

Biden supply chain 'strike force' to target China on trade

Biden supply chain 'strike force' to target China on trade

The US will target China with a new "strike force" to combat unfair trade practices, the Biden administration said on Tuesday, as it rolled out findings of a review of access to critical products, from semiconductors to electric-vehicle batteries. The supply chain trade strike force, led by the U.S. trade representative, is looking for specific violations that contributed to a hollowing out of supply chains that could be addressed with tariffs or other remedies, including toward China. Officials also said the Department of Commerce is considering initiating a Section 232 investigation into the national security impact of neodymium magnet imports used in motors and other industrial applications, which the United States largely obtains from China.

UK pushes for City of London to be exempt from G7 global tax plan – FT

British finance minister Rishi Sunak is pushing for London to be exempt from a new global minimum corporation tax system championed by the Group of Seven (G7) economies. An official close to the talks said the UK was among those countries pushing "for an exemption on financial services" over fears that global banks with headquarters in London could be affected. "Our position is we want financial services companies to be exempt and EU countries are in the same position," the report quoted one British official as saying. The United States, Britain and other large, rich nations reached a landmark deal last weekend to squeeze more money out of multinational companies as they backed a minimum global corporate tax rate of at least 15%.

China's May new yuan loans seen falling as central bank scales back stimulus

New bank loans in China likely fell in May, a Reuters poll showed, as the central bank gradually scales back pandemic-driven stimulus to reduce debt and financial risks as the economy shows solid signs of recovery. Chinese banks are estimated to have issued 1.41 trillion yuan (\$220.54 billion) in net new yuan loans last month, down from 1.47 trillion yuan in April. That would be lower than 1.48 trillion yuan issued the same month a year earlier. Annual outstanding yuan loans were expected to grow by 12.2% for May, continuing a slow but steady decline since February and easing from 12.3% in April. The central bank is trying to cool credit growth to help contain debt risks, but is trading warily to avoid hurting the economic recovery, which has been uneven.

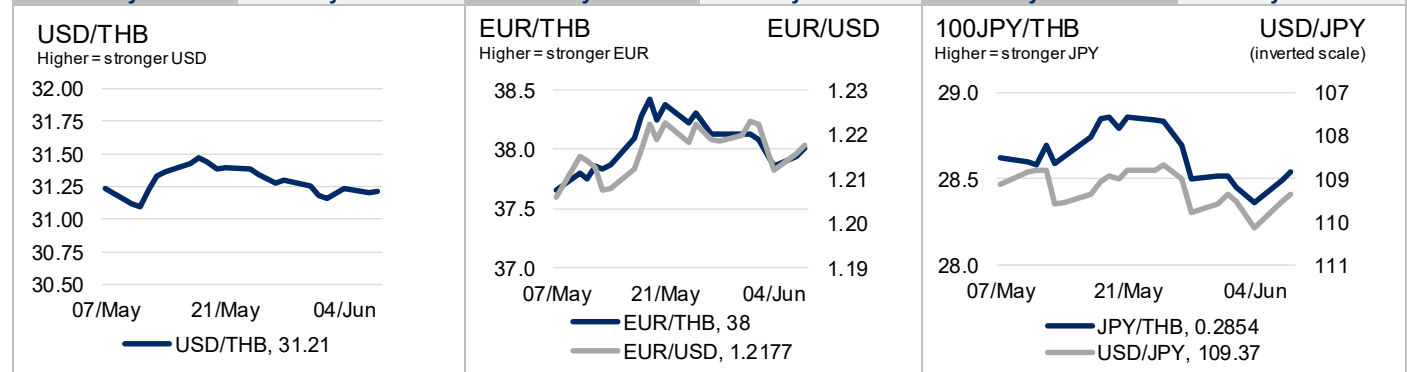
FX volatility low, dollar up slightly as investors wait on inflation

The 10-year government bond yield (interpolated) on the previous trading day was 1.83, -3.00 bps. The benchmark government bond yield (LB31DA, 10.5 years) was 1.84, -1.00 bps. LB31DA could be between 1.82-1.87. Meantime, the latest closed US 10-year bond yields was 1.53%, -4.00bps. USDTHB on the previous trading day closed around 31.20 Moving in a range from 31.13-31.20 this morning. USDTHB could be closed between 31.12-31.19 today. Meantime, The U.S. dollar edged up slightly and currency market volatility on Tuesday hit the lowest level in more than a year, as investors sat on the sidelines waiting for clearer signals on inflation levels and central bank policies around the world.

Sources : Bloomberg, CNBC, Investing, CEIC

SET Index	1,612.9	S&P500	4,227.3	10Y UST	1.53%	Brent	71.5	Gold	1,892.1
8-Jun	▲ 0.02%	8-Jun	▲ 0.02%	8-Jun	▼ -4.0 bps	7-Jun	▼ -0.56%	8-Jun	▲ 0.53%

USD/THB	31.21	Daily	▲ 0.02%	EUR/THB	38.00	Daily	▲ 0.18%	JPY/THB	0.2854	Daily	▲ 0.15%
		Weekly	▲ 0.09%			Weekly	▼ -0.33%			Weekly	▲ 0.08%
Sideways	Trend	Monthly	▼ -0.08%	Sideways	Trend	Monthly	▲ 0.91%	Sideways	Trend	Monthly	▼ -0.30%



