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U.S. lawmakers sought to increase aircraft and Navy ship purchases in an effort to field a robust military and send a signal to Russia and China in a massive annual defense bill released on Tuesday. The fiscal 2022 National Defense Authorization Act, or NDAA, authorizes nearly \$770 billion in national defense and adds to the Pentagon's request for ship and aircraft purchases and increases troop pay. The Biden Administration's original budget request from May was debated over the course of the year and the U.S. Congress released its compromise NDAA after Democrat and Republican leaders of the House of Representatives and Senate Armed Services committees negotiated what should be included in the bill.

China central bank cuts rates on relending facility, benchmark cut chances seen as low

China's central bank on Tuesday cut the rates on its relending facility by 25 basis points (bps) to support the rural sector and small firms. After the cut, the three-month relending rate stands at 1.7%, while the six-month rate is at 1.9% and the one-year at 2%. "Today's loans are based on the new interest rate. The rate cut should be in line with the RRR reduction, and they are measures to support the real economy," a banking source told Reuters. But the chance of a cut in the benchmark lending rate remains low in the near term, analysts said. Investors are closely watching to see if the central bank will cut its benchmark lending rate, or loan prime rate (LPR), in the coming months, after it said on Monday it would cut banks' reserve requirement ratios from Dec. 15.

No need now for ECB to boost legacy bond purchase scheme: Muller

Euro zone inflation could exceed the European Central Bank's forecast in the long term, so there is no reason now to boost a legacy bond purchase programme when an emergency scheme ends next March, ECB policymaker Madis Muller said. The ECB is debating life after the 1.85 trillion euro (\$2.08 trillion) Pandemic Emergency Purchase Programme expires. Conservative policymakers argue that inflation, running at more than twice the ECB's 2% target, could stay too high even in the long term, while doves warn that price pressures are still too weak, so abandoning ultra-easy monetary policy now would risk undoing years of stimulus. "The Pandemic Emergency Purchase Programme (PEPP) can go to zero in terms of net purchases by March 31," Muller, Estonia's central bank governor, told Reuters in an interview.

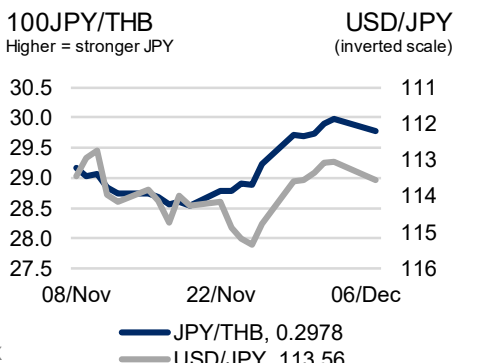
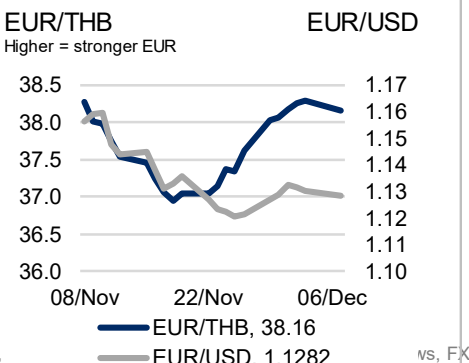
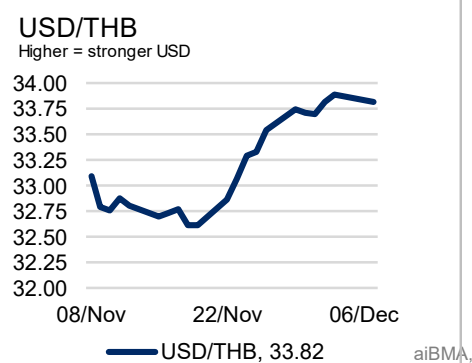
Aussie buoyant, dollar listless as Omicron optimism lifts risk assets

The 10-year government bond yield (interpolated) on the previous trading day was 1.93, +3.00 bps. The benchmark government bond yield (LB31DA, 10.0 years) was 1.93, +2.00 bps. LB31DA could be between 1.91-1.97. Meantime, the latest closed US 10-year bond yields was 1.48%, +5.00bps. USDTHB on the previous trading day closed around 33.66 Moving in a range from 33.46-33.62 this morning. USDTHB could be closed between 33.43-33.53 today. Meantime, The Australian dollar hit its strongest level in a week on Wednesday amid a pick-up in risk appetite on signs Omicron may be less severe than other COVID-19 variants, but still vulnerable to existing vaccines.

Sources : Bloomberg, CNBC, Investing, CEIC

SET Index 1,609.3	S&P500 4,686.8	10Y UST 1.48%	Brent 73.1	Gold 1,779.7
7-Dec ▲ 1.32%	7-Dec ▲ 2.05%	7-Dec ▲ 5.0 bps	6-Dec ▲ 4.48%	7-Dec ▼ -0.09%

USD/THB 33.82	Daily ▼ -0.20%	EUR/THB 38.16	Daily ▼ -0.36%	JPY/THB 0.2978	Daily ▼ -0.64%
Sideways Trend	Weekly ▲ 0.31%	Sideways Trend	Weekly ▲ 0.24%	Sideways Trend	Weekly ▲ 0.29%
	Monthly ▲ 2.19%		Monthly ▼ -0.29%		Monthly ▲ 2.09%



