

U.S. Labor Market Needs 18 More Months to Recover, Fitch Says

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The U.S. labor market will take about a year and a half to return to full steam after the economic blow from the Covid-19 pandemic, according to Fitch Ratings. Federal stimulus and a gradual reopening of service industries that were hit hardest will help boost demand for workers, Fitch said in a report released Wednesday. Still, analysts led by Chief Economist Brian Coultan don't expect unemployment levels to reach their natural rate, about 4.3% in Fitch's view, until the fourth quarter of 2022. Doing so would require the creation of about 7 million jobs. The massive disruption last year will cause some "scarring" because some older workers were permanently discouraged from working, dampening the labor supply. Even so, Fitch sees persistent supply and demand imbalances in the months ahead, limiting upward pressure on wages.

"Now or never" for WTO reform, Britain to tell G7 allies

Britain will tell G7 allies that it is "now or never" for the World Trade Organization to reform and strengthen its rulebook to stop global trade fragmenting. Britain wants to use its role as president of the G7 this year to get an agreement among the group of wealthy nations to share more information and support the WTO to take other steps to punish industrial subsidies and other unfair practices. Trade minister Liz Truss has previously heavily criticised China's use of subsidies, and will repeat calls for the WTO to make good on promises to modernise its rulebook. China, a WTO member since 2001, denies criticism from Britain that it steals intellectual property, unfairly hurts the environment and exports goods made with forced labour. Other G7 allies, including U.S. President Joe Biden, agree on the need to reform the WTO and address China's rising global influence.

China's industrial profits growth slows in April amid high commodity prices

Earnings at China's industrial firms grew at a slower pace in April, with high commodity prices and weaker performance in the consumer goods sector limiting overall profitability from manufacturing. Profits at China's industrial firms rose 57% year-on-year in April to 768.63 billion yuan (\$120.22 billion), down from 92.3% in March, data from NBS showed. For the January-April period, industrial firms' profits grew 106% from the same period a year earlier to 2.59 trillion yuan. However, The improvement of corporate performance is still uneven as the profitability of some consumer goods industries has not yet recovered to pre-epidemic levels coupled with the high prices of bulk commodities. This has increased the pressure on the production and operation of midstream and downstream industries.

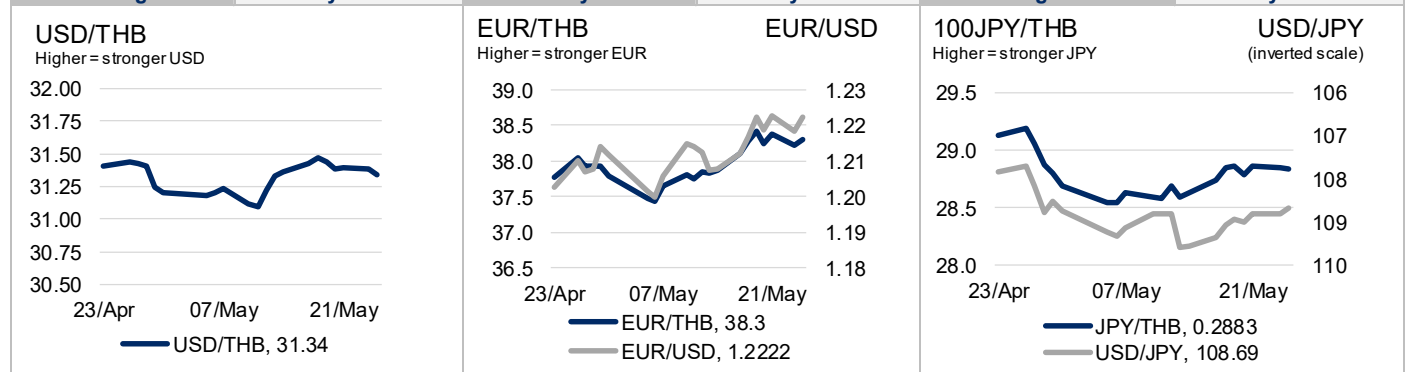
Dollar firms as traders brace for U.S. inflation gauge

The 10-year government bond yield (interpolated) on the previous trading day was 1.83, -2.00 bps. The benchmark government bond yield (LB31DA, 10.5 years) was 1.81, -1.50 bps. LB31DA could be between 1.80-1.84. Meantime, the latest closed US 10-year bond yields was 1.58%, +2.00bps. USDTHB on the previous trading day closed around 31.36 Moving in a range from 31.25-31.34 this morning. USDTHB could be closed between 31.25-31.32 today. Meantime, The dollar found support on Thursday from emerging views the Federal Reserve is slowly but surely edging towards a discussion about tightening monetary policy, and as traders await crucial U.S. inflation data this week.