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

Main Contributor
Kantaphon Amornrat
(66) 2 991111 ext. 5191,
kantaphon.amo@tmbbank.com

ttb analytics ttbanalytics@tmbbank.com
Naris Sathapholdeja (66) 2 299 2494, naris.sat@tmbbank.com
Kasem Hamchanpanich (66) 2 242 3265; kasem.har@tmbbank.com
Supaporn Channarong (66) 2 242 3271, supaporn.cha@tmbbank.com

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		90.07	-0.1%	0.1%	-1.4%	89.78	91.33
EUR/USD		1.2177	0.2%	-0.2%	1.5%	1.1999	1.2228
USD/JPY		109.37	-0.1%	-0.2%	0.0%	108.69	110.12
USD/CHF		0.8977	-0.2%	-0.1%	-1.8%	0.8963	0.9138
GBP/USD		1.4162	0.1%	-0.2%	1.9%	1.3898	1.4238
USD/CAD		1.2090	0.0%	0.1%	-1.5%	1.2045	1.2290
AUD/USD		0.7748	0.2%	0.3%	0.1%	0.7663	0.7845
NZD/USD		0.7220	0.3%	-0.4%	0.2%	0.7148	0.7281
ASEAN Dollar		108.16	-0.1%	-0.2%	-0.5%	108.01	108.86
USD/THB		31.21	0.0%	-0.1%	0.0%	31.10	31.47
USD/SGD		1.3228	-0.1%	0.1%	-1.0%	1.3191	1.3361
USD/MYR		4.1195	-0.2%	-0.5%	0.0%	4.1022	4.1420
USD/IDR		14,234	-0.3%	-0.4%	-0.8%	14,154	14,398
USD/PHP		47.69	-0.1%	-0.1%	-0.7%	47.68	48.20
USD/CNY		6.3820	-0.1%	0.5%	-1.4%	6.3524	6.4706
USD/HKD		7.7567	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		0.25	-0.05
3-month		1.00	-0.13
6-month		2.25	-0.10

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	
08/06/2021	2,011	991	3,001	
07/06/2021	-1,214	1,944	729	
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	
Last 5 days	4,675	9,624	14,299	
	Period-to-date	Equity	Bond	Total
MTD	Month	↑ 4,675	↑ 9,624	↑ 14,299
QTD	Quarter	↓ -31,870	↑ 42,664	↑ 10,794
YTD	Year	↓ -61,539	↑ 46,677	↓ -14,863

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		0.05	0.05	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: 01/06/2021

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		1.5300	-4.00	-9.00	-7.00	1.53	1.69
Gilt 10y		0.8960	-3.92	-1.39	-1.20	0.85	1.00
Bund 10y		-0.2000	-1.00	-4.00	3.00	-0.23	-0.09
JGB 10y		0.0800	-0.40	-0.50	-0.70	0.08	0.10
TGB 1y		0.4777	0.08	1.68	3.48	0.44	0.48
TGB 2y		0.5213	-0.30	-0.82	0.71	0.51	0.53
TGB 5y		1.0220	-2.74	-5.06	2.39	1.00	1.10
TGB 7y		1.4234	-1.97	-2.89	5.36	1.37	1.50
TGB 10y		1.8333	-3.08	-1.34	8.41	1.75	1.88
AAA Spread		71.77	-0.32	1.66	-5.50	69.75	77.94
AA Spread		68.49	-3.19	-3.21	-7.38	68.49	75.90
A Spread		183.63	-0.34	-0.25	5.92	175.67	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		1892.1	0.5%	-0.8%	3.9%	1,778.1	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)		4,227.3	0.0%	0.6%	0.9%	2,467.4	4,232.6
STOXX (EU)		452.3	-0.6%	0.1%	1.4%	328.0	455.0
FTSE All-Share(UK)		3,694.0	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		15,640.6	-0.2%	0.5%	1.6%	15,113.6	15,692.9
CAC All-Tradable(FR)		5,036.3	0.1%	1.0%	2.2%	4,823.7	5,036.3
TOPIX (JP)		1,962.7	0.1%	1.9%	0.5%	1,849.0	1,962.7
Shanghai (CH)		3,752.6	-0.5%	-1.2%	4.4%	3,583.5	3,799.5
Hang Seng (HK)		28,781.4	0.0%	-2.3%	0.6%	27,718.7	29,468.0
ASX 200 (AU)		7,292.6	0.1%	2.1%	1.7%	6,931.7	7,295.4
SET (TH)		1,612.9	0.0%	1.2%	2.6%	1,548.1	1,618.6
SET50 (TH)		973.1	0.0%	1.1%	2.9%	929.6	981.2
Straits Times (SG)		3,167.1	-0.3%	-0.6%	-0.2%	3,055.0	3,200.3
FTSE Malay (MY)		1,588.0	0.6%	0.3%	0.0%	1,562.2	1,601.7
JSX Index (ID)		5,999.4	-1.2%	0.9%	0.8%	5,760.6	6,091.5
PSE Index (PH)		6,809.7	0.7%	2.8%	8.8%	6,164.9	6,841.7
Vn Index (VN)		1,319.9	-2.9%	-1.3%	4.8%	1,241.8	1,374.1

Sources: ttb analytics, CEIC

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

Important Disclosures

This document is issued by ttb analytics, a division of ttb Bank PCL. All analyses are based on information available to the public. Although the information contained herein is believed to be gathered from reliable sources, ttb makes no guarantee to its accuracy and completeness. ttb may have issued, and may in the future issue, other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. Opinions or predictions expressed herein reflect the authors' views, not that of ttb, as of date of the analysis and are subject to change without notice. ttb shall not be responsible for the use of contents and its implication.