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Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		96.28	0.2%	0.0%	2.1%	93.95	96.80
EUR/USD		1.1282	-0.2%	0.1%	-2.3%	1.1204	1.1594
USD/JPY		113.56	0.4%	0.0%	0.0%	112.73	115.35
USD/CHF		0.9248	0.5%	-0.2%	1.4%	0.9110	0.9350
GBP/USD		1.3274	-0.2%	-0.4%	-1.7%	1.3274	1.3662
USD/CAD		1.2748	-0.6%	-0.1%	2.4%	1.2404	1.2824
AUD/USD		0.7059	-0.2%	-1.0%	-4.5%	0.7059	0.7443
NZD/USD		0.6753	-0.6%	-1.0%	-4.8%	0.6753	0.7160
ASEAN Dollar		107.18	0.0%	0.1%	1.1%	105.13	107.18
USD/THB		33.82	-0.2%	0.2%	1.5%	32.61	33.89
USD/SGD		1.3682	0.0%	-0.2%	1.3%	1.3461	1.3709
USD/MYR		4.2308	0.1%	-0.2%	1.8%	4.1477	4.2411
USD/IDR		14,416	0.4%	0.8%	0.5%	14,188	14,416
USD/PHP		50.30	-0.2%	-0.3%	-0.4%	49.83	50.75
USD/CNY		6.3677	0.0%	-0.3%	-0.3%	6.3585	6.3956
USD/HKD		7.7990	0.2%	-0.1%	0.3%	7.7745	7.8049

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		244,506	-1620
Gold		14,065	-420
SDR		5,693	3
IMF Reserves		1,238	1
Foreign Ccy		223,510	-1203
Net Fwd Position		34,090	-530

Last update: 26/11/2021

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total	
07/12/2021	166	-1,912	-1,746	
03/12/2021	-316	-478	-794	
02/12/2021	-1,476	4,293	2,817	
01/12/2021	-1,731	8,006	6,275	
30/11/2021	-3,535	2,223	-1,313	
Last 5 days	-6,892	12,132	5,239	
	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -3,357	↑ 9,909	↑ 6,552
QTD	Quarter	↑ 1,547	↑ 66,169	↑ 67,717
YTD	Year	↓ -75,158	↑ 166,868	↑ 91,710

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	0.07	0.08
1W		0.52	0.52	0.52	1W		0.29	0.16	0.47	1W		0.08	0.07	0.08
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		0.13	0.10	0.14
3M		0.62	0.62	0.62	3M		0.36	0.28	0.42	3M		0.17	0.13	0.18
6M		0.73	0.73	0.73	6M		0.37	0.30	0.41	6M		0.24	0.19	0.26
12M		0.95	0.95	0.95	12M		0.45	0.38	0.50	12M		0.38	0.35	0.47

Last Updated: 23/02/2021

Last Updated: 30/11/2021

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		1.4800	5.00		5.00		-5.00		1.35	1.67
Gilt 10y		0.7997	-3.82		-16.85		-26.83		0.80	1.07
Bund 10y		-0.3800	-1.00		-6.00		-14.00		-0.38	-0.18
JGB 10y		0.0630	1.50		-0.40		-0.40		0.05	0.09
TGB 1y		0.5220	0.05		-0.13		-0.31		0.52	0.53
TGB 2y		0.6715	0.99		0.23		-1.11		0.65	0.69
TGB 5y		1.2255	1.73		0.58		3.24		1.14	1.24
TGB 7y		1.6167	1.79		5.12		6.05		1.49	1.63
TGB 10y		1.9295	2.30		2.47		-0.27		1.86	1.98
AAA Spread		73.85	-0.02		-0.30		-5.76		73.82	82.00
AA Spread		83.18	-0.10		-0.65		4.63		77.69	83.83
A Spread		141.92	0.15		-0.22		-3.00		141.72	145.38
BBB Spread		361.76	-0.05		-0.17		31.13		330.59	362.05

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		1779.7	-0.1%		-1.0%		-2.1%		1,773.5	1,872.3

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)		4,686.8	2.1%		2.6%		-0.3%		2,467.4	4,704.5
STOXX (EU)		459.2	-0.6%		0.6%		-5.0%		328.0	487.7
FTSE All-Share(UK)		3,694.0	-1.0%		-0.7%		2.0%		3,571.2	3,746.8
DAX (DE)		15,813.9	2.8%		4.7%		-1.4%		15,100.1	16,251.1
CAC All-Tradable(FR)		5,375.2	2.7%		4.6%		-0.4%		5,137.2	5,464.8
TOPIX (JP)		1,989.9	2.2%		3.2%		-2.5%		1,926.4	2,055.6
Shanghai (CH)		3,768.1	0.2%		0.9%		2.8%		3,659.3	3,781.0
Hang Seng (HK)		23,983.7	2.7%		2.2%		-3.2%		23,349.4	25,713.8
ASX 200 (AU)		7,313.9	0.9%		0.8%		-1.9%		7,225.2	7,470.1
SET (TH)		1,609.3	1.3%		1.2%		-1.0%		1,568.7	1,651.0
SET50 (TH)		958.0	1.5%		1.0%		-2.3%		935.1	989.2
Straits Times (SG)		3,134.7	0.6%		3.1%		-4.0%		3,041.3	3,263.9
FTSE Malay (MY)		1,498.0	1.0%		-0.8%		-2.2%		1,483.5	1,537.6
JSX Index (ID)		6,602.6	0.8%		1.1%		-0.4%		6,507.7	6,723.4
PSE Index (PH)		7,147.3	0.2%		-0.7%		-2.6%		6,947.1	7,441.7
Vn Index (VN)		1,446.8	2.3%		-2.1%		-1.4%		1,413.6	1,500.8

Sources: ttb analytics, CEIC

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

Important Disclosures

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