

White House Begins Debt-Ceiling Push With Congress Briefings

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The White House on Wednesday stepped up efforts to get Congress to raise the federal debt ceiling. National Economic Council Deputy Director Bharat Ramamurti and Treasury counselor Ben Harris conveyed the message to Democrats that it's the shared responsibility of Republicans to avoid a U.S. payment default. The messaging push comes after 46 out of the 50 Senate Republicans wrote on Aug. 10 that they would not vote to increase the debt ceiling -- a sufficient number to block a bill doing so under normal Senate procedures. Senate Minority Leader Mitch McConnell said that with Democrats pursuing a \$3.5 trillion social-spending package this autumn, they cannot expect GOP cooperation on the debt. There was no message on whether or not any budget reforms could be attached to a bill raising the debt ceiling nor any on the exact timing needed to avoid a default, according to the White House official.

South Korea August inflation stays at 9-year peak, beats forecast

South Korea's August consumer inflation stayed at a nine-year peak fuelled by a continued spike in prices of fresh food due to a heat wave and the rising cost of oil products, housing rental and other services. The consumer price index (CPI) last month rose 2.6% from a year earlier, Statistics Korea said, unchanged from July. The 2.6% rise was first seen in May, when inflation marked the fastest pace since April 2012, and continued to stay above the central bank's 2% target for a fifth straight month. Thursday's data comes a week after the Bank of Korea raised its policy rate for the first time in almost three years, becoming the first major Asian central bank to shift away from pandemic-era monetary settings as ballooning consumer debt created new threats for the economy.

China likely to quicken fiscal spending, but policy rate cuts not on the cards

China is likely to accelerate fiscal spending and credit growth as its economic recovery slows, but investors are expecting any easing measures from Beijing to be finely targeted as the U.S. Federal Reserve prepares to taper its own stimulus. Market participants are increasing their bets that the People's Bank of China (PBOC) will once again reduce banks' reserve requirement ratio (RRR) to make up for liquidity shortfalls towards the year-end. At the same time, market yields are low enough that few expect a policy rate cut which would widen the Sino-U.S. monetary stance gap, risking a surge in capital outflows.

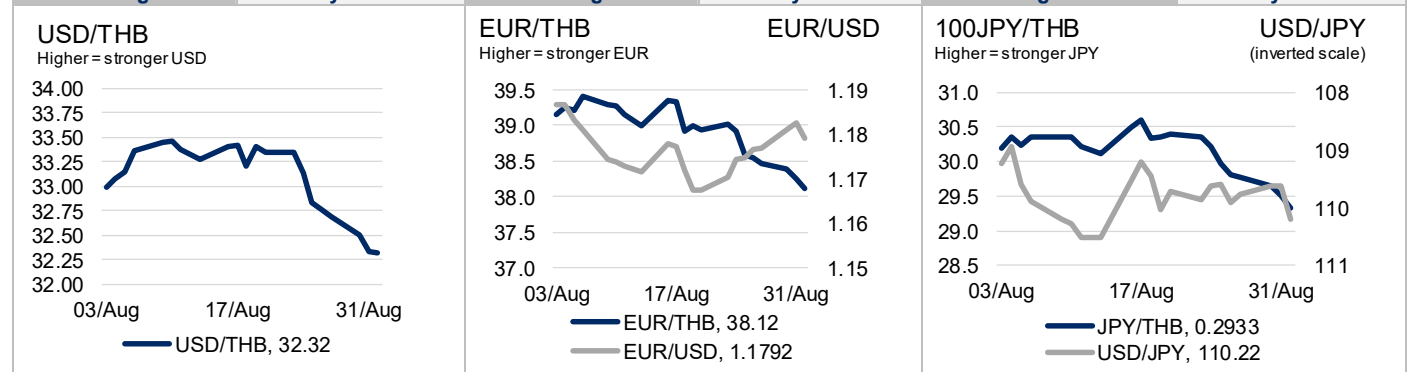
Dollar Up, but "Big Miss" in U.S. Employment Data Caps Gains

The 10-year government bond yield (interpolated) on the previous trading day was 1.60, +1.50 bps. The benchmark government bond yield (LB31DA, 10.5 years) was 1.62, +2.00 bps. LB31DA could be between 1.58 -1.64. Meantime, the latest closed US 10-year bond yields was 1.31%, +1.00bps. USDTHB on the previous trading day closed around 32.35 Moving in a range from 32.32-32.47 this morning. USDTHB could be closed between 32.42-32.55 today. Meantime, The dollar was up on Thursday morning in Asia but remained near multi-week lows. However, disappointing U.S. employment data ahead of the latest U.S. jobs report, which is expected to guide the timing of the U.S. Federal Reserve's asset tapering timeline, capped gains for the U.S. currency.

Sources : Bloomberg, CNBC, Investing, CEIC

SET Index	1,634.5	S&P500	4,524.1	10Y UST	1.31%	Brent	71.6	Gold	1,813.9
1-Sep	▼ -0.26%	1-Sep	▲ 0.03%	1-Sep	▲ 1.0 bps	31-Aug	▼ -2.45%	1-Sep	▼ -0.02%

USD/THB 32.32	Daily ▼ -0.04%	EUR/THB 38.12	Daily ▼ -0.34%	JPY/THB 0.2933	Daily ▼ -0.59%
Weekly ▼ -1.34%	Weekly ▼ -1.11%	Weekly ▼ -1.62%	Monthly ▼ -2.94%		
Monthly ▼ -2.05%	Monthly ▼ -2.67%				



