

European Inflation Spiked in May, Rising Rate Hike Possibilities

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Inflation in the Eurozone surged to a new record high in May, piling more pressure on the European Central Bank to end its money-printing and bring its key interest rates back above zero. Data from Eurostat showed consumer price inflation rose to 8.1% in the 12 months through May, up from 7.4% in April. Inflation excluding food and energy prices, watched closely by the ECB, accelerated to 4.4% year-on-year from 3.9%. The ECB has penciled in gradual interest rate increases in July and September but, after Tuesday's data, markets and at least one ECB rate-setter doubt that hikes worth 25 basis points each will be enough to tame fast price growth.

South Korea exports growth accelerates in May, China curbs hurt

South Korea's exports grew at a faster pace in May than a month earlier as a rise in shipments to Europe and United States more than offset disruptions to trade with China from its strict COVID restrictions. Exports rose 21.3% from a year earlier to \$61.52 billion, trade ministry data showed on Wednesday. Shipments to the United States jumped 29.2% from a year earlier, above than April's 26.6%, while exports to the European Union gained 23.5%. Lockdowns in China have snarled logistics and supply chains, hammering trade in the region. Exports to China grew just 1.2% in May from a year earlier after declining 3.4% in April. Imports, meanwhile, jumped 32.0% to \$63.22 billion. That brought the trade balance to a \$1.71 billion deficit, after logging a \$2.51 billion deficit in April.

Australia's economy slows a little in Q1, demand still solid

Australian economic growth slowed in the first quarter as a flood of imports and dismal weather proved a drag, but strength in domestic demand and mounting price pressures still set the scene for more hikes in interest rates. Data from the Australian Bureau of Statistics out on Wednesday showed gross domestic product (GDP) rose 0.8% in the March quarter from the previous quarter, topping market forecasts of a 0.5% gain. Annual growth ticked down to a still-solid 3.3%, from 4.2%, and most analysts expect that to accelerate again as cashed-up consumers seem happy to keep spending.

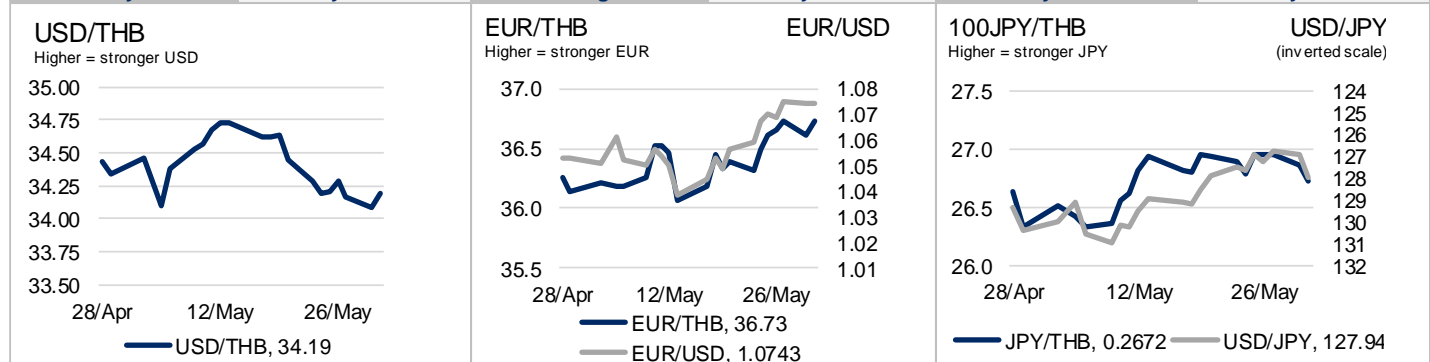
Dollar rises as inflation worries hurt risk sentiment

The 10-year government bond yield (interpolated) on the previous trading day was 2.95, +3.00 bps. The benchmark government bond yield (LB31DA) was 2.85, +4.00 bps. LB31DA could be between 2.83-2.98. Meantime, the latest closed US 10-year bond yields was 2.85%, +11.00bps. USDTHB on the previous trading day closed around 34.19 Moving in a range from 34.25-34.35 this morning. USDTHB could be closed between 34.25-34.50 today. The U.S. dollar strengthened across the board on Tuesday as Treasury yields climbed and worries over a further acceleration in global inflation depressed investors' risk appetite. The dollar was supported by demand for safe havens. U.S. stocks fell on Tuesday as soaring oil prices and hawkish comments from a U.S. Federal Reserve official spooked investors.

