

### Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	48704.0	1.3	1.8	1.6	14.5
S&P 500	6901.0	0.2	0.6	0.8	17.3
FTSE 100	9703.2	0.5	(0.1)	(2.0)	18.7
AS30	8877.5	0.1	(0.3)	(2.2)	5.4
CSI 300	4552.2	(0.9)	0.1	(2.0)	15.7
FSSTI	4520.8	0.2	(0.3)	(1.1)	19.4
HSCEI	8934.3	(0.2)	(1.9)	(6.3)	22.6
HSI	25530.5	(0.0)	(1.6)	(4.4)	27.3
JCI	8620.5	(0.9)	(0.2)	2.8	21.8
KLCI	1625.4	0.9	0.3	(0.4)	(1.0)
KOSPI	4110.6	(0.6)	2.0	(1.0)	71.3
Nikkei 225	50148.8	(0.9)	(1.7)	(1.8)	25.7
SET	1253.5	(1.3)	(1.9)	(2.4)	(10.5)
TWSE	28024.8	(1.3)	0.8	0.3	21.7
BDI	2294	(5.6)	(18.5)	10.7	130.1
CPO (RM/mt)	4037	(1.0)	(1.2)	(1.8)	(17.9)
Brent Crude (US\$/bbl)	62	(1.0)	(2.6)	(5.5)	(17.5)

Source: Bloomberg

### Corporate Events

	Venue	Begin	Close
Virtual Presentation on Regional 1H2026 Outlook and Strategy	Regional	14 Jan	15 Jan

### Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
Nov. Consumer Confidence	Thailand	8-15 Dec
BoT Benchmark Interest Rate	Thailand	17 Dec

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### Top Stories

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House dissolution is expected to still take place in late-Jan 26. Note that an earlier dissolution will not impact our positive 1H26 view. Domestic-oriented sectors tend to outperform during an election period; hence, an optimal strategy is to buy these sectors three months before election day, and then take profit one month after. Our top picks are AOT, BGRIM, CENTEL, CPALL, GLOBAL, GULF, KBANK, KTC, MINT and TFG.



Please note: This is the final release of the Country Daily for the year. Country Daily production will resume on 2 January 2026. UOB Kay Hian wishes you a blessed Christmas and bountiful New Year.



## Strategy

### Entering Pre-Election Rally Period

### Highlights

- Domestic-oriented sectors tend to outperform during an election period. An optimal strategy is to buy these sectors three months before election day, and then take profit one month after.
- Domestic names in our 1H26 top picks are expected to be beneficiaries. Our top 1H26 picks are AOT, BGRIM, CENTEL, CPALL, GLOBAL, GULF, KBANK, KTC, MINT and TFG.

### What's New

- The election will take place in February.** Prime Minister Anutin Charnvirakul has decided to dissolve the House to return power to the people on 11 December, and the dissolution has already been submitted for royal approval. The election will be held within 45-60 days from 12 December, and before late-March as previously expected. Note that an earlier dissolution will not impact our positive 1H26 view.
- Pre-election rally is likely to occur if there are no coups/protests.** Based on the past seven elections, the SET Index tends to deliver positive returns before the election date, except in years disrupted by major protests (which are 2007, 2011, and 2014). Excluding these years, the SET index saw positive returns in three out of four election years, which indicate a 75% probability of a pre-election rally.

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### Top Picks

Company	Rec	Share Price (Bt)	Target Price (Bt)
AOT TB	BUY	54.00	48.00
BGRIM TB*	BUY	14.70	18.00
CENTEL TB	BUY	30.00	37.00
CPALL TB	BUY	43.25	65.00
GLOBAL TB	BUY	6.15	9.50
GULF TB*	BUY	40.75	70.00
KBANK TB	BUY	191.50	200.00
KTC TB	BUY	28.00	45.00
MINT TB	BUY	23.50	38.00
TFG TB	BUY	4.56	6.80

