 points.
- **Market outlook:** The market is expected to experience volatility, pointing to the downside.
- **Key drivers and risks:**
 - The inauguration of the US new president set for January 20th
 - The FOMC meeting scheduled for January 28-29th
 - Geopolitical tensions.
- **Investment strategy:**
 - Profit-taking: Recommended to mitigate risks.
 - Selective buying: Focus on growth with strong growth potential amid attractive valuations.
- **Stock picks:** AAV, CK, CRC, KTB, MAGURO, SCGP, and SISB.

KEY FACTORS



(±) US monetary policy: The FOMC meeting on January 28-29th is likely to result in a 25 bps rate cut, continuing the trend of easing monetary policy. The Dot Plot, which reflects individual Fed members' interest rate expectations, now suggests twice rate cuts in 2025E compared to previous forecasts. Furthermore, a stronger USD could negatively impact Asian equities.



(+) Domestic and regional stimulus: The Thai government's "Easy eReceipt" program and anticipated further measures, coupled with expected Chinese economic stimulus, are likely to positively impact Thai economic growth and benefit the Thai stock market.



(-) US President inauguration: The upcoming inauguration (January 20) is expected to introduce market volatility, particularly in US equities, due to concerns about the potential impact of new administration trade policies. These policies could disrupt international trade relationships and undermine the global economy.



(-) Geopolitical tensions: Ongoing geopolitical conflicts, although less intense than previously, continue to weigh down global markets and exert downward pressure on oil prices.



Support: 1,360 and 1,320

Resistance: 1,440, 1,450 and 1,500

2024 Market Recap

The SET Index experienced a significant downtrend throughout 2024, culminating in a 25% decline from its January 2023 peak of 1,695 to a low of 1,273 in August 2024. A notable reversal occurred in September, leading to a 50% retracement of the decline, with the index reaching 1,506 in mid-October. However, a subsequent correction brought the index down to 1,361, coinciding with the 61.8% Fibonacci retracement level of the recovery phase.

January Outlook

A decisive break above the upper boundary of the downtrend line, estimated between 1,440 and 1,450, would signal a potential shift to a major uptrend. This scenario could open the way for a retest of the 1,500 level. On the flip side, failure to breach the downtrend line resistance may result in sideways to downward drift. Key support levels are identified at 1,360 and 1,320.

- **AAV:** High season tailwinds to drive 4Q24E earnings
- **CK:** Upside potential to 4Q24E earnings ahead of anticipated award of double deck project in 1Q25E
- **CRC:** Robust outlook for 4Q24-1Q25E driven by festive season spending
- **KTB:** Strong 4Q24E outlook driven by superior asset quality and lower provisions
- **MAGURO:** Overwhelming response to new brands fuels expansion plans
- **SCGP:** 4Q24E GPM to improve, high season to drive 1Q25E volume growth
- **SISB:** Strong 4Q24E performance expected, 1Q25E growth outlook remains bright

Stock	Rec	Price 30-Dec-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	2.76	3.60	30.4	382.5	32.9	1,430.6	17.1	15.3	11.5	3.2	2.5	0.0	0.0
CK	BUY	19.20	27.50	43.2	8.8	20.9	12.4	20.9	19.3	16.0	1.2	1.1	2.4	3.0
CRC	BUY	34.00	45.00	32.4	16.6	2.0	16.6	2.0	22.6	22.2	2.2	2.1	1.8	1.8
KTB	BUY	21.00	24.50	16.7	17.8	6.7	17.8	6.7	6.8	6.4	0.7	0.6	5.9	6.2
MAGURO	BUY	20.10	26.00	29.4	30.9	48.6	38.7	40.2	27.2	18.3	4.2	3.9	2.4	3.5
SCGP	BUY	19.60	33.00	68.4	-3.3	16.1	-0.8	15.4	16.8	14.4	0.7	0.7	2.8	3.1
SISB	BUY	30.00	40.00	33.3	46.3	32.5	37.6	32.5	31.2	23.6	8.5	6.8	1.0	1.3

High season tailwinds to drive 4Q24E earnings



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.	73.9	15.3	11.5
Core PER (x)	n.m.	206.6	13.5	11.5

HIGHLIGHTS

- **Record 4Q24E passenger volume:** Projected to reach a record 5.5mn passengers in 4Q24E, driven by peak travel season, representing +8% YoY and +12% QoQ growth.
- **Fleet expansion:** Fleet size to expand to 56 aircraft by 4Q24E, up from 50 in 3Q24, supporting passenger growth.
- **Higher average airfare:** Average ticket prices expected to increase to Bt2,000-Bt2,100 in 4Q24E from Bt1,850 in 3Q24, driven by strong travel demand during the peak holiday season.
- **Moderate competition:** Competition remains moderate due to slowed fleet expansion across the industry. The total number of aircraft in Thailand in 2025E is estimated at 250, lower than the pre-pandemic level of 289 in 2019, despite passenger numbers in 2025E being expected to return to 2019 levels.

