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The U.S. Treasury Department on Thursday offered to accept a global minimum corporate tax of at least 15% during international negotiations, a rate significantly below its proposed 21% minimum for U.S. multinational firms. U.S. Treasury Secretary Janet Yellen first proposed a 21% U.S. corporate minimum tax in April as part of President Joe Biden's \$2.2 trillion infrastructure spending proposal, which would be financed largely by increasing the U.S. corporate tax rate to 28%. The Trump administration and congressional Republicans in 2017 cut the corporate tax rate to 21% from 35%. At the same time, the Treasury launched a U.S. minimum tax, of 10.5%, known as the Global Intangible Low-Taxed Income tax (GILTI) to capture revenue shifted by companies to tax-haven countries. A U.S. Treasury official said the Biden administration will continue to advocate for the highest rate possible above 15%, adding that the offer does not alter the 21% proposed U.S. minimum tax.

Japan likely to forgo submitting extra budget to current parliament -Yomiuri

Japan's government is likely to forgo submitting an extra budget to the current parliament session running until June 16, the Yomiuri newspaper reported on Friday. Some lawmakers have called for an extra budget to fund spending to combat the COVID-19 pandemic, as state of emergency curbs to prevent the spread of the virus heighten the risk of another recession. But the government judged there was not enough time to pass a budget through parliament with less than a month before it closes. Finance Minister Taro Aso dismissed the need for additional spending now. For now, the government will tap a 5 trillion yen (\$46 billion) pool of funds already set aside. Some of the money has already been spent but there is still 4 trillion yen left, which should last for about half a year unless there is an "explosive" spike in infections.

Vaccine rollout a big shot in the arm to UK growth outlook

Britain's economy will grow much faster than expected this year as a fast-moving coronavirus vaccine programme allows businesses to re-open and lifts confidence, a Reuters poll found. The country has suffered the highest COVID-19 related death toll in Europe, despite stringent lockdowns to try to contain its spread. But it has administered around 58 million coronavirus vaccine doses, including about 21 million citizens having had second shots. The UK economy will expand 5.9% this year, much stronger than the 5.0% forecast last month. It is forecast to grow 5.3% in 2022. As much of the country's dominant service industry was at least partially closed last quarter it is predicted the economy contracted 1.5% in that period. But the reopening meant it would expand 4.1% this quarter, better than the 3.5% projected last month.

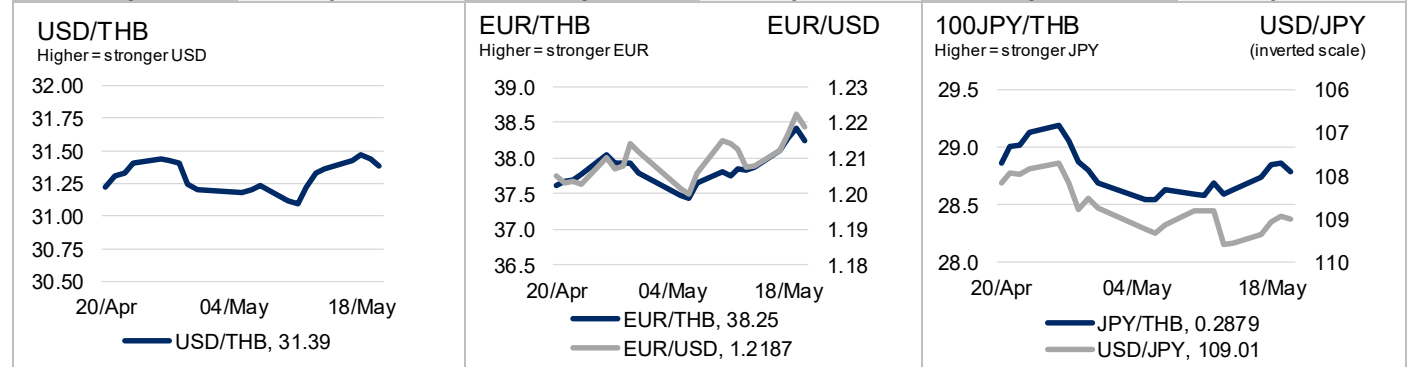
Dollar heads for weekly loss as traders shrug off taper talk

The 10-year government bond yield (interpolated) on the previous trading day was 1.88, +5.00 bps. The benchmark government bond yield (LB31DA, 10.5 years) was 1.86, +2.00 bps. LB31DA could be between 1.84-1.88. Meantime, the latest closed US 10-year bond yields was 1.63%, -5.00bps. USDTHB on the previous trading day closed around 31.38 Moving in a range from 31.35-31.40 this morning. USDTHB could be closed between 31.33-31.40 today. Meantime, The dollar was pinned near milestone lows on Friday, and headed for a weekly loss, as traders' initial concerns at taper talk in Federal Reserve minutes ebbed - with actual tapering seeming distant - while pandemic recovery boosted other currencies.