Sources : Bloomberg, CNBC, Investing, CEIC

SET Index	1,568.6	S&P500	4,196.0	10Y UST	1.58%	Brent	68.7	Gold	1,904.3
26-May	▲ 0.00%	26-May	▲ 0.19%	26-May	▲ 2.0 bps	25-May	▲ 0.22%	26-May	▲ 1.14%

USD/THB 31.34	Daily ▼ -0.12%	EUR/THB 38.30	Daily ▲ 0.20%	JPY/THB 0.2883	Daily ▼ -0.03%
Weekly ▼ -0.31%	Weekly ▼ -0.32%	Monthly ▲ 1.41%	Weekly ▼ -0.07%	Monthly ▼ -0.99%	
Falling Trend	Monthly ▼ -0.20%	Sideways Trend		Falling Trend	



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		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
EUR/USD		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
USD/JPY		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
USD/CHF		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
GBP/USD		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
USD/CAD		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
AUD/USD		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
NZD/USD		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
ASEAN Dollar		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
USD/THB		0.00	-100.0%	#####	#####	#####	0.00	31.47
USD/SGD		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
USD/MYR		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
USD/IDR		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
USD/PHP		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
USD/CNY		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
USD/HKD		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.40	-0.10
3-month		1.20	-0.18
6-month		2.20	-0.18

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		251,653	-435
Gold		13,154	1039
SDR		1,426	0
IMF Reserves		1,276	-1
Foreign Ccy		235,796	-1473
Net Fwd Position		30,741	-260

Last update: 14/05/2021

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total	
25/05/2021	-1,213	1,081	-133	
24/05/2021	-2,013	483	-1,530	
21/05/2021	-2,015	1,275	-740	
20/05/2021	-1,639	-2,773	-4,413	
19/05/2021	-2,395	-2,609	-5,003	
Last 5 days	-9,275	-2,543	-11,818	
	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -30,649	↓ -3,416	↓ -34,064
QTD	Quarter	↓ -34,008	↑ 29,498	↓ -4,509
YTD	Year	↓ -63,677	↑ 33,511	↓ -30,166








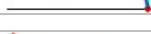




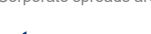
Money Market

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	0.07
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	0.12	0.15
3M		0.62	0.62	0.63	3M		0.36	0.28	0.42	3M		0.15	0.15	0.19
6M		0.73	0.73	0.73	6M		0.37	0.30	0.41	6M		0.18	0.18	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: 19/05/2021

Note: D=d=day; M=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		1.5800	2.00	-10.00	-5.00	1.56	1.69
Gilt 10y		0.9118	-2.53	-5.59	9.18	0.82	1.00
Bund 10y		-0.1200	-2.00	1.00	15.00	-0.27	-0.09
JGB 10y		0.0780	-0.50	-0.40	-0.60	0.07	0.10
TGB 1y		0.0000	-46.16	-46.04	-44.64	0.00	0.46
TGB 2y		0.0000	-52.64	-53.06	-47.68	0.00	0.54
TGB 5y		0.0000	-104.59	-107.12	-106.71	0.00	1.10
TGB 7y		0.0000	-142.62	-144.77	-144.13	0.00	1.50
TGB 10y		0.0000	-182.77	-182.58	-185.23	0.00	1.88
AAA Spread		74.32	0.04	-0.04	-7.31	74.22	82.82
AA Spread		71.67	0.27	-0.16	-3.39	70.88	75.90
A Spread		183.90	3.87	3.61	10.15	171.05	187.74
BBB Spread		0.00	0.00	0.00	0.00	0.00	0.00
















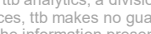
Note: UST = US Treasury; Gilt = UK Government Bond; JGB = Japanese Government bond; Bund = German Government Bond; TGB = Thai government Bond; tenors of the bonds are put after their name; bps=basis point; Corporate spreads are Thai and reported in basis points over government bond for the tenors 3-5 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		1904.3	1.1%	2.4%	7.0%	1,764.2	1,904.3

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)		4,196.0	0.2%	2.0%	0.2%	2,467.4	4,232.6
STOXX (EU)		446.0	-0.3%	1.9%	0.6%	328.0	447.4
FTSE All-Share(UK)		3,694.0	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		15,450.7	-0.1%	0.4%	1.0%	14,856.5	15,465.1
CAC All-Tradable(FR)		4,914.7	0.1%	1.9%	1.4%	4,823.7	4,926.9
TOPIX (JP)		1,920.7	0.1%	1.3%	1.7%	1,849.0	1,956.6
Shanghai (CH)		3,766.6	0.3%	2.4%	3.7%	3,583.5	3,766.6
Hang Seng (HK)		29,166.0	0.9%	2.0%	0.7%	27,718.7	29,303.3
ASX 200 (AU)		7,092.5	-0.3%	2.3%	0.8%	6,931.7	7,172.8
SET (TH)		1,568.6	0.0%	0.4%	1.0%	1,548.1	1,590.5
SET50 (TH)		948.1	0.0%	0.5%	0.6%	929.6	964.6
Straits Times (SG)		3,146.1	0.7%	0.1%	-1.5%	3,055.0	3,221.6
FTSE Malay (MY)		1,577.8	0.4%	-0.8%	-1.2%	1,562.2	1,623.5
JSX Index (ID)		5,815.8	0.9%	-0.3%	-3.0%	5,760.6	6,052.5
PSE Index (PH)		6,341.2	2.3%	1.5%	-0.8%	6,164.9	6,487.5
Vn Index (VN)		1,316.7	0.6%	4.3%	5.5%	1,215.8	1,316.7

Sources: ttb analytics, CEIC

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

Important Disclosures

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