Retail Sector – Overweight

News Update

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3Q25F SSSG signals a recovery

- **3Q25F SSSG improved to -1.7%.**
- **Resilient consumer staple names, except Big C.**
- **Less negative home improvement SSSG.**
- **Co-payment will benefit staples in 4Q25F.**

- Retailers' 3Q25F same-store sales growth (SSSG) is expected to be less negative at -1.7%, from a bottom of -2.6% in 2Q25. Overall economy remained weak but consumption in 3Q25F improved q-q as 2Q25 was hit by weather impact (more rains this year) and the earthquake consequences.
- By segment, home improvement was still the weakest with an expected SSSG of -4.2%, followed by discretionary names (CRC, MC) and Big C hypermarket. Consumer staples were the most resilient driven by food sales.
- **Consumer staples: CPALL** and **CPAXT** performed better. While CPALL's 7-Eleven SSSG turned to flat level in 3Q25F, CPAXT should post a slight positive SSSG by 0.7% for Makro wholesale (boosted by the Chinese Hungry Ghost festival) and 0.2% for Lotus's retail. **Big C** is expected to maintain negative momentum q-q at -3.2%. Apart from economic impact and falling tourists, there was a high base effect in September last year from digital wallet spending.
- **Home improvement:** Average SSSG was negative but improved to -4.2% in 3Q25F from -7.6% in 2Q25. HMPRO's **Mega Home** outperformed with positive SSSG for all months from July, August and September due to its diversified store locations nationwide with less exposure to the Northeast region. **GLOBAL** showed the most improvement from -10.7% in 2Q25F to -1.7% in 3Q25. Its September SSSG turned negative again caused by impact from tropical storms. **HomePro** SSSG improved q-q, but still hit by weak economy with -5.3% SSSG. **DOHOME** was the weakest with -10.7% SSSG in 3Q25, with back-office customers (contractors, resellers)'s SSSG of a low-teen negative and end users' SSSG of a high-single digit negative.
- **Other discretionary: MOSHI** continued to outperform with a 5.5% SSSG. **CRC** and **MC**, with high sales proportion of unnecessary big-ticket items, had a mid-single digit negative SSSG. **CPN** is expected to maintain rent reversion of 2%.
- We expect the co-payment stimulus will indirectly benefit sales of CPAXT (both wholesale and retail) and BJC's Big C hypermarket in 4Q25F, an upside to our current assumption of consumer staples' SSSG turning positive in 4Q25F.
- Our top BUYs in the sector are CPALL, CPN and MOSHI.

Ex 1: Stock Rating And TP

	Rating	Price Current (Bt)	Price Target (Bt)
BJC	SELL	19.90	18.00
COM7	BUY	25.50	34.00
CPALL	BUY	47.25	64.00
CPAXT	BUY	22.60	26.00
CPN	BUY	54.75	66.00
CRC	HOLD	21.30	23.00
DOHOME	SELL	3.82	3.20
GLOBAL	HOLD	7.50	7.30
HMPRO	BUY	7.25	9.50
MC	BUY	11.10	12.50
MOSHI	BUY	41.25	55.00

Sources: Bloomberg, Thanachart estimates

Ex 2: Quarterly SSSG

(%)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	July25F	Aug25F	Sep25F	3Q25F	4Q25F
BIGC (exc B2B)	0.5	(1.9)	0.0	1.5	2.1	(3.2)	(4.0)	(2.0)	(3.5)	(3.2)	(1.0)
CPALL	4.9	3.8	3.3	4.0	3.0	(0.8)	(1.0)	0.4	0.6	0.0	1.0
CPN	3.0	2.0	2.0	2.5	2.5	2.0	2.0	2.0	2.0	2.0	2.0
CRC	1.0	(1.0)	(3.0)	(1.3)	(4.0)	(6.0)	(5.0)	(3.0)	(4.0)	(4.0)	(2.0)
DOHOME	(9.8)	(5.3)	(4.5)	1.5	0.4	(9.3)	(10.0)	(11.0)	(11.0)	(10.7)	(7.0)
GLOBAL	(5.3)	(2.3)	(6.5)	(3.7)	(10.0)	(10.7)	(3.0)	0.0	(2.0)	(1.7)	(2.0)
HMPRO (HomePro)	(2.1)	(7.3)	(5.8)	(0.7)	(3.3)	(8.8)	(4.0)	(5.0)	(7.0)	(5.3)	(3.0)
HMPRO (Mega Home)	(4.1)	(1.3)	(3.9)	4.5	0.2	(1.6)	2.0	0.8	0.0	0.9	0.0
CPAXT (Makro wholesale)	3.4	1.8	1.8	3.0	1.0	(1.2)	0.0	0.0	2.0	0.7	1.0
CPAXT (Lotus's)	7.1	3.5	2.3	1.9	0.5	0.0	0.0	0.5	0.0	0.2	1.0
MC	0.0	0.0	(10.0)	(5.0)	(5.0)	(6.5)	(10.0)	(2.0)	(2.0)	(4.7)	(1.0)
MOSHI	0.4	(8.5)	5.7	15.4	7.9	15.2	6.5	7.5	2.5	5.5	0.0
Average	**(0.1)**	**(1.4)**	**(1.6)**	**2.0**	**(0.4)**	**(2.6)**	**(2.2)**	**(1.0)**	**(1.9)**	**(1.7)**	**(0.9)**
Consumer staples	**4.0**	**1.8**	**1.9**	**2.6**	**1.7**	**(1.3)**	**(1.3)**	**(0.3)**	**(0.2)**	**(0.6)**	**0.5**
Home improvement	**(5.3)**	**(4.1)**	**(5.2)**	**0.4**	**(3.2)**	**(7.6)**	**(3.8)**	**(3.8)**	**(5.0)**	**(4.2)**	**(3.0)**
Consumer discretionary exc. Home improvement	**1.1**	**(1.9)**	**(1.3)**	**2.9**	**0.4**	**1.2**	**(1.6)**	**1.1**	**(0.4)**	**(0.3)**	**(0.3)**

Sources: Company data, Thanachart estimates

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

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