Sources : Bloomberg, CNBC, Investing, CEIC

SET Index	1,554.5	S&P500	4,159.1	10Y UST	1.63%	Brent	66.7	Gold	1,869.4
20-May	▼ -0.49%	20-May	▲ 1.05%	20-May	▼ -5.0 bps	19-May	▼ -3.03%	20-May	▲ 0.50%

USD/THB	31.39	Daily	▼ -0.16%	EUR/THB	38.25	Daily	▼ -0.46%	JPY/THB	0.2879	Daily	▼ -0.22%
		Weekly	▲ 0.10%			Weekly	▲ 0.99%			Weekly	▲ 0.58%
Sideways	Trend	Monthly	▲ 0.53%	Sideways	Trend	Monthly	▲ 1.68%	Sideways	Trend	Monthly	▼ -0.25%



Sources: ttb analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoT's daily closing rates

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Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		90.09	0.3%	-0.7%	-1.7%	89.81	92.30
EUR/USD		1.2187	-0.3%	0.9%	1.9%	1.1883	1.2224
USD/JPY		109.01	0.1%	-0.5%	0.5%	107.71	109.59
USD/CHF		0.9030	0.5%	-0.6%	-1.8%	0.8983	0.9262
GBP/USD		1.4125	-0.4%	0.5%	2.1%	1.3693	1.4189
USD/CAD		1.2111	0.3%	-0.1%	-3.2%	1.2045	1.2608
AUD/USD		0.7746	-0.4%	0.2%	0.2%	0.7603	0.7845
NZD/USD		0.7175	-0.8%	0.1%	0.4%	0.7023	0.7275
ASEAN Dollar		108.56	0.1%	0.3%	-0.3%	107.84	109.45
USD/THB		31.39	-0.2%	0.2%	0.5%	31.10	31.55
USD/SGD		1.3325	0.2%	-0.1%	0.0%	1.3239	1.3427
USD/MYR		4.1384	0.3%	0.3%	0.2%	4.0974	4.1384
USD/IDR		14,286	0.2%	0.9%	-1.6%	14,154	14,551
USD/PHP		47.80	0.0%	-0.3%	-1.2%	47.80	48.59
USD/CNY		6.4237	0.1%	-0.3%	-1.4%	6.4102	6.5515
USD/HKD		7.7589	0.0%	-0.1%	-0.1%	7.7557	7.7775

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.55	0.00
3-month		1.38	0.00
6-month		2.50	0.13

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		252,088	1716
Gold		12,115	887
SDR		1,427	9
IMF Reserves		1,277	8
Foreign Ccy		237,269	813
Net Fwd Position		31,001	330

Last update: 07/05/2021

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total	
20/05/2021	-1,639	-2,773	-4,413	
19/05/2021	-2,395	-2,609	-5,003	
18/05/2021	-1,746	-5,312	-7,058	
17/05/2021	-382	-3,903	-4,284	
14/05/2021	-2,259	-2,948	-5,207	
Last 5 days	-8,421	-17,543	-25,965	
	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -25,407	↓ -6,254	↓ -31,662
QTD	Quarter	↓ -28,767	↑ 26,660	↓ -2,107
YTD	Year	↓ -58,436	↑ 30,673	↓ -27,763

Money Market

THB BIBOR	1M Hist	Last	1M Range		THBFI X	1M Hist	Last	1M Range		USD LIBOR	1M Hist	Last	1M Range	
			Min	Max				Min	Max				Min	Max
ON		0.50	0.50	0.50	ON		0.39	0.33	0.54	ON		0.06	0.06	0.08
1W		0.52	0.52	0.52	1W		0.29	0.16	0.47	1W		0.07	0.07	0.09
1M		0.55	0.55	0.55	1M		0.28	0.15	0.40	1M		0.10	0.09	0.12
2M		0.58	0.58	0.58	2M		0.32	0.22	0.41	2M		0.13	0.13	0.15
3M		0.63	0.62	0.63	3M		0.36	0.28	0.42	3M		0.16	0.15	0.19
6M		0.73	0.73	0.73	6M		0.37	0.30	0.41	6M		0.19	0.19	0.22
12M		0.95	0.95	0.95	12M		0.45	0.38	0.50	12M		0.26	0.26	0.29

