

Thailand's 4Q GDP Contracts 4.2%, Beating Economists' Forecast of Dropping 5.4%

Nikkei back above 30,000 after more than three decades

Japan's Nikkei share average rose above the 30,000 level for the first time in more than 30 years on Monday, as it regained the ground lost during decades of economic stagnation. The break of 30,000 could open the way for test of all-time high of 38,957, touched at the end of 1989. The Nikkei's epic downfall since then even dwarfed the Wall Street's worst bear market after the Great Depression. The Dow Jones Industrial Average took 25 years to recover to its previous peak. None of the Japanese banks that topped the list of companies with biggest market capitalisation in 1990 exist now, as they subsequently suffered massive loan losses and repeated mergers to survive.

Thailand's 4Q GDP Contracts 4.2%, Beating Economists' Forecast of Dropping 5.4%

The Office of the National Economic and Social Development Council (NESDC) on Monday has announced that Thailand 4Q20 GDP contracted 4.2%, which was better than an estimation of 5.4% contraction due to the recovery in consumption and private sector's expansion. Real gross domestic product shrank 6.1% in 2020 compared with the previous year. Meanwhile, NESDC downgraded GDP in 2021 from 3.5-4.5% to 2.5-3.5%. Current account is expected at a surplus of 12.4 billion dollars. Exports are forecast to expand 5.8% in 2021, and imports to grow 6.5%. Inflation in 2021 is expected at 1.2% from a speculation of 0.7-1.7%.

Lending to Italy for a century

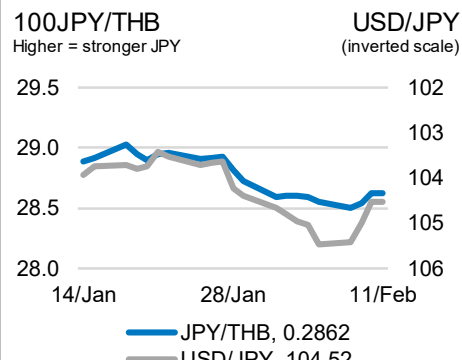
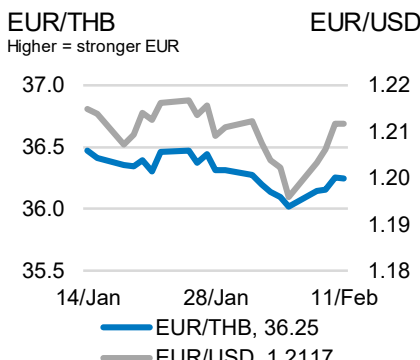
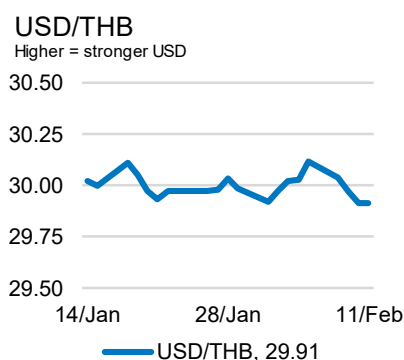
If ultra-long 50-year bonds are going like hot cakes in Europe, the temptation to double up maturities and lock in the lowest borrowing rates in history for a century is pretty compelling. Italy is forecast to running a debt-to-GDP ratio close to 160% this year and next. Yet, Spain's debut 50-year bond this week was 13 times oversubscribed for a sale of 5 billion euros - and with a yield of just 1.65%. So the demand for ultras is clearly still there in the current environment at least. Italy's Treasury sold 50-year bonds for the first time in 2016 with a coupon of 2.8%. After a brief wobble this year the yield on that issue has returned toward record lows of about 1.7% hit at the start of the year.

Dollar Index Struggles to Find Momentum

The benchmark government bond yield (LB29DA, 8.8 years) on the previous trading day was 1.29, +0.00 bps. Thai benchmark government bond yield (LB29DA) could be between 1.27-1.31. Meantime, the latest closed US 10-year bond yields was 1.20%, +4.00bps. USDTHB on the previous trading day closed around 29.87 Moving in a range from 29.84-29.89 this morning. USDTHB could be between 29.83-29.90 today. Meantime, The dollar index bottomed around 90.30 on Monday, as money continued to flow into riskier currencies amid prospects of a robust economic recovery.

