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St. Louis Federal Reserve President James Bullard on Tuesday said he favors starting the turn to tighter U.S. monetary policy with successive rate increases at the Fed's March, May and June meetings, before assessing whether the pace of inflation requires more aggressive steps from there. But he pushed back against the idea of kicking off the tightening cycle with a half-percentage point hike in March, noting that markets have on their own started to push up borrowing costs already, and said that how high the Fed will ultimately need to lift rates remains an "open question." With investors currently anticipating five quarter point increases over the course of the year, Bullard said that "is not too bad a bet...A lot is going to depend on how inflation develops during the year." He is not optimistic about how much inflation will fall without the Fed's intervention. Global factors remained tilted towards higher prices.

U.S. trade official says China failed to meet 'Phase 1' commitments

China has failed to meet its commitments under a two-year "Phase 1" trade deal that expired at the end of 2021, and discussions are continuing with Beijing on the matter, Deputy U.S. Trade Representative Sarah Bianchi said on Tuesday. In the deal signed by former President Donald Trump in January 2020, China pledged to increase purchases of U.S. farm and manufactured goods, energy and services by \$200 billion above 2017 levels during 2020 and 2021. Through November, China had met only about 60% of that goal, according to trade data. Chinese customs data showed the country's 2021 trade surplus with the United States surged 25% to \$396.6 billion after declining for two straight years, with exports to the United States up 27% and imports of American goods rising 33%.

BOJ under less pressure to shift yield target than market thinks – sources

A recent steady rise in long-term interest rates is unlikely to make the Bank of Japan tweak its yield target as it can use other tools to moderate any unwelcome rise in borrowing costs. Markets are rife with speculation that BOJ could shift its yield curve control (YCC) target from the current 10-year to the five-year bond yields, as JGB yields creep up in line with rising global interest rates. But with the 10-year yield still below the BOJ's implicit 0.25% cap, policymakers see little need to intervene forcefully to push down yields. The benchmark 10-year JGB yield hit 0.185% on Monday, the highest level since the start of the BOJ's negative rate policy six years ago, despite repeated assurances by the BOJ it was in no rush to tighten monetary policy.

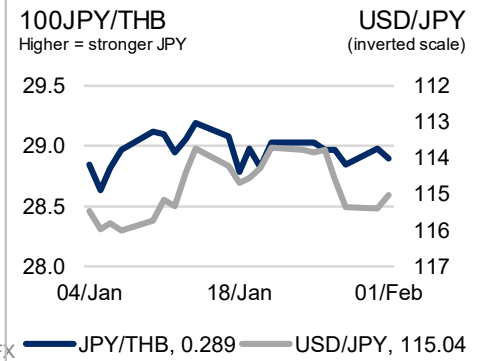
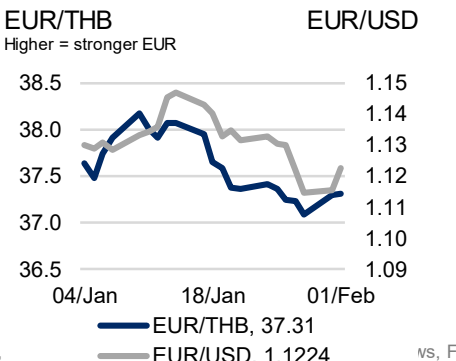
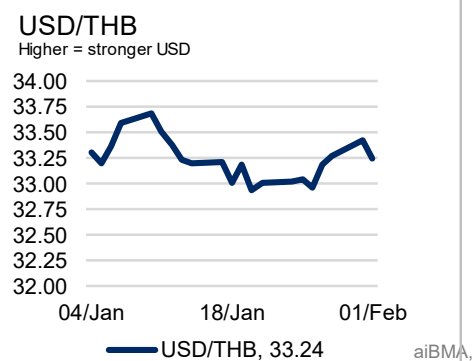
Dollar restrained by risk revival, spread of rate speculation

The 10-year government bond yield (interpolated) on the previous trading day was 2.13, +0.00 bps. The benchmark government bond yield (LB31DA) was 2.09, -2.00 bps. LB31DA could be between 2.07-2.12. Meantime, the latest closed US 10-year bond yields was 1.81%, +2.00bps. USDTHB on the previous trading day closed around 33.19 Moving in a range from 33.15-33.23 this morning. USDTHB could be closed between 33.18-33.28 today. Meantime, The dollar was carrying a couple of bruises on Wednesday as Federal Reserve officials played down the chance of a half point rate hike in March and a rally in global equity markets tarnished some of its safe haven allure.

Sources : Bloomberg, CNBC, Investing, CEIC

SET Index 1,661.8	S&P500 4,546.5	10Y UST 1.81%	Brent 89.3	Gold 1,806.5
1-Feb ▲ 0.78%	1-Feb ▲ 0.68%	1-Feb ▲ 2.0 bps	31-Jan ▼ -2.06%	1-Feb ▲ 0.88%

USD/THB 33.24	Daily ▼ -0.56%	EUR/THB 37.31	Daily ▲ 0.06%	JPY/THB 0.2890	Daily ▼ -0.26%
	Weekly ▲ 0.86%		Weekly ▲ 0.17%		Weekly ▼ -0.24%
Sideways Trend	Monthly ▼ -0.20%	Sideways Trend	Monthly ▼ -0.87%	Sideways Trend	Monthly ▲ 0.17%