EARNINGS OUTLOOK

- **Significant earnings recovery:** Projected core profit to surge from Bt167mn in 2023 to Bt2.6bn

in 2024E and further to Bt3.0bn in 2025E, driven by strong passenger traffic, fleet expansion, and higher average airfares.

PERFORMANCE & VALUATION

- **BUY recommendation:** AAV is rated a BUY with a target price of Bt3.60, based on a 2025E core PER of 15.5x, positioned -1.0 SD below the pre-COVID average during profitable years.
- **Outperformance expected:** AAV's share price is expected to outperform the SET Index during 4Q24E and 1Q25E, driven by strong recovery during the high-growth period.



CH. Karnchang (CK): Buy, Target Bt27.50

DAOL SEC

Upside potential to 4Q24E earnings ahead of anticipated award of double deck project in 1Q25E



HIGHLIGHTS

- **Strong 4Q24E earnings expected:** CK's 4Q24E earnings are anticipated to surpass market expectations, driven by the official commencement of work on the Orange Line project, with faster-than-expected progress expected. While civil work is underway, negotiations for M&E systems with suppliers have commenced.
- **Limited labor cost impact:** The recent minimum wage increase is expected to have a limited impact on CK, as its workforce is already compensated above the minimum wage. The relevant committee has recently approved raising the minimum wage in Bangkok and its vicinity by +2.5%.

EARNINGS OUTLOOK

- **Upside potential to 2024E:** We see a 10% upside potential to our 2024E core profit estimate of Bt1.6bn (+12% YoY), driven by a strong 4Q24E performance.
- **2025E outlook:** Our 2025E profit projection

remains at Bt2.0bn (+21% YoY), supported by a robust backlog.

PERFORMANCE & VALUATION

- **BUY recommendation:** CK is rated a BUY with a target price of Bt27.50, derived from a SOTP valuation.
- **Key catalysts:** The anticipated award of the double deck project to BEM in 1Q25E and the company's share buyback activities are key catalysts.



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	18,097	36,485	37,059	39,877
EBITDA	2,968	4,576	4,569	4,975
Net profit	1,105	1,501	1,633	1,975
EPS (Bt)	0.67	0.89	0.96	1.17
EPS growth	22.0%	33.6%	8.3%	20.9%
Core EPS (Bt)	0.53	0.86	0.96	1.17
Core EPS growth	783.4%	61.9%	11.9%	20.9%
DPS (Bt)	0.25	0.30	0.45	0.55
Dividend yield	1.3%	1.6%	2.4%	3.0%
PER (x)	27.9	20.9	19.3	16.0
Core PER (x)	35.0	21.6	19.3	16.0

Robust outlook for 4Q24-1Q25E driven by festive season spending



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	11985.2%	11.7%	8.0%	14.3%
Core EPS (Bt)	1.19	1.28	1.38	1.64
Core EPS growth	11985.2%	7.4%	7.7%	19.4%
DPS (Bt)	0.48	0.53	0.57	0.66
Dividend yield	1.4%	1.5%	1.6%	1.9%
PER (x)	29.4	26.3	24.4	21.3
Core PER (x)	29.4	27.4	25.5	21.3

HIGHLIGHTS

- **Positive 4Q24E momentum:** Poised for strong QoQ profit growth driven by the high retail season, contributions from all segments, and improved gross margin.
- **Fashion segment strength:** Benefiting from completed renovations at flagship stores in Thailand and Italy.
- **Positive same-store sales trend:** QTD same-store sales showed MoM growth in November, with further gains anticipated in December.

EARNINGS OUTLOOK

- **High season and renovation boost:** Well-positioned to capitalize on the high season and the government's Easy eReceipt program in 1Q25E, particularly in fashion, food, and home improvement.
- **2024E-2025E growth:** Estimate net profit of Bt8.7bn and Bt9.9bn for 2024E and 2025E, representing YoY growth of +8% and +14%, respectively.

