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The supply chain imbalances and higher demand currently leading to higher inflation are transitory and the U.S. Federal Reserve has the tools to respond if inflation remains elevated for longer than anticipated, Fed Vice Chair for Supervision Randal Quarles said on Monday. Meantime, The U.S. Federal Reserve has made "substantial further progress" toward its inflation goal in order to begin tapering asset purchases, Federal Reserve Bank of Richmond President Thomas Barkin said on Monday, as he indicated U.S. employment numbers may soon follow. Barkin added that he would wait until next year to determine whether the U.S. central bank had hit its inflation and employment mandates for beginning to raise interest rates from near zero.

**China central bank to make monetary policy flexible, targeted, appropriate**

China will make its monetary policy flexible, targeted and appropriate, while keeping interbank liquidity reasonable, the central bank said on Monday, as authorities seek to consolidate a post-COVID-19 economic recovery. It would step up forecasts and analyses of both the domestic and global economy, seek greater international economic policy coordination and fend off external shocks to support growth. A recent move to reform the way banks calculate deposit rates and continued efforts to unleash potential from previous loan prime rate reforms will help drive a further decline in real lending rates, the PBOC said. Authorities will make use of relending, re-discounting and other monetary tools that would directly help the real economy, said the PBOC. China will increase flexibility of the yuan exchange rate.

**Euro zone banks suffering from weakening credit quality: ECB**

Banks in the euro zone are already recording a drop in credit quality and this trend is likely to accelerate once government support measures are removed, European Central Bank Vice President Luis de Guindos said on Monday. "There are already some early signs of weakening credit quality, for example the share of loans reported as subject to heightened credit risk has risen significantly and asset quality is likely to deteriorate once support measures are phased out," de Guindos said in a speech. "The deterioration is most visible in sectors that were hit harder by the pandemic, such as services, while loan performance problems are less prevalent in manufacturing," he added.

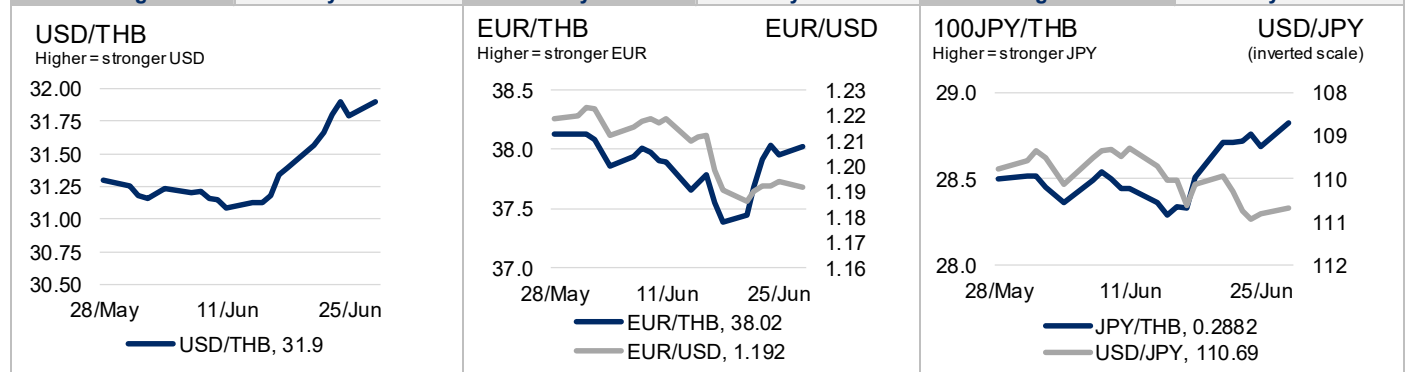
**Dollar bides time below two-month highs before payrolls test**

The 10-year government bond yield (interpolated) on the previous trading day was 1.80, -1.00 bps. The benchmark government bond yield (LB31DA, 10.5 years) was 1.78, +0.50 bps. LB31DA could be between 1.75-1.82. Meantime, the latest closed US 10-year bond yields was 1.49%, -5.00bps. USDTHB on the previous trading day closed around 31.95 Moving in a range from 31.90-32.04 this morning. USDTHB could be closed between 31.98-32.08 today. Meantime, The dollar hovered below a two-month high versus major counterparts on Tuesday, with traders largely sidelined ahead of a closely watched U.S. jobs report, which could sway the timing of an exit from Federal Reserve stimulus.