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Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		96.69	-0.5%	0.7%	0.9%	94.73	97.19
EUR/USD		1.1224	0.6%	-0.7%	-1.1%	1.1147	1.1469
USD/JPY		115.04	-0.3%	1.0%	0.2%	113.73	115.99
USD/CHF		0.9271	-0.4%	1.2%	1.4%	0.9103	0.9313
GBP/USD		1.3442	0.2%	-0.2%	-0.5%	1.3400	1.3723
USD/CAD		1.2714	-0.3%	0.5%	-0.4%	1.2496	1.2827
AUD/USD		0.7062	0.7%	-1.1%	-2.8%	0.7011	0.7287
NZD/USD		0.6577	0.3%	-1.5%	-3.9%	0.6559	0.6861
ASEAN Dollar		106.28	-0.3%	0.2%	0.2%	105.86	106.95
USD/THB		33.24	-0.6%	0.6%	-0.4%	32.94	33.69
USD/SGD		1.3512	-0.3%	0.5%	0.1%	1.3433	1.3607
USD/MYR		4.1848	0.0%	-0.1%	0.5%	4.1654	4.2113
USD/IDR		14,355	-0.2%	0.2%	0.9%	14,193	14,388
USD/PHP		51.06	-0.1%	-0.6%	0.2%	50.24	51.48
USD/CNY		6.3588	0.0%	0.5%	0.0%	6.3171	6.3832
USD/HKD		7.7963	0.0%	0.1%	0.2%	7.7696	7.8045

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		244,800	-891
Gold		14,392	127
SDR		5,708	-12
IMF Reserves		1,241	-3
Foreign Ccy		223,458	-1003
Net Fwd Position		32,830	460

Last update: 21/01/2022

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total	
01/02/2022	1,302	-7,486	-6,184	
31/01/2022	663	-6,169	-5,506	
28/01/2022	-1,005	-3,350	-4,355	
27/01/2022	-763	547	-216	
26/01/2022	519	4,810	5,330	
Last 5 days	716	-11,647	-10,931	
Period-to-date	Equity	Bond	Total	
MTD	Month	1,302	-7,486	-6,184
QTD	Quarter	15,661	73,187	88,848
YTD	Year	15,661	73,187	88,848

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	0.06	0.08
1W		0.52	0.52	0.52	1W		0.29	0.16	0.47	1W		0.00	0.07	0.08
1M		0.55	0.55	0.55	1M		0.28	0.15	0.40	1M		0.11	0.10	0.11
2M		0.58	0.58	0.59	2M		0.32	0.22	0.41	2M		0.00	0.14	0.16
3M		0.62	0.62	0.62	3M		0.36	0.28	0.42	3M		0.27	0.21	0.27
6M		0.73	0.73	0.73	6M		0.37	0.30	0.41	6M		0.45	0.32	0.45
12M		0.95	0.95	0.95	12M		0.45	0.38	0.50	12M		0.79	0.53	0.80

Last Updated: 23/02/2021

Last Updated: 25/01/2022

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		1.8100	2.00		3.00		29.00		1.52	1.87
Gilt 10y		1.2548	1.16		7.37		23.53		0.93	1.28
Bund 10y		-0.0200	2.00		7.00		19.00		-0.23	0.01
JGB 10y		0.1870	1.00		4.60		11.40		0.07	0.19
TGB 1y		0.5078	0.11		0.05		-0.54		0.51	0.51
TGB 2y		0.6911	-0.56		0.62		3.61		0.65	0.70
TGB 5y		1.4141	-0.83		-2.52		12.80		1.26	1.51
TGB 7y		1.7880	-1.25		-3.92		16.70		1.61	1.93
TGB 10y		2.1338	-0.06		-0.73		23.67		1.89	2.22
AAA Spread		68.46	0.22		0.98		-3.70		65.90	72.42
AA Spread		81.29	-0.54		0.38		-1.42		80.92	83.77
A Spread		137.37	0.16		0.32		0.18		135.46	137.51
BBB Spread		361.62	0.13		0.26		-0.37		361.20	362.77

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		1806.5	0.9%		-1.6%		-0.7%		1,790.2	1,845.2

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)		4,546.5	0.7%		4.4%		-5.2%		2,467.4	4,796.6
STOXX (EU)		460.8	0.0%		2.4%		-4.4%		328.0	487.4
FTSE All-Share(UK)		3,694.0	-1.0%		-0.7%		2.0%		3,571.2	3,746.8
DAX (DE)		15,619.4	1.0%		3.3%		-2.5%		15,011.1	16,271.8
CAC All-Tradable(FR)		5,378.7	1.4%		3.7%		-2.0%		5,157.0	5,598.6
TOPIX (JP)		1,896.1	0.0%		0.0%		-5.1%		1,842.4	2,039.3
Shanghai (CH)		3,522.5	-1.0%		-4.6%		-6.6%		3,522.5	3,814.3
Hang Seng (HK)		23,802.3	1.1%		-3.5%		1.7%		22,907.3	24,965.6
ASX 200 (AU)		7,006.0	0.5%		-1.9%		-6.8%		6,838.3	7,589.8
SET (TH)		1,661.8	0.8%		1.4%		0.2%		1,634.2	1,680.0
SET50 (TH)		998.2	0.5%		1.3%		0.7%		982.5	1,002.6
Straits Times (SG)		3,249.6	0.0%		0.1%		3.7%		3,123.7	3,294.9
FTSE Malay (MY)		1,512.3	-0.5%		-0.6%		-2.0%		1,508.9	1,569.5
JSX Index (ID)		6,631.2	-0.2%		-0.4%		0.8%		6,568.2	6,726.4
PSE Index (PH)		7,361.7	1.5%		1.5%		0.4%		7,011.1	7,361.7
Vn Index (VN)		0.0	-100.0%		-100.0%		-100.0%		1,438.9	1,528.6

Sources: ttb analytics, CEIC

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

Important Disclosures

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