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In July, U.S. business activity reached its highest point in 27 months. However, businesses faced challenges in maintaining higher prices for their goods and services due to consumer resistance, which could temper inflation. The S&P Global flash U.S. Composite PMI Output Index, which monitors both manufacturing and services sectors, rose to 55.0 this month, marking its highest level since April 2022. This increase followed a final reading of 54.8 in June. The preliminary manufacturing PMI fell to 49.5, a seven-month low compared to June's 51.6, diverging from economists' expectations of a slight decrease to 51.7. Conversely, the services PMI rose to 56.0, a 28-month peak up from 55.3 in June, surprising economists who anticipated a decline to 55.0. Additionally, S&P Global noted that uncertainty related to the upcoming November presidential election and its potential policy outcomes continued to impact future sentiment negatively.

Euro zone business growth stalls in July

Euro zone business activity stalled this month as the modest growth in the services sector failed to offset a sharper decline in manufacturing. According to HCOB's preliminary composite Purchasing Managers' Index (PMI) from S&P Global, the index fell to 50.1 in July from 50.9 in June, just above the 50-mark indicating neither growth nor contraction. This defied expectations, which had anticipated an increase to 51.1. The Eurozone Manufacturing PMI dropped from 45.8 in June to 45.6 in July, falling short of the consensus forecast of 46.1 and reaching a seven-month low. Meanwhile, the Services PMI declined from 52.8 to 51.9, lower than the expected 53.0 and marking a four-month low. This shortfall can be attributed to Germany, which surprisingly contracted, dropping below the vital threshold for the first time since March.

South Korea's unexpected GDP shrinkage raises prospects for a rate cut

South Korea's economy unexpectedly contracted in the second quarter, marking the sharpest decline in six quarters. Slumping consumer spending offset gains from exports, raising expectations for an imminent interest rate cut. According to data from the Bank of Korea, seasonally adjusted Gross Domestic Product (GDP) for April-June fell 0.2% from the previous quarter, missing analysts' expectations of a 0.1% gain. This followed a robust 1.3% growth in the first quarter, the highest since Q4 2021. Year-on-year, the economy expanded by 2.3%, down from 3.3% growth in Q1 2024. Market sentiment suggests the likelihood of a rate cut in the coming quarter.

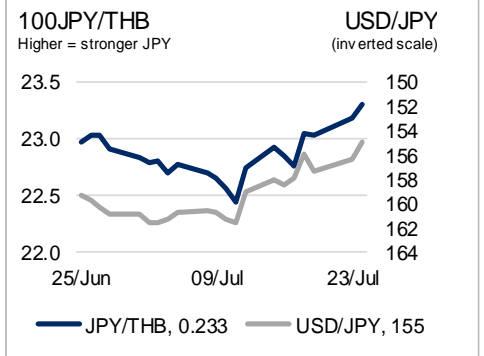
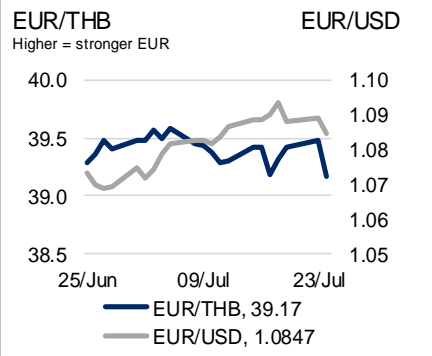
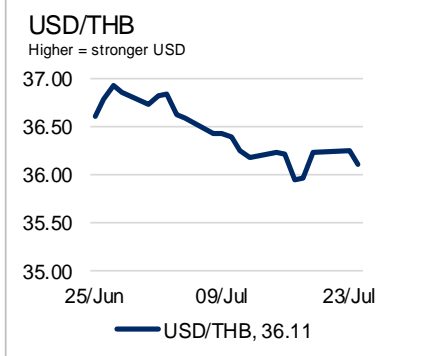
Short yen positions are closed ahead of BOJ and Fed meetings.