PERFORMANCE & VALUATION

- **BUY recommendation:** CRC is rated a BUY with a target price of Bt45.00, based on a 2025E PER of 27.5x, positioned -0.5 SD below the 3-year historical average.
- **Attractive valuation:** Current valuation of 20x 2025E PER offers a significant discount, despite strong growth prospects in 2024-25E.



Krung Thai Bank (KTB): BUY, Target Bt24.50

DAOL SEC

Strong 4Q24E outlook driven by superior asset quality and lower provisions



End-December (Bt mn)	2022A	2023A	2024E	2025E
Net interest income	90,404	113,419	119,477	122,338
Net fees income	20,316	20,872	21,784	22,662
Pre-provision profit	70,620	87,309	90,415	92,165
Provision	24,338	37,085	31,859	29,996
Net profit	33,697	36,616	43,139	46,030
EPS (Bt)	2.41	2.62	3.09	3.29
EPS growth (%)	56.1%	8.7%	17.8%	6.7%
NIM (%)	2.7%	3.3%	3.3%	3.2%
BVPS (Bt)	26.9	28.8	31.0	33.1
DPS (Bt)	0.7	0.9	1.2	1.3
PER (x)	8.8	8.1	6.8	6.4

HIGHLIGHTS

- **Superior asset quality:** KTB maintains a leading position with superior asset quality driven by a focus on lower-risk state lending.
- **Strong 4Q24E earnings:** Expected to deliver the highest YoY earnings growth among peers in 4Q24E, primarily due to reduced provisions.
- **Robust coverage ratio:** Maintains a strong asset quality profile with a robust coverage ratio of 184%, mitigating risks associated with potential economic slowdown.

EARNINGS OUTLOOK

- **Strong 4Q24E earnings growth:** 4Q24E earnings projected to reach Bt10bn (+65% YoY, -9% QoQ), driven by lower provisions. NPLs expected to increase slightly to 3.20% from 3.14% in 3Q24, but excluding loans offered to THAI, the NPL ratio could lower to 3.07%.
- **Leading earnings growth:** Expected to lead peers in earnings growth in 2024E (+15% YoY) and 2025E (+7% YoY), with projected net profit reaching Bt46bn in 2025E.
- **Superior asset quality & lending strategy:** KTB's

focus on state lending, which carries lower risk, provides a significant advantage in a potentially challenging economic environment.

PERFORMANCE & VALUATION

- **BUY recommendation:** KTB is rated a BUY with a target price of Bt24.50.
- **Attractive valuation:** 2025E PBV of 0.74x positions -0.50 SD below the 10-year historical average. Current stock price trades at a PBV of 0.68x, -0.75 SD below the 10-year average, suggesting undervaluation.
- **Consistent profitability:** Stock price does not yet fully reflect consistent quarterly profits exceeding Bt10bn in the last four quarters.



Overwhelming response to new brands fuels expansion plans



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	664	1,044	1,366	1,677
EBITDA	115	218	308	378
Net profit	31	72	95	141
EPS (Bt)	0.25	0.58	0.75	1.12
EPS growth	227.6%	131.1%	30.9%	48.6%
Core EPS (Bt)	0.25	0.58	0.80	1.12
Core EPS growth	227.6%	131.1%	38.7%	40.2%
DPS (Bt)	0.24	0.68	0.49	0.73
Dividend yield	1.2%	3.3%	2.4%	3.5%
PER (x)	82.8	35.8	27.4	18.4
Core PER (x)	82.8	35.8	25.8	18.4

HIGHLIGHTS

- **New brand success:** Successful launches of Tonkatsu Aoki and CouCou, with strong initial reception and expansion plans for both brands.
- **New brand pipeline:** Introduction of two new brands, including a Japanese food brand and a general food brand, expected to contribute significantly to future growth.
- **New brand revenue potential:** New brands are projected to generate Bt132mn in revenue in 2025E with a 9-10% net profit margin.

