

Goldman Sees Relief Bill at \$1.5 Trillion, Boosts GDP Estimate to 6.8% in 2021

ECB must keep easy money policy in place despite inflation surge: Lagarde

The European Central Bank must keep copious stimulus in place as an unexpected surge in inflation last month masks weak underlying dynamics, ECB President Christine Lagarde said on Monday. "Underlying price pressures are likely to remain subdued owing to weak demand, low wage pressures and the appreciation of the euro exchange rate," Lagarde told the European Parliament. "Our pledge to preserve favorable financing conditions is crucial in the current environment."

Japan finance minister: G7 focus on emerging market debt, digital taxation and digital currency

The Group of Seven (G7) financial leaders would kick off debate on Friday on emerging market debt problems, implementation of digital taxation and central bank digital currency, Japanese Finance Minister Taro Aso said on Tuesday. Britain will chair a meeting of G7 finance ministers and central bank governors on Feb. 12 to try to map a way out of the global economic crisis inflicted by COVID-19 and find a solution to an international tax wrangle.

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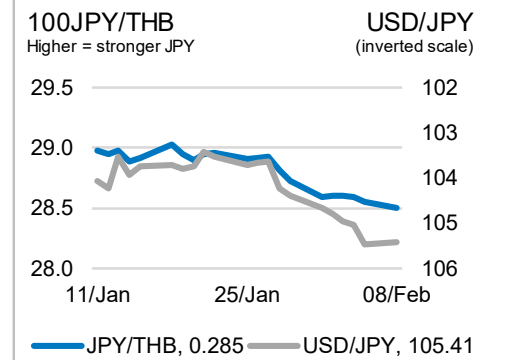
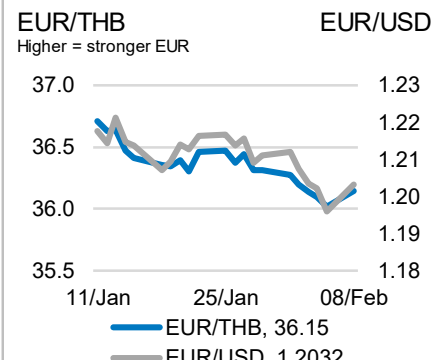
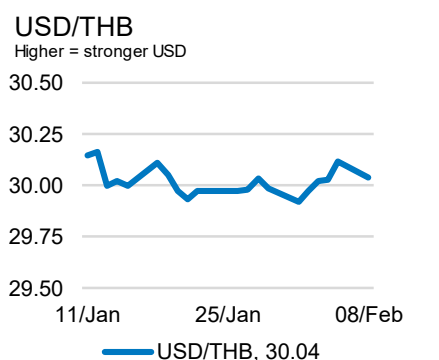
Goldman Sachs Group Inc (NYSE:GS). economists boosted their forecast for the eventual bill that Joe Biden's call for \$1.9 trillion in Covid-19 relief spending. Goldman chief economist said that additional fiscal measures are likely to be valued at \$1.5 trillion, after previously estimating \$1.1 trillion. They also bumped their GDP forecast for the second quarter to 11%. On an annual basis, they increased their forecasts for 2021 and 2022 growth by 0.2 percentage points each, to 6.8% and 4.5%, respectively. "While the extra \$400 billion in stimulus we assume is equivalent to nearly 2% of GDP, we expect that much of this spending will take several quarters to spend out and therefore has more limited implications for near-term growth," the economists wrote in a note Monday.

Dollar shackled by doubts over U.S. recovery

The benchmark government bond yield (LB29DA, 8.8 years) on the previous trading day was 1.295, +6.50 bps. Thai benchmark government bond yield (LB29DA) could be between 1.28-1.33. Meantime, the latest closed US 10-year bond yields was 1.19%, +0.00bps. USDTHB on the previous trading day closed around 30.04 Moving in a range from 29.95-29.99 this morning. USDTHB could be between 29.92-29.98 today. Meantime, The dollar languished near its lowest in a week on Tuesday as investors began entertaining doubts about the scale of a recent rally driven by expectations of a fast pandemic recovery in the United States.