Source: Bloomberg, \*Non-coverage

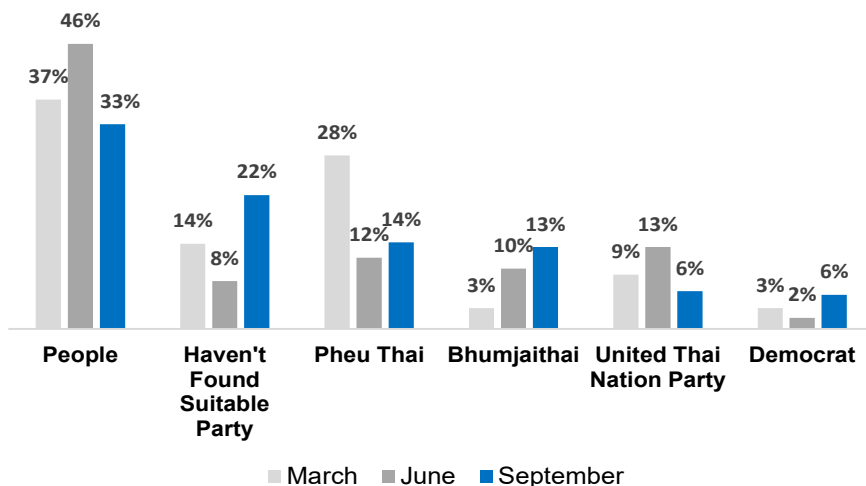
### Pre-Election Rally Occurs If No Protest And Intended Election

Election Day	PM Vote Day	Govt : Opp (Seats)	Prime Minister / Party	Note	Pre-Election Rally	Post-Election Rally
14 May 23	22 Aug 23	314 : 186	Srettha Thavisin / Pheu Thai	Delayed Gov. Formation	No	No
24 Mar 19	5 Jun 19	254 : 246	Prayut Chan-o-cha / Palang Pracharath		Yes	Yes
2 Feb 14	Voided	National Council for Peace and Order	Prayut Chan-o-cha / Palang Pracharath	Coup D' etat	No	Yes
3 Jul 11	5 Aug 11	299 : 201	Yingluck Shinawatra / Pheu Thai	Street protest	No	Yes
23 Dec 07	29 Jan 08	316 : 164	Samak Sundaravej / People's Power	1 <sup>st</sup> Election After Coup D' etat	No	No
6 Feb 05	9 Mar 05	377 : 123	Thaksin Shinawatra / Thai Rak Thai		Yes	Yes
6 Jan 01	9 Feb 01	325 : 175	Thaksin Shinawatra / Thai Rak Thai		Yes	Yes

Source: UOB Kay Hian

- Markets tend to perform well in election months.** Our study of the seven past elections (2001, 2005, 2007, 2011, 2014, 2019, and 2023) found that the SET Index typically delivers positive returns three months before an election (or about one month before dissolution). The month after an election, typically a best profit-taking period, has historically seen average returns of +5.1% with a 57.1% (four out of seven times) probability of gains. However, in 2014, large anti-government protests erupted in Bangkok, dragging down economic activity, domestic consumption (1Q14: -3.1% yoy; 2Q14: +1.0%yoy), investor confidence, and the equity market. If we exclude the 2014 election, the SET Index showed a higher average return of +6.9% with a 66.7% (five out of six times) probability of gains.

### The Popularity Of The People Party Is The Highest, But Lower Than A Combination Of Pheu Thai, Bhumjaithai, United Thai Nation Party, and Democrat Party



\*\*\* The popularity of the Bhumjaithai Party has increased as the stability of the Pheu Thai government has declined, and it has become a government formed by appointing capable ministers  
Source: NIDA Poll, UOB Kay Hian

- **Not easy for People's Party to be a leader to form the government unless it secures an outstanding victory during the upcoming election.** Based on the NIDA poll, the People's Party's popularity in Sep 25 (33%) remains among the highest, despite a decline from Jun 25 (46%). Popularity scores directly influence the voting for party-list MPs but lack a direct correlation with the scores for constituency MPs, a category where other political parties performed better than the People's Party. Moreover, the People's Party's popularity is lower than the combination of the other four big parties (Pheu Thai, Bhumjaithai, United Thai Nation Party and Democrat) as it is easier for these big four parties to work together than with the People's Party. Consequently, it remains a significant challenge for the People's Party to achieve its goal of becoming the leading government party.

