

**Yellen says higher interest rates would be 'plus' for U.S., Fed- Bloomberg News**

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U.S. Treasury Secretary Janet Yellen said that President Joe Biden's \$4 trillion spending plan would be good for the U.S., even if it contributes to rising inflation and results in higher interest rates. "If we ended up with a slightly higher interest rate environment it would actually be a plus for society's point of view and the Fed's point of view," Yellen said. "We've been fighting inflation that's too low and interest rates that are too low now for a decade," the report quoted Yellen as saying. "We want them to go back to" a normal interest rate environment, "and if this helps a little bit to alleviate things then that's not a bad thing- that's a good thing," Yellen added.

**Biden rejects new Republican infrastructure offer**

President Joe Biden and Republicans entered the weekend sharply at odds over how to craft an infrastructure deal that could satisfy their camps, imperiling the odds of a bipartisan deal. Democrat Biden shot down a new proposal from the main Republican negotiator on infrastructure, Senator Shelley Moore Capito, that increased spending by about \$50 billion over their last offer, the White House said. Republicans had previously offered roughly \$257 billion in new spending, short of the \$2.25 trillion Biden initially offered and suggested he might bring down to as low as \$1 trillion. And while the two sides agreed to speak again on Monday, the White House also strongly signaled that they may seek a path forward with other Republican lawmakers or even with only Democrats. Biden offered to drop his plan to raise corporate tax rates as high as 28 replacing it with a minimum 15% tax rate aimed at ensuring all companies pay taxes.

**G7 nations 'just one millimetre' from historic tax deal**

Some of the world's richest nations are within touching distance of a historic deal to close the net on large companies which do not pay their fair share of tax, France and Germany said on Friday after a day of talks in London. Finance ministers from the Group of Seven rich nations are meeting in person for the first time since the start of the COVID pandemic, after U.S. President Joe Biden's administration gave fresh impetus to stalled global tax talks this year. Rich nations have struggled for years to agree a way to raise more tax from large multinationals such as Google, Amazon and Facebook, which often book profits in jurisdictions where they pay little or no tax. But major disagreements do remain on both the minimum rate at which companies should be taxed, and on how the rules will be drawn up to ensure that very large companies with lower profit margins, such as Amazon, face higher taxes.

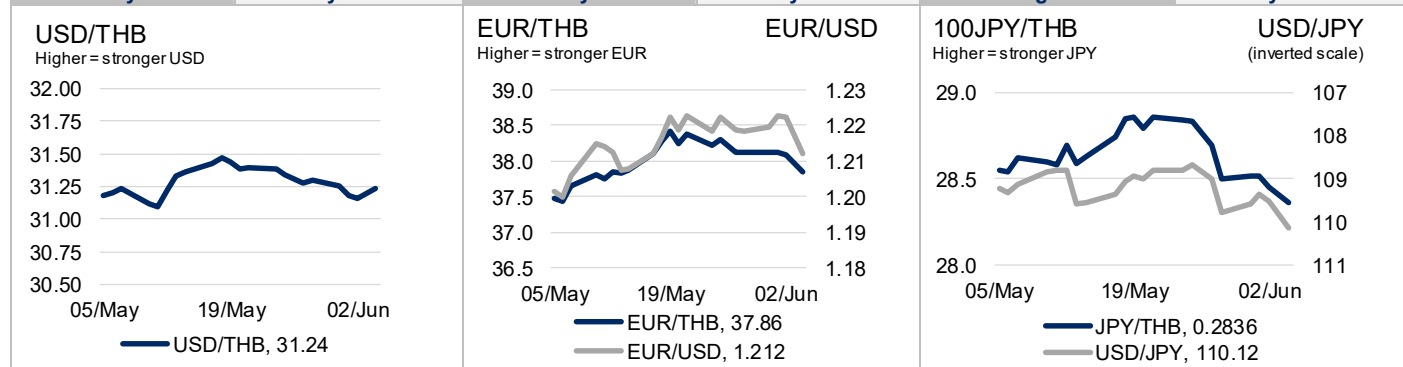
**Dollar up, but gentle pressure remains as softer-than-expected U.S. employment**

The 10-year government bond yield (interpolated) on the previous trading day was 1.86, +0.00 bps. The benchmark government bond yield (LB31DA, 10.5 years) was 1.86, +0.00 bps. LB31DA could be between 1.83-1.88. Meantime, the latest closed US 10-year bond yields was 1.56%, -7.00bps. USDTHB on the previous trading day closed around 31.25 Moving in a range from 31.14-31.22 this morning. USDTHB could be closed between 31.18-31.28 today. Meantime, The dollar was up on Monday morning in Asia. However, a softer-than-expected U.S. employment report for May put the greenback under gentle pressure as the week opens.