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		92.80	0.4%	-0.1%	0.7%	91.95	93.58
EUR/USD		1.1792	-0.3%	0.4%	-0.6%	1.1676	1.1879
USD/JPY		110.22	0.5%	0.6%	0.5%	108.95	110.53
USD/CHF		0.9179	0.4%	0.5%	1.3%	0.9036	0.9246
GBP/USD		1.3732	-0.5%	0.0%	-1.2%	1.3627	1.3956
USD/CAD		1.2630	0.3%	0.2%	1.2%	1.2461	1.2846
AUD/USD		0.7311	0.0%	0.9%	-0.4%	0.7138	0.7397
NZD/USD		0.7036	-0.1%	1.3%	1.1%	0.6819	0.7048
ASEAN Dollar		108.00	0.1%	-1.0%	-1.3%	107.93	110.07
USD/THB		32.32	0.0%	-1.6%	-1.9%	32.32	33.47
USD/SGD		1.3456	0.3%	-0.5%	-0.6%	1.3419	1.3643
USD/MYR		4.1485	0.0%	-1.5%	-1.8%	4.1485	4.2428
USD/IDR		14,255	-0.2%	-0.6%	-1.2%	14,255	14,448
USD/PHP		49.86	0.4%	-0.3%	-0.3%	49.65	50.67
USD/CNY		6.4554	0.2%	-0.1%	-0.1%	6.4443	6.4948
USD/HKD		7.7795	0.1%	0.1%	0.0%	7.7681	7.7936

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.15	0.15
3-month		0.70	-0.05
6-month		1.50	-0.20

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		242,792	-1165
Gold		13,979	12
SDR		1,404	-7
IMF Reserves		1,256	-6
Foreign Ccy		226,153	-1165
Net Fwd Position		30,070	-260

Last update: 20/08/2021

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total	
01/09/2021	-890	15,122	14,232	
31/08/2021	3,894	6,360	10,254	
30/08/2021	2,068	833	2,901	
27/08/2021	6,002	-1,515	4,487	
26/08/2021	-344	6,590	6,247	
Last 5 days	10,730	27,390	38,120	
	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -890	↑ 15,122	↑ 14,232
QTD	Quarter	↓ -12,470	↑ 71,896	↑ 59,426
YTD	Year	↓ -88,732	↑ 152,512	↑ 63,780














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	0.08	0.08
1W		0.52	0.52	0.52	1W		0.29	0.16	0.47	1W		0.09	0.08	0.09
1M		0.55	0.55	0.55	1M		0.28	0.15	0.40	1M		0.09	0.08	0.10
2M		0.58	0.58	0.58	2M		0.32	0.22	0.41	2M		0.10	0.10	0.11
3M		0.62	0.62	0.62	3M		0.36	0.28	0.42	3M		0.12	0.12	0.13
6M		0.73	0.73	0.73	6M		0.37	0.30	0.41	6M		0.16	0.15	0.16
12M		0.95	0.95	0.95	12M		0.45	0.38	0.50	12M		0.24	0.23	0.24

Last Updated: 23/02/2021



Last Updated: 25/08/2021

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		1.3100	1.00	-4.00	12.00	1.19	1.36
Gilt 10y		0.6694	-1.14	6.16	1.78	0.60	0.70
Bund 10y		-0.4300	-1.00	5.00	2.00	-0.50	-0.41
JGB 10y		0.0350	0.50	0.90	1.30	0.01	0.04
TGB 1y		0.4697	0.43	0.77	-1.42	0.46	0.48
TGB 2y		0.4692	0.44	0.85	-3.50	0.45	0.51
TGB 5y		0.7663	2.65	2.49	-1.51	0.68	0.81
TGB 7y		1.1348	2.67	2.57	4.06	1.00	1.13
TGB 10y		1.5995	1.36	-0.25	3.28	1.48	1.61
AAA Spread		74.43	-0.53	-1.71	1.94	72.29	76.15
AA Spread		83.79	-0.25	-0.35	1.56	82.18	85.74
A Spread		162.60	0.11	-0.25	-16.40	161.91	180.52
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		1813.9	0.0%	0.6%	0.4%	1,729.6	1,828.3

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)		4,524.1	0.0%	0.6%	2.3%	2,467.4	4,528.8
STOXX (EU)		470.3	0.1%	0.1%	1.9%	328.0	473.9
FTSE All-Share(UK)		3,694.0	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		15,824.3	-0.1%	-0.2%	1.7%	15,544.4	15,977.4
CAC All-Tradable(FR)		5,196.7	1.1%	1.3%	1.0%	5,075.1	5,273.7
TOPIX (JP)		1,980.8	1.0%	2.3%	2.1%	1,880.7	1,980.8
Shanghai (CH)		3,738.6	0.7%	0.8%	3.5%	3,560.7	3,738.6
Hang Seng (HK)		26,028.3	0.6%	1.3%	-0.6%	24,849.7	26,660.2
ASX 200 (AU)		7,527.1	-0.1%	-0.1%	0.7%	7,392.6	7,628.9
SET (TH)		1,634.5	-0.3%	2.1%	7.2%	1,521.7	1,638.8
SET50 (TH)		988.2	-0.4%	2.4%	8.1%	908.5	992.1
Straits Times (SG)		3,087.8	1.1%	-0.6%	-2.3%	3,055.1	3,207.4
FTSE Malay (MY)		1,586.9	-0.9%	2.6%	6.2%	1,489.8	1,601.4
JSX Index (ID)		6,090.9	-1.0%	-0.4%	0.3%	5,992.3	6,205.4
PSE Index (PH)		6,785.9	-1.0%	1.6%	5.3%	6,270.2	6,855.4
Vn Index (VN)		1,334.7	0.2%	1.9%	0.2%	1,298.7	1,374.9

Sources: ttb analytics, CEIC

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

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