Sources : Bloomberg, CNBC, Investing, CEIC

SET Index	1,663.4	S&P500	4,132.2	10Y UST	2.85%	Brent	123.5	Gold	1,854.4
31-May	▲ 0.59%	31-May	▼ -0.63%	31-May	▲ 11.0 bps	30-May	▲ 3.33%	31-May	▼ -0.15%

USD/THB	34.19	Daily ▲ 0.32%	EUR/THB	36.73	Daily ▲ 0.31%	JPY/THB	0.2672	Daily ▼ -0.51%
		Weekly ▼ -0.05%			Weekly ▲ 0.31%			Weekly ▼ -0.84%
		Monthly ▼ -0.73%			Monthly ▲ 1.29%			Monthly ▲ 0.35%



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

Main Contributor

Kantaphon Amornrat
(66) 2 2991111 ext. 5191,
kantaphon.amo@ttbank.com

ttb analytics ttbanalytics@ttbank.com

Naris Sathapholdeja (66) 2 299 2494, naris.sat@ttbank.com
Kasem Harnchanpanich (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		101.71	0.1%	-0.5%	-0.6%	101.31	104.68
EUR/USD		1.0743	0.0%	0.7%	1.0%	1.0383	1.0774
USD/JPY		127.94	0.8%	0.2%	0.2%	126.76	130.98
USD/CHF		0.9601	0.4%	-0.6%	-0.3%	0.9567	1.0028
GBP/USD		1.2617	-0.2%	0.4%	0.3%	1.2211	1.2798
USD/CAD		1.2675	-0.3%	-1.0%	-1.1%	1.2675	1.3022
AUD/USD		0.7177	0.1%	1.4%	0.4%	0.6877	0.7237
NZD/USD		0.6531	-0.2%	1.5%	-0.5%	0.6244	0.6626

ASEAN Dollar		109.08	0.2%	-0.3%	0.0%	108.55	110.21
USD/THB		34.19	0.3%	0.0%	-0.5%	34.00	34.74
USD/SGD		1.3696	0.2%	-0.4%	-0.7%	1.3669	1.3955
USD/MYR		4.3738	0.1%	-0.4%	0.3%	4.3410	4.4031
USD/IDR		14,555	0.2%	-0.5%	0.9%	14,377	14,676
USD/PHP		52.45	0.5%	0.3%	0.2%	52.14	52.65
USD/CNY		6.6692	-0.1%	0.1%	1.4%	6.5507	6.8067
USD/HKD		7.8475	0.0%	0.0%	0.0%	7.8424	7.8550

FX Swap Market and BoT's Reserves

Foreign Fund Flows (THB.mn)

USTH FX Sp	1M History	Last	%Chg(1D)	Date	Equity	Bond	Total
1-month		0.15	0.15	31/05/2022	5,807	160	5,967
3-month		0.70	-0.05	30/05/2022	3,673	1,439	5,112
6-month		1.50	-0.20	27/05/2022	1,108	-1,192	-85

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)	Date	Equity	Bond	Total
Total		227,545	2017	26/05/2022	3,387	1,323	4,710
Gold		14,494	274	25/05/2022	90	2,980	3,070
SDR		5,470	44	Last 5 days	14,065	4,709	18,774
IMF Reserves		1,222	10				
Foreign Ccy		206,360	1689				
Net Fwd Position		30,495	150				