Sources : Bloomberg, CNBC, Investing, CEIC

<b>SET Index</b>	<b>1,611.5</b>	<b>S&amp;P500</b>	<b>4,229.9</b>	<b>10Y UST</b>	<b>1.56%</b>	<b>Brent</b>	<b>71.8</b>	<b>Gold</b>	<b>1,869.6</b>
4-Jun	▼ -0.37%	4-Jun	▲ 0.88%	4-Jun	▼ -7.0 bps	4-Jun	▲ 0.71%	4-Jun	▼ -1.20%

<b>USD/THB</b>	<b>31.24</b>	<b>Daily</b>	▲ 0.25%	<b>EUR/THB</b>	<b>37.86</b>	<b>Daily</b>	▼ -0.60%	<b>JPY/THB</b>	<b>0.2836</b>	<b>Daily</b>	▼ -0.29%
		<b>Weekly</b>	▼ -0.18%			<b>Weekly</b>	▼ -0.72%			<b>Weekly</b>	▼ -0.48%
<b>Sideways</b>	<b>Trend</b>	<b>Monthly</b>	▲ 0.17%	<b>Sideways</b>	<b>Trend</b>	<b>Monthly</b>	▲ 1.02%	<b>Falling</b>	<b>Trend</b>	<b>Monthly</b>	▼ -0.65%



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		90.52	0.7%	0.5%	-0.1%	89.78	91.33
EUR/USD		1.2120	-0.8%	-0.6%	0.0%	1.1999	1.2228
USD/JPY		110.12	0.5%	1.0%	1.3%	108.51	110.12
USD/CHF		0.9037	0.8%	0.7%	-0.5%	0.8963	0.9151
GBP/USD		1.4106	-0.4%	0.0%	1.1%	1.3885	1.4238
USD/CAD		1.2118	0.5%	-0.1%	-1.3%	1.2045	1.2413
AUD/USD		0.7663	-1.3%	-1.0%	-1.4%	0.7663	0.7845
NZD/USD		0.7148	-1.5%	-1.8%	-1.3%	0.7148	0.7281
ASEAN Dollar		108.36	0.3%	-0.1%	-0.1%	107.95	108.80
USD/THB		31.24	0.2%	-0.1%	0.1%	31.10	31.47
USD/SGD		1.3274	0.4%	0.3%	0.1%	1.3191	1.3361
USD/MYR		4.1276	0.1%	-0.3%	0.6%	4.1003	4.1420
USD/IDR		14,281	0.3%	-0.1%	-0.8%	14,154	14,445
USD/PHP		47.80	0.0%	-0.7%	-0.8%	47.68	48.42
USD/CNY		6.3920	0.4%	0.3%	-1.0%	6.3524	6.4748
USD/HKD		7.7527	0.0%	0.0%	-0.1%	7.7503	7.7693

## FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.45	0.00
3-month		1.35	0.00
6-month		2.40	0.00

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		251,882	1205
Gold		14,938	478
SDR		1,430	1
IMF Reserves		1,280	1
Foreign Ccy		234,233	724
Net Fwd Position		31,711	-130

Last update: 28/05/2021

## Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total	
04/06/2021	3,573	1,801	5,374	
02/06/2021	-1,335	-614	-1,949	
01/06/2021	1,641	5,503	7,143	
31/05/2021	1,314	2,534	3,848	
28/05/2021	-1,309	1,211	-98	
<b>Last 5 days</b>	<b>3,883</b>	<b>10,434</b>	<b>14,318</b>	
	<b>Period-to-date</b>	<b>Equity</b>	<b>Bond</b>	<b>Total</b>
MTD	Month	↑ 3,878	↑ 6,690	↑ 10,568
QTD	Quarter	↓ -32,667	↑ 39,730	↑ 7,063
YTD	Year	↓ -62,336	↑ 43,743	↓ -18,593

