

## Bank Sector – Overweight

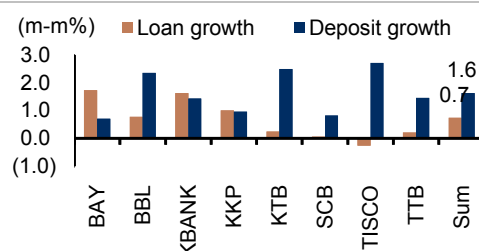
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News update

### Loans edged up in April

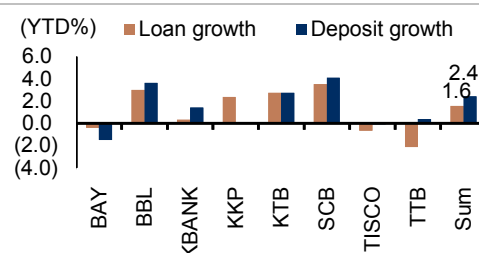
- **System loans rose 0.7% m-m, led by corporate working cap, ... SME and retail stayed soft**
  - **Deposits outpaced loans; system LDR comfortable at 83%**
  - **Maintain Overweight with KTB and KKP as top Buys**
- System loan growth improved in April 2026, with **total loans** across the eight banks **rising 0.7% m-m** to Bt12.34tr. Growth was broad-based, led by **BAY (+1.7% m-m)**, **KBANK (+1.6%)**, and **KKP (+1.0%)**, while KTB and SCB posted smaller increases. TISCO was the only bank to report a slight decline.
  - The improvement came mainly from **corporate loans**. Based on our discussion with banks, some large corporates drew down credit lines to support working capital needs as higher oil prices increased operating costs. In contrast, **SME and retail lending remained soft**, as banks continue to be cautious amid high household debt and a weak economic outlook.
  - **Deposit growth** was also strong, **rising 1.6% m-m** (mainly from current and saving accounts) and continuing to outpace loan growth. As a result, the system loan-to-deposit ratio remained comfortable at 83%, suggesting banks still have sufficient liquidity to support further lending.
  - Overall, we view the **April data as stable but not yet a sign of a strong recovery**. The pickup in loans was driven more by short-term working capital demand, while SME and retail demand remains weak. We therefore expect system loan growth to stay in the low single digits in 2026.
  - We reiterate **Overweight** view to the sector. Dividend appeal remains largely intact. Most banks hold strong capital positions sufficient to sustain current DPS levels even if earnings moderate. We continue to favor **KTB** for its sustained ROE above 10%, high-quality loan mix, and increasingly attractive capital return profile, making it our preferred yield play. Also, we like **KKP** due to the expected strongest 2026F net profit growth (+13% y-y), higher quality fee income from capital market, and one of the highest dividend yield in the sector.

### Ex 1: Apr Loan And Deposit Growth (m-m)



Sources: Company data, ttb wealth estimates

### Ex 2: Apr Loan And Deposit Growth (YTD)



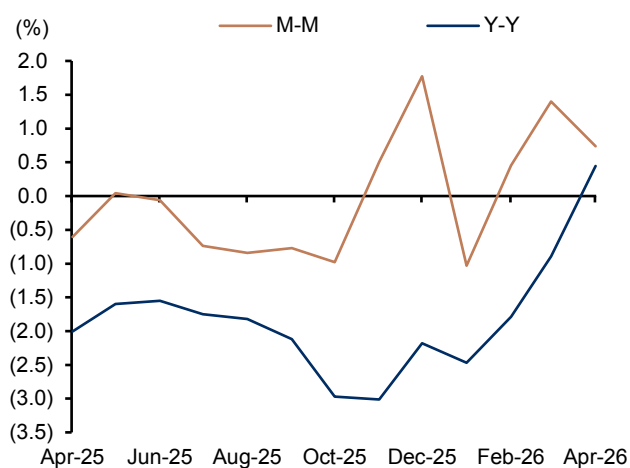
Sources: Company data, ttb wealth estimates