Last update: 20/05/2022

	Period-to-date	Equity	Bond	Total
MTD	Month	↑ 20,283	↑ 30,012	↑ 50,296
QTD	Quarter	↑ 31,153	↑ 37,630	↑ 68,782
YTD	Year	↑ 142,017	↑ 123,188	↑ 265,205

Money Market

THB BIBOR	1M Hist	Last	1M Range		THB FIX	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		0.00	0.22	0.71	ON		0.08	0.07	0.08
1W		0.52	0.52	0.52	1W		0.21	0.14	0.66	1W		0.00	0.00	0.00
1M		0.55	0.55	0.55	1M		0.13	0.13	0.57	1M		0.35	0.12	0.35
2M		0.59	0.59	0.59	2M					2M		0.00	0.00	0.00
3M		0.63	0.63	0.63	3M		0.37	0.30	0.59	3M		0.75	0.34	0.75
6M		0.73	0.73	0.73	6M		0.54	0.47	0.74	6M		1.04	0.56	1.04
12M		0.96	0.95	0.96	12M		1.07	0.86	1.23	12M		1.49	1.00	1.49

Last Updated: 30/05/2022

Last Updated: 09/03/2022

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 Market

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		2.8500	11.00	-1.00	-4.00	2.74	3.12
Gilt 10y		1.9460	-4.99	4.57	12.28	1.72	2.02
Bund 10y		1.0700	2.00	9.00	15.00	0.82	1.13
JGB 10y		0.2460	0.50	0.70	-0.50	0.22	0.25
TGB 1y		0.6702	0.05	-3.37	4.96	0.62	0.75
TGB 2y		1.5873	2.63	2.17	21.67	1.37	1.87
TGB 5y		2.3343	7.34	1.34	7.42	2.23	2.73
TGB 7y		2.6257	3.82	-8.55	7.45	2.55	3.13
TGB 10y		2.9553	3.10	-9.04	13.14	2.82	3.42
AAA Spread		65.34	-0.03	3.77	5.16	57.74	66.02
AA Spread		83.68	0.19	4.93	6.27	77.22	83.68
A Spread		118.33	-1.48	-2.02	-11.41	118.33	130.00
BBB Spread		318.96	-0.20	0.10	-78.40	275.80	397.95

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		123.48	3.4%	9.7%	15.3%	103.76	123.48
London Gold		1854.4	-0.2%	-0.2%	-3.2%	1,805.8	1,915.5

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)		4,132.2	#DIV/0!	4.8%	-0.6%	2,467.4	4,287.5
STOXX (EU)		419.1	-2.2%	2.3%	0.2%	328.0	428.4
FTSE All-Share(UK)		3,694.0	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		14,576.0	0.8%	2.8%	3.4%	13,380.7	14,576.0
CAC All-Tradable(FR)		4,930.2	-1.4%	3.3%	0.8%	4,644.0	4,999.1
TOPIX (JP)		1,866.7	0.2%	0.2%	0.2%	1,829.2	1,928.0
Shanghai (CH)		3,242.3	0.6%	1.9%	-2.9%	3,025.0	3,380.7
Hang Seng (HK)		20,602.5	3.3%	4.9%	-3.4%	19,380.3	21,872.0
ASX 200 (AU)		7,112.5	0.3%	0.9%	-4.9%	6,941.0	7,592.8
SET (TH)		1,614.5	1.9%	0.6%	-4.2%	1,584.4	1,701.2
SET50 (TH)		970.5	1.8%	1.7%	-3.6%	950.3	1,021.3
Straits Times (SG)		3,201.9	0.3%	-1.0%	-3.1%	3,165.2	3,361.1
FTSE Malay (MY)		1,548.6	0.3%	0.0%	-3.5%	1,538.8	1,607.3
JSX Index (ID)		6,644.5	0.7%	-3.8%	-6.5%	6,598.0	7,276.2
PSE Index (PH)		6,594.7	1.4%	-1.9%	-4.4%	6,379.2	7,142.4
Vn Index (VN)		1,228.4	4.8%	-5.0%	-16.6%	1,172.0	1,477.2

Sources: ttb analytics, CEIC

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

Important Disclosures

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