## 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		0.06	0.06	0.09
1M		0.55	0.55	0.55	1M		0.28	0.15	0.40	1M		0.09	0.09	0.11
2M		0.58	0.58	0.58	2M		0.32	0.22	0.41	2M		0.12	0.12	0.15
3M		0.62	0.62	0.63	3M		0.36	0.28	0.42	3M		0.13	0.13	0.19
6M		0.73	0.73	0.73	6M		0.37	0.30	0.41	6M		0.17	0.17	0.21
12M		0.95	0.95	0.95	12M		0.45	0.38	0.50	12M		0.25	0.25	0.28

Last Updated: 23/02/2021

Last Updated: 28/05/2021

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		<b>1.5600</b>	-7.00	-5.00	-3.00	1.56	1.69
Gilt 10y		<b>0.9020</b>	-2.80	1.27	-2.90	0.85	1.00
Bund 10y		<b>-0.1800</b>	1.00	2.00	3.00	-0.23	-0.09
JGB 10y		<b>0.0920</b>	0.20	0.30	0.10	0.08	0.10
TGB 1y		<b>0.4735</b>	0.07	1.15	2.81	0.44	0.47
TGB 2y		<b>0.5255</b>	0.06	0.09	-0.85	0.51	0.54
TGB 5y		<b>1.0597</b>	-0.71	1.19	-0.20	1.00	1.10
TGB 7y		<b>1.4602</b>	-0.43	3.16	1.66	1.37	1.50
TGB 10y		<b>1.8677</b>	0.33	4.19	4.72	1.75	1.88
AAA Spread		<b>71.48</b>	1.30	-2.84	-5.80	69.75	77.94
AA Spread		<b>71.69</b>	-0.04	0.02	-4.05	71.37	75.90
A Spread		<b>183.93</b>	-0.03	6.40	6.27	171.05	187.74
BBB Spread		<b>0.00</b>	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		<b>60.75</b>	-1.2%	-5.6%	-0.3%	58.31	67.93
London Gold		<b>1869.6</b>	-1.2%	-1.3%	5.1%	1,768.8	1,907.7

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)		<b>4,229.9</b>	0.9%	0.6%	0.7%	2,467.4	4,229.9
STOXX (EU)		<b>451.7</b>	-0.1%	0.2%	1.9%	328.0	452.8
FTSE All-Share(UK)		<b>3,694.0</b>	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		<b>15,692.9</b>	0.4%	1.1%	3.4%	14,856.5	15,692.9
CAC All-Tradable(FR)		<b>5,008.1</b>	0.2%	0.5%	2.2%	4,823.7	5,009.4
TOPIX (JP)		<b>1,959.2</b>	0.0%	0.6%	1.6%	1,849.0	1,959.2
Shanghai (CH)		<b>3,764.9</b>	0.2%	-0.3%	4.4%	3,583.5	3,799.5
Hang Seng (HK)		<b>28,918.1</b>	-0.2%	-0.7%	1.8%	27,718.7	29,468.0
ASX 200 (AU)		<b>7,295.4</b>	0.5%	1.6%	3.3%	6,931.7	7,295.4
SET (TH)		<b>1,611.5</b>	-0.4%	1.8%	1.8%	1,548.1	1,618.6
SET50 (TH)		<b>972.3</b>	-0.6%	1.6%	1.7%	929.6	981.2
Straits Times (SG)		<b>3,151.0</b>	-0.4%	-0.9%	-0.9%	3,055.0	3,218.3
FTSE Malay (MY)		<b>1,578.5</b>	-0.8%	-1.0%	-0.8%	1,562.2	1,608.5
JSX Index (ID)		<b>6,065.2</b>	-0.4%	3.8%	0.9%	5,760.6	6,091.5
PSE Index (PH)		<b>6,796.3</b>	0.1%	1.8%	7.9%	6,164.9	6,841.7
Vn Index (VN)		<b>1,374.1</b>	0.7%	4.1%	9.9%	1,241.8	1,374.1

Sources: ttb analytics, CEIC

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

**Important Disclosures**

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