## Ex 3: C.B. 1.1 Thai Bank Sector Summary

April-26	BAY	BBL	KBANK	KKP	KTB	SCB	TISCO	TTB	Sum
<b>Total loan</b>	<b>1,518,385</b>	<b>2,024,008</b>	<b>2,258,112</b>	<b>341,419</b>	<b>2,528,758</b>	<b>2,311,669</b>	<b>227,058</b>	<b>1,130,697</b>	<b>12,340,107</b>
ytd	-0.4%	3.0%	0.3%	2.4%	2.7%	3.5%	-0.7%	-2.1%	1.6%
m-m	1.7%	0.8%	1.6%	1.0%	0.2%	0.1%	-0.3%	0.2%	0.7%
y-y	-3.0%	-2.8%	2.5%	-2.3%	5.3%	0.5%	0.5%	-2.3%	0.4%
<b>Total deposit</b>	<b>1,710,192</b>	<b>2,881,928</b>	<b>2,899,661</b>	<b>349,102</b>	<b>2,950,201</b>	<b>2,668,208</b>	<b>211,172</b>	<b>1,274,627</b>	<b>14,945,091</b>
ytd	-1.5%	3.6%	1.4%	0.1%	2.7%	4.1%	-0.1%	0.4%	2.4%
m-m	0.7%	2.4%	1.4%	1.0%	2.5%	0.8%	2.7%	1.5%	1.6%
y-y	-5.8%	3.9%	7.9%	-2.8%	4.4%	8.2%	2.3%	-1.6%	3.6%
<b>Total borrowing</b>	<b>64,294</b>	<b>250,835</b>	<b>56,174</b>	<b>14,315</b>	<b>79,754</b>	<b>130,563</b>	<b>8,719</b>	<b>15,048</b>	<b>619,702</b>
ytd	-11.0%	3.1%	0.0%	123.2%	-11.8%	8.4%	-17.3%	0.0%	1.2%
m-m	0.0%	-0.4%	0.0%	-15.9%	1.9%	1.7%	0.0%	0.0%	0.0%
y-y	-15.8%	2.1%	-3.1%	-33.6%	-16.3%	21.5%	10.7%	-25.0%	-2.0%
<b>LDR (%)</b>	<b>88.8%</b>	<b>70.2%</b>	<b>77.9%</b>	<b>97.8%</b>	<b>85.7%</b>	<b>86.6%</b>	<b>107.5%</b>	<b>88.7%</b>	<b>82.6%</b>
<b>LDR incl. borrowing (%)</b>	<b>85.6%</b>	<b>64.6%</b>	<b>76.4%</b>	<b>93.9%</b>	<b>83.5%</b>	<b>82.6%</b>	<b>103.3%</b>	<b>87.7%</b>	<b>79.3%</b>

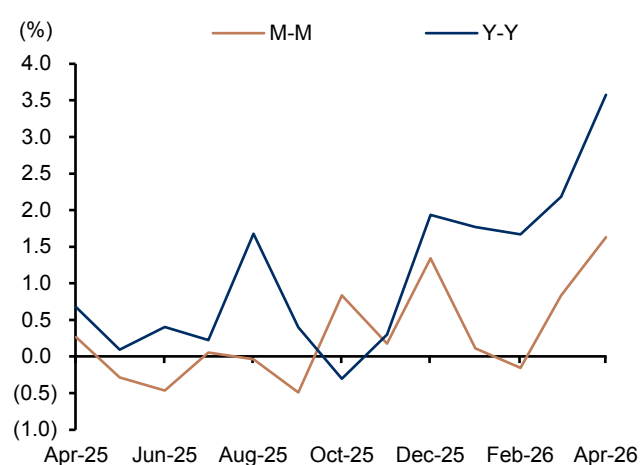
Source: Company data

## Ex 4: Loan Growth



Source: Company data

## Ex 5: Deposit Growth



Source: Company data

## Ex 6: Bank Sector Valuations

Stocks	Rating	Current price (Bt)	Target price (Bt)	Norm EPS growth		Norm PE		P/BV		Yield	
				2026F (%)	2027F (%)	2026F (x)	2027F (x)	2026F (x)	2027F (x)	2026F (%)	2027F (%)
BBL	HOLD	168.50	162.00	(8.6)	5.0	7.6	7.3	0.5	0.5	5.9	5.9
KBANK	BUY	197.00	216.00	(7.4)	7.8	10.2	9.4	0.8	0.8	6.6	7.1
KKP	BUY	80.75	92.00	12.8	3.2	10.0	9.7	1.0	1.0	7.5	7.7
KTB	BUY	34.75	41.00	(2.5)	7.3	10.3	9.6	1.0	1.0	6.3	6.7
SCB	BUY	135.00	152.00	(4.4)	6.5	10.0	9.4	0.9	0.9	8.0	8.5
TISCO	HOLD	113.00	108.00	1.1	1.5	13.4	13.2	2.1	2.0	6.9	6.9

Sources: Company data, ttb wealth estimates

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