Last Updated: 23/02/2021

Last Updated: 13/05/2021

Note: D=d=day; M=mth=month; Y=year; %chg = percentage change; chg = change; USTH FX Sp = USD/THB FX Swap point; \$mn=million US dollar; THB.mn= Thai baht million; Hist=history; THB implied = Thai baht rate that are calculated by FX forward rate; ASEAN Index = value average ASEAN FX Jan2008=100

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		1.6300	-5.00	-3.00	6.00	1.57	1.69
Gilt 10y		0.9624	-0.53	2.84	10.66	0.82	1.00
Bund 10y		-0.0900	2.00	8.00	14.00	-0.27	-0.09
JGB 10y		0.0880	1.10	-1.00	-0.10	0.07	0.10
TGB 1y		0.4618	0.14	0.24	0.68	0.44	0.46
TGB 2y		0.5345	0.39	1.05	4.17	0.46	0.54
TGB 5y		1.0982	2.71	5.79	4.45	1.00	1.10
TGB 7y		1.5018	5.41	8.33	3.88	1.37	1.50
TGB 10y		1.8822	5.64	9.24	-0.61	1.75	1.92
AAA Spread		74.22	-0.03	-2.14	-9.78	74.22	86.71
AA Spread		71.37	-0.42	-3.44	-1.09	70.88	75.90
A Spread		180.15	-0.04	-7.47	5.94	171.05	187.74
BBB Spread		0.00	0.00	0.00	0.00	0.00	0.00

Note: UST = US Treasury; Gilt = UK Government Bond; JGB = Japanese Government bond; Bund = German Government Bond; TGB = Thai government Bond; tenors of the bonds are put after their name; bps=basis point; Corporate spreads are Thai and reported in basis points over government bond for the tenors 3-5 years.

Commodity Market

Commodity	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Brent Crude		60.75	-1.2%	-5.6%	-0.3%	58.31	67.93
London Gold		1869.4	0.5%	3.0%	5.9%	1,764.2	1,869.4

Note: Unit of Brent crude oil price is \$/barrel; unit of gold price is \$/ounce

Equity Market

Equity Index	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
S&P500 (US)		4,159.1	1.1%	1.1%	-0.3%	2,467.4	4,232.6
STOXX (EU)		444.0	1.4%	1.3%	1.3%	328.0	446.9
FTSE All-Share(UK)		3,694.0	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		15,370.3	1.7%	1.1%	1.1%	14,856.5	15,416.6
CAC All-Tradable(FR)		4,880.1	1.2%	0.7%	1.8%	4,768.5	4,926.9
TOPIX (JP)		1,895.9	0.0%	2.5%	-3.2%	1,849.0	1,960.9
Shanghai (CH)		3,676.0	-0.1%	2.3%	2.3%	3,562.6	3,699.0
Hang Seng (HK)		28,450.3	-0.5%	0.8%	-2.4%	27,718.7	29,303.3
ASX 200 (AU)		7,019.6	1.3%	0.5%	0.3%	6,931.7	7,172.8
SET (TH)		1,554.5	-0.5%	0.4%	-1.3%	1,541.1	1,590.5
SET50 (TH)		938.3	-0.5%	0.0%	-2.3%	929.6	964.6
Straits Times (SG)		3,109.8	0.2%	-0.4%	-2.6%	3,055.0	3,221.6
FTSE Malay (MY)		1,575.3	-0.3%	-0.1%	-2.1%	1,575.3	1,623.5
JSX Index (ID)		5,797.6	0.6%	-3.0%	-4.7%	5,760.6	6,086.3
PSE Index (PH)		6,197.6	-0.8%	-0.6%	-4.7%	6,197.6	6,500.4
Vn Index (VN)		1,278.2	1.2%	1.3%	3.2%	1,215.8	1,278.2

Sources: ttb analytics, CEIC

Note: A = actual, P = previous; C = consensus

Important Disclosures

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