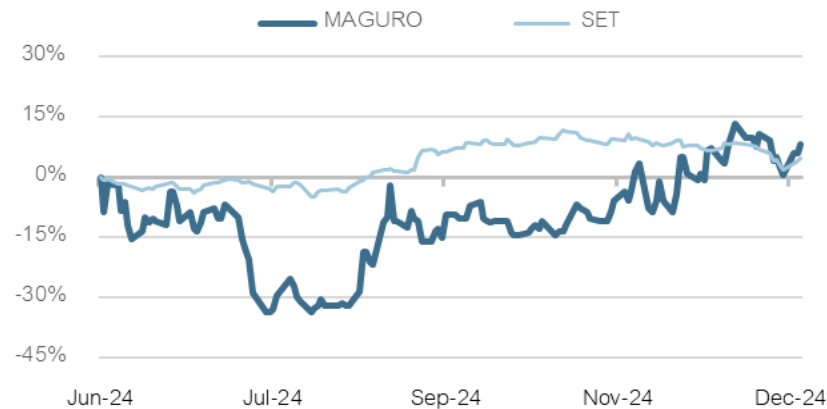
EARNINGS OUTLOOK

- **Record 4Q24E profit:** Expected to achieve record-high 4Q24E profit (Bt32-38mn) driven by strong same-store sales growth and the positive impact of new brands and branch expansion.
- **Positive SSSG momentum:** October SSSG of +2-3% indicates continued strong performance.

- **2024E-2025E profit growth:** Maintain 2024E net profit estimate at Bt95mn (+31% YoY) and core profit at Bt101mn (+39% YoY). Forecast 2025E net profit at Bt141mn (+49% YoY).

PERFORMANCE & VALUATION

- **BUY recommendation:** MAGURO is rated a BUY with a target price of Bt26.00, based on a 2025E P/E of 23.5x.



SCG Packaging (SCGP): Buy, Target Bt33.00

4Q24E GPM to improve, high season to drive 1Q25E volume growth



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	146,068	129,398	129,876	132,685
EBITDA	19,402	17,769	18,020	19,599
Net profit	5,801	5,248	5,073	5,892
EPS (Bt)	1.35	1.22	1.18	1.37
EPS growth	-30.1%	-9.5%	-3.3%	16.1%
Core EPS (Bt)	1.32	1.20	1.19	1.38
Core EPS growth	-29.1%	-8.6%	-0.8%	15.4%
DPS (Bt)	0.60	0.55	0.55	0.60
Dividend yield	3.0%	2.8%	2.8%	3.1%
PER (x)	14.7	16.2	16.8	14.4
Core PER (x)	15.0	16.4	16.6	14.4

HIGHLIGHTS

- **4Q24E margin improvement:** Expecting a QoQ improvement in gross profit margin in 4Q24E due to lower input costs, particularly waste paper (AOCC) prices, which averaged USD176/ton in October-November 2024, down from USD209/ton in 3Q24E.
- **1Q25E sales volume boost:** Anticipating higher sales volumes in 1Q25E driven by seasonal factors (more public holidays in ASEAN) and potential demand recovery from China, supported by ongoing government stimulus measures.

EARNINGS OUTLOOK

- **2024E earnings:** Forecasting 2024E net profit at Bt5.1bn (-3% YoY) due to higher input costs.
- **2025E earnings recovery:** Expecting a strong recovery in 2025E with net profit forecast at

Bt5.9bn (+16% YoY), driven by improved sales volumes and enhanced profitability.

PERFORMANCE & VALUATION

- **BUY recommendation:** SCGP is rated a BUY with a target price of Bt33.00, based on a 2025E PER of 24.1x (-1.0 SD below the long-term average).
- **Attractive valuation:** The stock currently trades at an attractive 2025E PER of 14.4x, significantly below the long-term average (-2.5 SD).



SISB (SISB): Buy, Target Bt40.00

Strong 4Q24E performance expected, 1Q25E growth outlook remains bright



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%	0.7%	1.0%	1.3%
PER (x)	78.8	45.7	31.2	23.6
Core PER (x)	78.8	45.7	31.2	23.6

HIGHLIGHTS

- **Favorable industry tailwinds:** The international education sector is poised for continued growth, driven by increasing demand for quality education and rising income levels.
- **Competitive advantage:** SISB's unique curriculum, including Mandarin as a core subject, provides a strong competitive advantage, particularly appealing to expatriates, especially those relocating from China.
- **Strong 4Q24E outlook:** Projected 4Q24E net profit of Bt260-270mn (+26% YoY, +21% QoQ) driven by rising enrollment approaching the 4,600 student target and the full-quarter impact of tuition fee increases.

EARNINGS OUTLOOK

- **Robust 2025E growth:** Forecasting 2025E net profit at Bt1.22bn (+32% YoY) driven by projected

+9% YoY enrollment growth to 5,000 students and a +5% tuition fee increase.