Sources : Bloomberg, CNBC, Investing, CEIC

SET Index 1,508.4	S&P500 3,934.8	10Y UST 1.20%	Brent 62.4	Gold 1,818.0
11-Feb ▼ -0.57%	12-Feb ▲ 0.47%	12-Feb ▲ 4.0 bps	12-Feb ▲ 2.09%	12-Feb ▼ -1.30%
USD/THB 29.91	EUR/THB 36.25	JPY/THB 0.2862		
Daily ▼ -0.01%	Daily ▼ -0.02%	Daily ▼ 0.00%		
Weekly ▼ -0.67%	Weekly ▲ 0.64%	Weekly ▲ 0.22%		
Monthly ▼ -0.36%	Monthly ▼ -0.61%	Monthly ▼ -0.91%		
Falling Trend	Sideways Trend	Sideways Trend		



Sources: TMB Analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoT's daily closing rates

Main Contributor
Kantaphon Amornrat
(66) 2 991111 ext. 5191,
kantaphon.amo@tmbbank.com

TMB Analytics tmbanalytics@tmbbank.com
Naris Sathapholdeja (66) 2 299 2494, naris.sat@tmbbank.com
Kasem Hamchanpanich (66) 2 242 3265; kasem.har@tmbbank.com
Supaporn Channarong (66) 2 242 3271, supaporn.cha@tmbbank.com

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		90.43	0.0%	-0.8%	0.5%	89.98	91.55
EUR/USD		1.2117	0.0%	0.8%	-0.8%	1.1959	1.2213
USD/JPY		104.52	0.0%	-0.5%	1.0%	103.43	105.46
USD/CHF		0.8902	-0.2%	-1.0%	0.5%	0.8852	0.9040
GBP/USD		1.3834	0.1%	1.5%	1.1%	1.3511	1.3834
USD/CAD		1.2701	0.0%	-0.7%	-0.1%	1.2629	1.2844
AUD/USD		0.7723	-0.2%	1.2%	-0.6%	0.7592	0.7767
NZD/USD		0.7213	-0.3%	0.1%	-0.2%	0.7121	0.7235
ASEAN Dollar		103.09	0.0%	-0.3%	-0.1%	103.06	103.72
USD/THB		29.91	0.0%	-0.4%	-0.3%	29.91	30.17
USD/SGD		1.3257	0.0%	-0.6%	0.3%	1.3223	1.3376
USD/MYR		4.0449	0.1%	-0.1%	0.1%	4.0345	4.0714
USD/IDR		13,940	0.0%	-0.1%	-0.6%	13,937	14,094
USD/PHP		48.03	0.0%	-0.1%	0.2%	47.94	48.12
USD/CNY		6.4259	0.2%	-0.4%	-0.2%	6.4139	6.4813
USD/HKD		7.7479	0.0%	0.0%	0.1%	7.7439	7.7547

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.40	0.00
3-month		0.80	0.00
6-month		1.60	0.00

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		255,752	-1086
Gold		8,963	-171
SDR		1,423	-5
IMF Reserves		1,280	-4
Foreign Ccy		244,087	-906
Net Fwd Position		30,385	570

Last update: #####

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total	
11/02/2021	-4,344	708	-3,637	
10/02/2021	1,182	806	1,989	
09/02/2021	2,091	-1,858	233	
08/02/2021	4,186	-3,206	980	
05/02/2021	182	1,082	1,263	
Last 5 days	3,297	-2,468	828	
	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -5,877	↑ 1,921	↓ -3,956
QTD	Quarter	↓ -16,780	↑ 2,037	↓ -14,744
YTD	Year	↓ -16,780	↑ 2,037	↓ -14,744