- **The next government is likely to be led by Bhumjaithai, The Pheu Thai or a coalition of them.** Looking ahead, we assess that the 2026 election will result in a three-faction structure. We envision three main scenarios:

- The Bhumjaithai Party leads the government with the Pheu Thai Party joining as a coalition - 50%
- The Pheu Thai Party leads the government with the Bhumjaithai Party joining as a coalition - 30%
- The People Party will lead the government - 20%

We assess that scenarios a) and b) will be positive for the Thai stock market, as the core policies of both parties are generally supportive of the economy and capital market. Meanwhile, scenario c) might be slightly negative as the People's Party's policies do not underpin the economy and do not benefit listed companies.

## Action

- **Election periods tend to favour domestic demand-oriented sectors.** Based on the past seven elections, we found that domestic related names tend to perform well during an election period. The tourism, retail, banking, finance, and telecommunications sectors have delivered the strongest returns with an average return of around 3.6%, 9.0%, 7.8%, 11.9%, and 11.2% respectively. Moreover, tourism, retail, banking, finance, telecommunications,

and tourism have a 57.1%, 57.1%, 57.1%, and 71.4% probability of delivering a positive return respectively.

- **History suggests buying three months before and selling one month after election date.** Meanwhile, the golden period for investment is three months before the election and one month after. The election will occur in mid-to late-Feb 26, we are still optimistic on the pre-election momentum as it will raise consumer confidence, especially during the election campaign. Hence, Dec 25-Jan 26 will be a good time to buy.
- **Domestic names in our 1H26 top picks are expected to be beneficiaries.** Our top 1H26 picks are AOT, BGRIM, CENTEL, CPALL, GLOBAL, GULF, KBANK, KTC, MINT and TFG.

### Valuation Of Our Top Picks

Company	Ticker	Rec	Price	Target	Upside	Last Year End	PE			Yield 2026E (%)	ROE 2026E (%)	Market Cap. (US\$m)	Price/ NAV ps (x)
			9 Dec 25 (Bt)	Price (Bt)	To TP (%)		2024A (x)	2025E (x)	2026E (x)				
Airports of Thailand	AOT TB	BUY	54.00	48.00	(11.11)	9/24	35.1	35.9	33.2	1.8	13.2	19,560	4.3
B.Grimm Power	BGRIM TB*	BUY	14.70	18.00	22.45	12/24	23.6	22.8	15.5	3.1	5.0	1,131	1.0
Central Plaza Hotel	CENTEL TB	BUY	30.00	37.00	23.33	12/24	24.6	24.6	21.6	2.1	8.7	1,329	1.9
CP All	CPALL TB	BUY	43.25	65.00	50.29	12/24	15.6	14.0	13.4	3.7	8.4	12,162	2.5
Siam Global House	GLOBAL TB	BUY	6.15	9.50	54.47	12/24	14.7	17.4	15.3	2.6	8.8	1,114	1.3
Gulf Energy Development	GULF TB*	BUY	40.75	70.00	71.78	12/24	26.3	7.1	21.0	3.3	6.9	18,732	1.6
Kasikornbank	KBANK TB	BUY	191.50	200.00	4.44	12/24	9.2	9.1	9.0	6.4	8.4	13,779	0.7
Krungthai Card	KTC TB	BUY	28.00	45.00	60.71	12/24	9.6	9.5	8.9	5.2	17.4	2,202	1.5
Minor International	MINT TB	BUY	23.50	38.00	61.70	12/24	16.6	13.7	12.5	3.8	9.1	3,960	1.2
Thaifoods Group	TFG TB	BUY	4.56	6.80	49.12	12/24	8.6	3.9	5.2	5.7	23.9	835	1.2

\*Coverage on our retail platform

Source: UOB Kay Hian

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