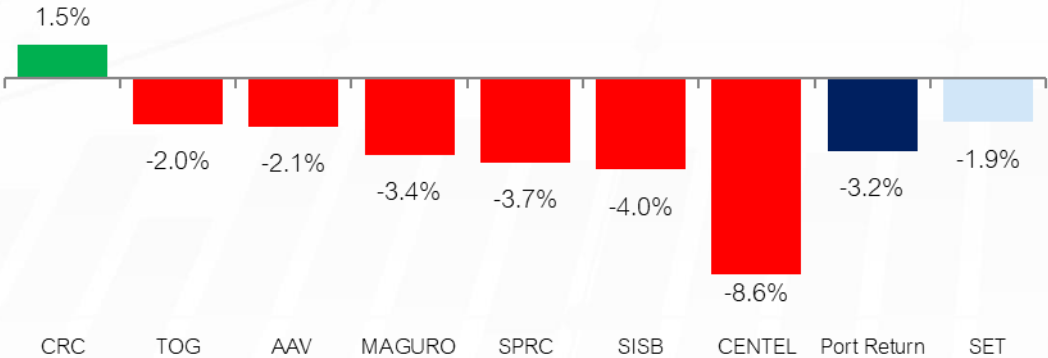
PERFORMANCE & VALUATION

- **BUY recommendation:** SISB is rated a "Buy" with a target price of Bt40.00, derived from a DCF analysis using a 7.2% WACC and a 3% terminal growth rate.
- **Key catalysts:** Continued enrollment growth and annual tuition fee increases are key drivers.



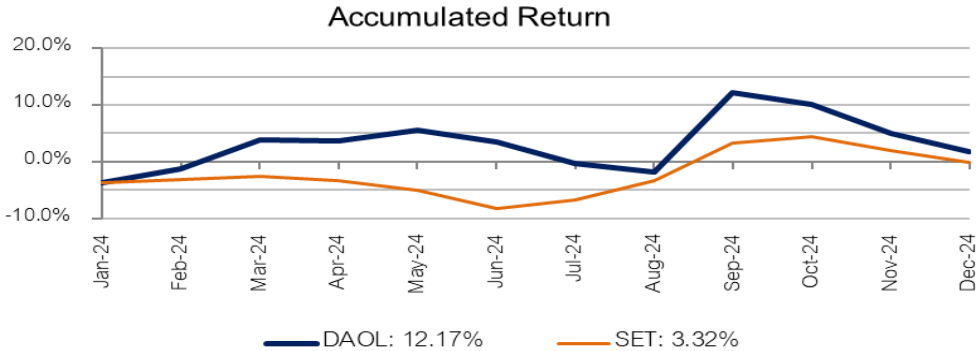
Last month performance

Stocks	Action	(29 Nov 24)	(30 Dec 24)	XD	Return Monthly
		Entry Price	Exit Price		
CRC	BUY	33.50	34.00		1.49%
TOG	BUY	10.00	9.80		-2.00%
AAV	BUY	2.82	2.76		-2.13%
MAGURO	BUY	20.80	20.10		-3.37%
SPRC	BUY	6.80	6.55		-3.68%
SISB	BUY	31.25	30.00		-4.00%
CENTEL	BUY	37.75	34.50		-8.61%
Port Return					-3.18%
SET		1,427.54	1,400.21		-1.91%
Port - SET					-1.27%



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%
Dec-24	-3.18%	-1.91%	1.74%	-0.04%	1.78%



Disclaimer: This report has been prepared by DAOL SECURITIES (THAILAND). The information herein has been obtained from sources believed to be reliable and accurate; however, DAOL SEC makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. DAOL SEC has no intention to solicit investors to buy or sell any securities in this report. In addition, DAOL SEC does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making decisions. All rights are reserved. This report may not be reproduced, distributed or published by any person in any manner for any purpose without the permission of DAOL SEC. Investment in securities has risks. Investors are advised to consider carefully before making decisions.

DAOL

다올

DAOL (THAILAND)

กลุ่มธุรกิจการเงิน ดาโอ (ประเทศไทย)

DAOL SEC

DAOL INVESTMENT
MANAGEMENT

DAOL REIT

DAOL LEND

DAOL DIGITAL
PARTNER



‘DAOL, your lifetime financial partner’

✉ contactcenter@daol.co.th

☎ 0 2351 1800

🌐 www.daol.co.th

f [daol.th](https://www.facebook.com/daol.th)

📺 [daol.th](https://www.youtube.com/daol.th)