The 10-year government bond yield (interpolated) on the previous trading day was 2.636, -0.17 bps. The benchmark government bond yield (LB346A) was 2.63, -1.0 bps. Meantime, the latest closed US 10-year bond yields was 4.28, +3.0 bps. USDTHB on the previous trading day closed around 36.11 moving in a range of 36.04 – 36.13 this morning. USDTHB could be closed between 35.90 - 36.20 today. The Dollar was flat on Thursday, and was weighed on the notable Yen strength, but this was offset by weakness in other G10 currencies. The Japanese yen outperformed, buoyed by reports from BoJ sources indicating that the central bank is considering a rate hike next week and has a detailed plan to halve bond buying in the coming years.

Sources : ttb analytics , Bloomberg, CNBC, Trading economics, Investing, CEIC

SET Index	1,298.1	S&P500	5,427.1	10Y UST	4.28%	Brent	81.6	Gold	2,411.3
24-Jul	▼ -0.27%	24-Jul	▼ -2.34%	24-Jul	▲ 3.0 bps	23-Jul	▼ -1.0%	24-Jul	▲ 0.28%

USD/THB 36.11	Daily ▼ -0.40%	EUR/THB 39.17	Daily ▼ -0.79%	JPY/THB 0.2330	Daily ▲ 0.52%
Sideways Trend	Weekly ▲ 0.46%	Falling Trend	Weekly ▼ -0.03%	Rising Trend	Weekly ▲ 2.32%
	Monthly ▼ -1.37%		Monthly ▼ -0.30%		Monthly ▲ 1.40%



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		104.43	0.2%	0.2%	-1.0%	103.75	105.99
EUR/USD		1.0847	-0.4%	-0.5%	1.1%	1.0690	1.0934
USD/JPY		155.00	-0.9%	-1.8%	-2.7%	156.02	161.63
USD/CHF		0.8909	0.2%	-0.2%	-0.2%	0.8838	0.9043
GBP/USD		1.2899	-0.3%	-0.7%	1.7%	1.2629	1.3005
USD/CAD		1.3784	0.2%	0.8%	1.0%	1.3608	1.3760
AUD/USD		0.6601	-0.5%	-2.0%	-0.8%	0.6629	0.6766
NZD/USD		0.5939	-0.6%	-2.3%	-3.0%	0.5974	0.6144
ASEAN Dollar		105.88	0.4%	0.0%	-1.0%	105.50	107.13
USD/THB		36.11	-0.4%	0.5%	-1.4%	35.94	36.93
USD/SGD		1.3444	0.0%	0.2%	-0.6%	1.3396	1.3586
USD/MYR		4.6707	-0.1%	0.0%	-0.8%	4.6630	4.7210
USD/IDR		16,152	0.3%	0.4%	-0.8%	16,074	16,383
USD/PHP		58.66	0.0%	0.0%	-0.6%	58.44	59.10
USD/CNY		7.2735	-0.02%	0.0%	0.0%	7.2587	7.2894
USD/HKD		7.8033	0.03%	0.0%	0.0%	7.7975	7.8156

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		227,827	2144
Gold		18,186	150
SDR		5,486	25
IMF Reserves		1,126	5
Foreign Ccy		203,028	1965
Net Fwd Position		28,260	-185

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
24/07/2024	388	8,488	8,876
23/07/2024	71	-572	-501
19/07/2024	278	-2,625	-2,346
18/07/2024	1,292	-583	710
17/07/2024	695	7,958	8,653
Last 5 days	2,724	12,667	15,391

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -1,782	↑ 7,489	↑ 5,707
QTD	Quarter	↓ -1,782	↑ 7,489	↑ 5,707
YTD	Year	↓ -118,813	↓ -38,497	↓ -157,310

