

Retail Sector – Overweight

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News Update

Softer 2Q25F SSSG

- **2Q25F SSSG weakens to -2.0%.**
 - **Home improvement was the weakest.**
 - **Consumer staples turned a slight negative.**
 - **Economic uncertainty into 2H25F; stick to resilient stocks.**
- Retailers' 2Q25F same-store sales growth (SSSG) is expected to turn more negative to -2%, from -0.4% in 1Q25. Reasons were weather impact (more rains this year) hitting electrical appliances and beverage sales, falling tourists, cautious spending post the earthquake in late March and Trump tariffs.
- By segment, home improvement was the weakest with an expected SSSG of -7.2%, followed by discretionary names (CRC, MC). Consumer staples were the most resilient as it mostly sells foods.
- By month, SSSG is expected to be quite similar for April, May and June. However, with no weather impact in June, home improvement's SSSG is projected to be less negative at -5.0% in June (still hit by weak economy) vs -7 to -8% in April and May.
- **Consumer staples:** BIGC and CPALL are expected to show a slight negative SSSG of 1.5% and 0.5% respectively. CPAXT (wholesale and retail businesses) should still post a slight positive SSSG by 0.3%. While wholesale SSSG is forecasted to be about flat, Lotus's SSSG was back by positive SSSG of Lotus's Malaysia as Lotus's Thailand's SSSG is expected to be a low-single digit negative in April, flat in May and a slight negative by less than 1% in June.
- **Home improvement:** Average SSSG was negative for all months of April, May and June. While GLOBAL, HomePro and Mega Home are anticipated to improve m-m from April to June, an exception was for DOHOME with flat SSSG in April, -8% in May and -13% in June. For May, purchasing power of end users was softer, leading to end users' SSSG of -12 to -14% (back office customers – contractors and resellers, had SSSG turning negative by 3-5% due to high base in May last year and weather impact). For June, there was a problem from steel product shortage as a result of closures of many steel factories post the earthquake with steel inventory in mid of June fell to 30-40 days, from a normal level of 90 days. DOHOME's back office SSSG then corrected further to a 15-18% negative (end users' SSSG improved a 6-7% negative). DOHOME is the most hit among peers as its steel sales mix is the highest at 33% vs GLOBAL's 15% and Mega Home's 10%.
- **Other discretionary:** MOSHI continued to outperform with a 15% SSSG. Excluding low-base effect from imported product shortage in 2Q24, MOSHI's organic SSSG is expected at 6-7%. SSSG of CRC and MC, with high sales proportion of unnecessary items, is expected at a mid-single digit negative.

Ex 1: Stock Rating And TP

	Rating	Price Current (Bt)	Price Target (Bt)
BJC	SELL	19.20	19.00
COM7	BUY	19.10	30.00
CPALL	BUY	45.00	64.00
CPAXT	BUY	19.20	33.00
CPN	BUY	49.50	60.00
CRC	BUY	18.40	24.00
DOHOME	SELL	3.26	3.00
GLOBAL	HOLD	5.45	6.00
HMPRO	BUY	6.60	9.10
MC	BUY	9.65	11.50
MOSHI	BUY	41.00	50.50

Sources: Bloomberg, Thanachart estimates

- Given an uncertain economic outlook in 2H25F, our top picks are resilient stocks; CPALL, CPAXT, CPN and a small-cap stock with solid SSSG momentum, MOSHI.

Ex 2: Quarterly SSSG

(%)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	Apr25F	May25F	Jun25F	2Q25F
BIGC (exc B2B)	5.8	4.8	2.1	(0.5)	0.5	(1.9)	0.0	1.5	2.1	(1.5)	(1.0)	(2.0)	(1.5)
CPALL	8.0	7.0	3.5	3.6	4.9	3.8	3.3	4.0	3.0	0.5	(1.0)	(1.0)	(0.5)
CPN	14.6	13.4	8.5	3.8	3.0	2.0	2.0	2.5	2.1	2.5	2.5	2.5	2.5
CRC	13.0	4.0	0.0	(2.0)	1.0	(1.0)	(3.0)	(1.3)	(4.0)	(5.0)	(5.0)	(5.0)	(5.0)
DOHOME	(9.0)	(9.9)	(7.1)	(9.5)	(9.8)	(5.3)	(4.5)	1.5	0.4	0.0	(8.0)	(13.0)	(8.0)
GLOBAL	(8.7)	(9.5)	(12.3)	(12.3)	(5.3)	(2.3)	(6.5)	(3.7)	(10.0)	(15.0)	(11.5)	(5.5)	(10.7)
HMPRO (HomePro)	5.8	4.9	(3.6)	(8.5)	(2.1)	(7.3)	(5.8)	(0.7)	(3.3)	(10.0)	(8.0)	(3.5)	(8.0)
HMPRO (Mega Home)	(0.3)	(2.1)	(1.5)	(7.5)	(4.1)	(1.3)	(3.9)	4.5	0.2	(4.5)	(3.5)	2.0	(2.0)
CPAXT (Makro wholesale)	10.9	6.0	3.2	1.7	3.4	1.8	1.8	3.0	1.0	0.0	0.5	0.5	0.3
CPAXT (Lotus's)	0.5	(2.9)	2.2	5.5	7.1	3.5	2.3	1.9	0.5	(1.0)	1.0	1.0	0.3
MC	27.6	5.0	4.6	8.0	0.0	0.0	(10.0)	(5.0)	(5.0)	(6.0)	(6.0)	(6.0)	(6.0)
MOSHI	43.6	19.9	11.5	4.0	0.4	(8.5)	5.7	15.4	7.9	18.0	18.5	9.5	15.0
Average	9.3	3.4	0.9	(1.1)	(0.1)	(1.4)	(1.6)	2.0	(0.4)	(1.8)	(1.8)	(1.7)	(2.0)
Consumer staples	6.3	3.7	2.8	2.6	4.0	1.8	1.9	2.6	1.7	(0.5)	(0.1)	(0.4)	(0.3)
Home improvement	(3.0)	(4.1)	(6.1)	(9.5)	(5.3)	(4.1)	(5.2)	0.4	(3.2)	(7.4)	(7.8)	(5.0)	(7.2)
Consumer discretionary	24.7	10.6	6.2	3.5	1.1	(1.9)	(1.3)	2.9	0.3	2.4	2.5	0.3	1.6
exc. Home improvement													

Sources: Company data, Thanachart estimates

Note: Makro wholesale's SSSG from 3Q24 includes overseas business (Makro Int'l, food service)

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