Sources : Bloomberg, CNBC, Investing, CEIC

<b>SET Index</b>	<b>1,579.2</b>	<b>S&amp;P500</b>	<b>4,290.6</b>	<b>10Y UST</b>	<b>1.49%</b>	<b>Brent</b>	<b>76.2</b>	<b>Gold</b>	<b>1,774.3</b>
28-Jun	▼ -0.22%	28-Jun	▲ 0.23%	28-Jun	▼ -5.0 bps	25-Jun	▲ 0.82%	28-Jun	▼ -0.51%

<b>USD/THB 31.90</b>	Daily ▲ 0.36%	<b>EUR/THB 38.02</b>	Daily ▲ 0.20%	<b>JPY/THB 0.2882</b>	Daily ▲ 0.46%
Weekly ▲ 0.76%	Weekly ▲ 0.91%	Weekly ▲ 0.40%	Monthly ▼ -0.28%	Monthly ▲ 1.11%	
Rising Trend	Monthly ▲ 1.93%	Sideways Trend		Rising Trend	



















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@ttbank.com






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

**Currency Market**

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		91.89	0.1%	-0.4%	2.0%	89.78	92.29
EUR/USD		1.1920	-0.2%	0.5%	-2.2%	1.1861	1.2228
USD/JPY		110.69	-0.1%	0.7%	1.5%	108.69	110.93
USD/CHF		0.9186	0.1%	-0.4%	2.4%	0.8934	0.9224
GBP/USD		1.3882	-0.3%	0.5%	-1.6%	1.3812	1.4238
USD/CAD		1.2314	0.0%	-1.2%	1.6%	1.2051	1.2464
AUD/USD		0.7576	-0.2%	1.0%	-2.1%	0.7499	0.7761
NZD/USD		0.7063	-0.1%	1.6%	-3.0%	0.6955	0.7281
ASEAN Dollar		109.70	0.2%	0.3%	1.2%	107.83	109.83
USD/THB		31.90	0.4%	1.1%	2.0%	31.09	31.90
USD/SGD		1.3436	0.2%	-0.1%	1.5%	1.3191	1.3455
USD/MYR		4.1513	-0.1%	0.1%	0.2%	4.1117	4.1645
USD/IDR		14,403	0.2%	0.1%	0.8%	14,138	14,403
USD/PHP		48.61	0.2%	-0.1%	1.0%	47.66	48.90
USD/CNY		6.4561	0.0%	0.0%	1.3%	6.3524	6.4735
USD/HKD		7.7622	0.1%	0.0%	0.1%	7.7503	7.7692

**FX Swap Market and BoT's Reserves**

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		-0.13	0.18
3-month		0.63	0.23
6-month		1.50	0.25






















Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		247,699	-2680
Gold		13,847	-888
SDR		1,412	-14
IMF Reserves		1,264	-12
Foreign Ccy		231,177	-1766
Net Fwd Position		32,120	-811

Last update: 18/06/2021

**Foreign Fund Flows (THB.mn)**

Date	Equity	Bond	Total	
28/06/2021	-1,259	3,305	2,046	
25/06/2021	-500	-465	-965	
24/06/2021	666	-1,569	-904	
23/06/2021	-128	-2,231	-2,359	
22/06/2021	-1,318	260	-1,058	
<b>Last 5 days</b>	<b>-2,539</b>	<b>-700</b>	<b>-3,238</b>	
	<b>Period-to-date</b>	<b>Equity</b>	<b>Bond</b>	<b>Total</b>
MTD	Month	↓ -5,722	↑ 33,549	↑ 27,828
QTD	Quarter	↓ -42,267	↑ 66,589	↑ 24,323
YTD	Year	↓ -71,936	↑ 70,602	↓ -1,334









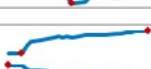























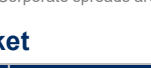











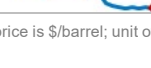







**Money Market**

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		0.08	0.05	0.08
1W		0.52	0.52	0.52	1W		0.29	0.16	0.47	1W		0.09	0.06	0.09
1M		0.55	0.55	0.55	1M		0.28	0.15	0.40	1M		0.10	0.07	0.10
2M		0.58	0.58	0.58	2M		0.32	0.22	0.41	2M		0.12	0.10	0.13
3M		0.62	0.62	0.63	3M		0.36	0.28	0.42	3M		0.14	0.12	0.16
6M		0.73	0.73	0.73	6M		0.37	0.30	0.41	6M		0.16	0.15	0.18
12M		0.95	0.95	0.95	12M		0.45	0.38	0.50	12M		0.25	0.23	0.26