Money Market

THB BIBOR	1M Hist	Last	1M Range		THB Implied	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		-0.02	-1.15	0.39	ON		0.08	0.08	0.09
1W		0.52	0.52	0.52	1W		0.14	-0.46	0.38	1W		0.09	0.08	0.10
1M		0.55	0.55	0.55	1M		0.20	0.03	0.31	1M		0.12	0.11	0.13
2M		0.58	0.58	0.59	2M		0.25	0.17	0.41	2M		0.16	0.15	0.19
3M		0.62	0.62	0.62	3M		0.30	0.27	0.82	3M		0.19	0.19	0.24
6M		0.73	0.73	0.73	6M		0.37	0.37	0.59	6M		0.21	0.21	0.25
12M		0.95	0.95	0.95	12M		0.61	0.61	0.80	12M		0.30	0.30	0.33

Last Updated: 30/06/2020

Last Updated: 05/02/2021

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		1.2000	4.00	1.00	10.00	1.04	1.20
Gilt 10y		0.5353	2.14	11.80	13.66	0.31	0.54
Bund 10y		-0.4700	-3.00	0.00	2.00	-0.55	-0.43
JGB 10y		0.0820	1.00	2.00	4.90	0.03	0.08
TGB 1y		0.4433	-0.18	0.63	5.21	0.39	0.45
TGB 2y		0.4964	0.00	3.09	6.78	0.42	0.50
TGB 5y		0.7886	-0.28	1.69	8.34	0.68	0.80
TGB 7y		1.0470	-0.28	4.87	7.67	0.93	1.06
TGB 10y		1.3779	0.50	4.37	5.09	1.29	1.39
AAA Spread		122.21	-2.25	-2.38	-2.71	122.21	125.23
AA Spread		82.67	-2.03	-7.00	-26.93	82.67	112.35
A Spread		190.40	0.85	0.32	4.08	185.54	190.40
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		1818.0	-1.3%	0.5%	-1.2%	1,808.6	1,867.7

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)		3,934.8	0.5%	1.2%	3.7%	2,467.4	3,934.8
STOXX (EU)		410.3	-0.2%	0.1%	0.4%	328.0	411.3
FTSE All-Share(UK)		3,608.8	0.8%	1.3%	-2.6%	3,505.9	3,704.5
DAX (DE)		14,049.9	0.1%	0.0%	0.4%	13,432.9	14,060.3
CAC All-Tradable(FR)		4,443.4	0.5%	0.6%	0.4%	4,214.6	4,443.4
TOPIX (JP)		1,933.9	0.2%	3.7%	3.7%	1,808.8	1,933.9
Shanghai (CH)		3,831.5	1.4%	3.9%	1.3%	3,651.0	3,831.5
Hang Seng (HK)		30,173.6	0.4%	3.6%	6.9%	27,908.2	30,173.6
ASX 200 (AU)		6,806.7	-0.6%	-0.5%	1.8%	6,607.4	6,880.7
SET (TH)		1,508.4	-0.6%	1.7%	-2.5%	1,467.0	1,547.3
SET50 (TH)		942.6	-0.8%	2.1%	-3.9%	916.7	980.8
Straits Times (SG)		2,925.5	0.0%	0.7%	-1.7%	2,896.3	3,017.2
FTSE Malay (MY)		1,599.4	0.2%	0.9%	-1.1%	1,566.4	1,636.7
JSX Index (ID)		6,222.5	0.3%	1.9%	-3.3%	5,862.4	6,435.2
PSE Index (PH)		6,991.0	-1.3%	1.3%	-3.5%	6,612.6	7,304.8
Vn Index (VN)		1,114.9	2.9%	3.7%	-5.9%	1,023.9	1,194.2

Sources: TMB Analytics, CEIC

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

Important Disclosures

This document is issued by TMB Analytics, a division of TMB Bank PCL. All analyses are based on information available to the public. Although the information contained herein is believed to be gathered from reliable sources, TMB makes no guarantee to its accuracy and completeness. TMB may have issued, and may in the future issue, other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. Opinions or predictions expressed herein reflect the authors' views, not that of TMB, as of date of the analysis and are subject to change without notice. TMB shall not be responsible for the use of contents and its implication.