Money Market

Last update: 12/07/2024

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		2.50	0.00	2.50	ON		1.72	1.14	1.72	ON		0.08	0.07	0.08
1W		2.52	0.00	2.53	1W		1.61	0.22	1.61	1W		0.00	0.00	0.00
1M		2.55	0.00	2.55	1M		1.59	0.88	1.72	1M		0.35	0.12	0.35
2M		2.60	0.00	2.61	2M					2M		0.00	0.00	0.00
3M		2.65	0.00	2.65	3M		1.81	1.09	1.82	3M		0.75	0.34	0.75
6M		2.71	0.00	2.73	6M		1.95	1.31	1.99	6M		1.04	0.56	1.04
12M		2.81	0.00	2.84	12M		2.26	1.59	2.26	12M		1.49	1.00	1.49

Last Updated: 29/06/2023

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		4.2800	3.00	8.00	5.00	4.16	4.48
Gilt 10y		4.1173	1.48	6.45	6.02	4.02	4.25
Bund 10y		2.4300	-3.00	-1.00	0.00	2.37	2.63
JGB 10y		1.0840	1.10	3.70	6.40	0.97	1.10
TGB 1y		2.3861	-0.06	0.56	3.49	2.35	2.39
TGB 2y		2.3430	-0.37	0.16	-0.56	2.34	2.37
TGB 5y		2.3877	-0.76	1.81	-6.47	2.36	2.50
TGB 7y		2.5066	-0.53	2.28	-5.60	2.48	2.60
TGB 10y		2.6361	-0.17	2.60	-4.88	2.60	2.73
AAA Spread		60.84	5.80	0.70	-10.53	55.04	73.91
AA Spread		75.50	-2.12	-3.94	-2.10	67.11	82.62
A Spread		99.77	-5.89	-12.39	-22.90	99.77	124.19
BBB Spread		0.00	0.00	-236.12	-239.99	0.00	239.99

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		81.56	-1.02%	-4.1%	-4.1%	81.56	87.43
London Gold		2411.3	0.28%	-2.3%	4.1%	2,310.6	2,470.4

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)		5,427.1	-2.3%	-2.1%	-0.9%	5,427.1	5,667.2
STOXX (EU)		502.3	-1.0%	-0.4%	-0.5%	500.1	517.7
FTSE All-Share(UK)		4,076.1	0.2%	-0.3%	2.9%	3,933.2	4,088.1
DAX (DE)		18,387.5	-0.9%	0.2%	1.3%	18,155.2	18,748.2
CAC All-Tradable(FR)		5,572.0	-1.0%	-1.0%	-1.0%	5,528.3	5,718.5
TOPIX (JP)		2,793.1	-1.4%	-2.6%	0.2%	2,724.7	2,929.2
Shanghai (CH)		3,042.1	-0.5%	-2.5%	-2.4%	3,042.1	3,142.9
Hang Seng (HK)		17,311.1	-0.9%	-2.6%	-4.2%	17,311.1	18,335.3
ASX 200 (AU)		7,963.7	-0.1%	-0.9%	2.3%	7,718.2	8,057.9
SET (TH)		1,298.1	-0.3%	-1.6%	-1.6%	1,288.6	1,332.0
SET50 (TH)		813.2	-0.3%	-1.3%	-0.4%	800.1	827.9
Straits Times (SG)		3,460.8	0.0%	-0.3%	3.9%	3,306.0	3,499.9
FTSE Malay (MY)		1,621.1	-0.5%	-0.8%	2.3%	1,584.9	1,636.6
JSX Index (ID)		7,262.8	-0.7%	-0.8%	5.2%	6,880.0	7,327.6
PSE Index (PH)		6,753.1	0.6%	1.0%	7.2%	6,158.5	6,791.7
Vn Index (VN)		1,238.5	0.5%	-2.8%	-1.8%	1,231.8	1,293.7

Sources: ttb analytics, CEIC

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

Important Disclosures

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