Last Updated: 23/02/2021





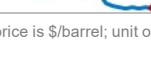



Last Updated: 21/06/2021

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		<b>1.4900</b>	-5.00 	-1.00 	-12.00 	1.45	1.63
Gilt 10y		<b>0.8783</b>	0.07 	3.03 	-3.35 	0.81	0.94
Bund 10y		<b>-0.1800</b>	-1.00 	2.00 	2.00 	-0.29	-0.16
JGB 10y		<b>0.0700</b>	1.10 	1.70 	-1.90 	0.04	0.09
TGB 1y		<b>0.4836</b>	0.02 	0.31 	2.17 	0.46	0.48
TGB 2y		<b>0.5117</b>	0.13 	-0.80 	-1.29 	0.51	0.53
TGB 5y		<b>0.8535</b>	-0.33 	-3.30 	-19.43 	0.85	1.08
TGB 7y		<b>1.2816</b>	0.13 	-4.95 	-14.70 	1.28	1.47
TGB 10y		<b>1.8055</b>	-0.94 	-4.31 	-2.02 	1.81	1.87
AAA Spread		<b>72.32</b>	0.68 	1.00 	-2.01 	69.75	74.32
AA Spread		<b>80.93</b>	-0.71 	-2.92 	9.26 	67.99	84.63
A Spread		<b>182.08</b>	-0.01 	-1.26 	4.55 	177.11	184.21
BBB Spread		<b>0.00</b>	0.00 	0.00 	0.00 	0.00	0.00

















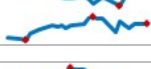







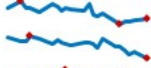



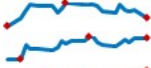











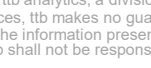















Note: UST = US Treasury; Gilt = UK Government Bond; JGB = Japanese Government bond; Bund = German Government Bond; TGB = Thai government Bond; tenors of the bonds are put after their name; bps=basis point; Corporate spreads are Thai and reported in basis points over government bond for the tenors 3-5 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>1774.3</b>	-0.5% 	-0.5% 	-6.4% 	1,774.3	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>4,290.6</b>	0.2% 	1.6% 	2.1% 	2,467.4	4,290.6
STOXX (EU)		<b>451.7</b>	-1.3% 	-0.7% 	0.2% 	328.0	459.8
FTSE All-Share(UK)		<b>3,694.0</b>	-1.0% 	-0.7% 	2.0% 	3,571.2	3,746.8
DAX (DE)		<b>15,554.2</b>	-0.3% 	-0.3% 	0.2% 	15,406.7	15,729.5
CAC All-Tradable(FR)		<b>5,035.2</b>	-1.0% 	-0.6% 	1.1% 	4,914.7	5,115.6
TOPIX (JP)		<b>1,965.7</b>	0.2% 	3.5% 	0.9% 	1,899.5	1,975.9
Shanghai (CH)		<b>3,780.2</b>	0.0% 	2.2% 	-0.1% 	3,687.8	3,799.5
Hang Seng (HK)		<b>29,268.3</b>	-0.1% 	2.7% 	0.5% 	28,309.8	29,468.0
ASX 200 (AU)		<b>7,307.3</b>	0.0% 	1.0% 	3.0% 	7,092.5	7,386.2
SET (TH)		<b>1,579.2</b>	-0.2% 	-1.4% 	-0.2% 	1,551.9	1,636.6
SET50 (TH)		<b>950.3</b>	-0.5% 	-1.3% 	-0.7% 	934.8	990.8
Straits Times (SG)		<b>3,126.9</b>	0.2% 	0.3% 	-1.6% 	3,109.2	3,187.2
FTSE Malay (MY)		<b>1,544.7</b>	-1.0% 	-1.8% 	-3.1% 	1,544.7	1,597.9
JSX Index (ID)		<b>5,939.5</b>	-1.4% 	-0.9% 	1.7% 	5,763.6	6,107.5
PSE Index (PH)		<b>6,938.0</b>	-0.2%	1.6%	3.9%	6,341.2	6,976.7
Vn Index (VN)		<b>1,405.8</b>	1.1%	2.4%	6.5%	1,303.6	1,405.8

Sources: ttb analytics, CEIC

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

**Important Disclosures**

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