Sources : Bloomberg, CNBC, Investing, CEIC

SET Index 1,516.4	S&P500 3,915.6	10Y UST 1.19%	Brent 59.6	Gold 1,811.7
8-Feb ▲ 1.32%	8-Feb ▲ 0.74%	8-Feb ▲ 0.0 bps	5-Feb ▲ 1.33%	8-Feb ▲ 0.17%
USD/THB 30.04	EUR/THB 36.15	JPY/THB 0.2850		
Daily ▼ -0.25%	Daily ▲ 0.36%	Daily ▼ -0.20%		
Weekly ▲ 0.21%	Weekly ▼ -0.15%	Weekly ▼ -0.37%		
Monthly ▼ -0.37%	Monthly ▼ -1.54%	Monthly ▼ -1.65%		
Sideways Trend	Sideways Trend	Falling Trend		



Sources: TMB 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		91.08	-0.5%	0.5%	1.3%	89.47	91.55
EUR/USD		1.2032	0.6%	-0.7%	-1.8%	1.1959	1.2319
USD/JPY		105.41	0.0%	0.7%	1.5%	102.71	105.46
USD/CHF		0.8996	-0.5%	0.9%	1.5%	0.8784	0.9040
GBP/USD		1.3730	0.4%	0.1%	1.3%	1.3511	1.3735
USD/CAD		1.2761	-0.5%	-0.2%	0.5%	1.2629	1.2844
AUD/USD		0.7671	1.0%	0.5%	-1.1%	0.7592	0.7789
NZD/USD		0.7198	0.7%	0.2%	-0.7%	0.7121	0.7283
ASEAN Dollar		103.47	-0.2%	0.2%	0.3%	102.62	103.70
USD/THB		30.04	-0.2%	0.4%	-0.2%	29.93	30.17
USD/SGD		1.3339	-0.3%	0.3%	0.6%	1.3177	1.3376
USD/MYR		4.0610	-0.3%	0.5%	0.5%	4.0127	4.0714
USD/IDR		13,968	-0.1%	-0.1%	0.4%	13,858	14,094
USD/PHP		48.04	-0.1%	0.0%	0.0%	47.94	48.12
USD/CNY		6.4455	-0.3%	0.1%	-0.1%	6.4330	6.4813
USD/HKD		7.7481	0.0%	0.0%	0.0%	7.7439	7.7547

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.45	0.20
3-month		0.85	0.10
6-month		1.60	0.20

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		256,839	-2359
Gold		9,134	-35
SDR		1,427	-1
IMF Reserves		1,285	-1
Foreign Ccy		244,993	-2322
Net Fwd Position		29,815	1650

Last update: #####

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total	
08/02/2021	4,186	-3,206	980	
05/02/2021	182	1,082	1,263	
04/02/2021	-1,977	3,057	1,080	
03/02/2021	-3,110	-360	-3,470	
02/02/2021	-1,232	1,348	116	
Last 5 days	-1,951	1,920	-31	
	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -4,806	↑ 2,266	↓ -2,540
QTD	Quarter	↓ -15,709	↑ 2,381	↓ -13,328
YTD	Year	↓ -15,709	↑ 2,381	↓ -13,328

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		0.08	0.08	0.10
1M		0.55	0.55	0.55	1M		0.20	0.03	0.31	1M		0.11	0.11	0.15
2M		0.58	0.58	0.59	2M		0.25	0.17	0.41	2M		0.15	0.15	0.19
3M		0.62	0.62	0.62	3M		0.30	0.27	0.82	3M		0.20	0.20	0.25
6M		0.73	0.73	0.73	6M		0.37	0.37	0.59	6M		0.22	0.22	0.26
12M		0.95	0.95	0.95	12M		0.61	0.61	0.80	12M		0.31	0.31	0.34

Last Updated: 30/06/2020

Last Updated: 01/02/2021

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		1.1900	0.00	10.00	11.00	0.96	1.19
Gilt 10y		0.4871	6.98	15.95	20.22	0.23	0.49
Bund 10y		-0.4600	1.00	6.00	8.00	-0.60	-0.46
JGB 10y		0.0610	0.00	0.50	3.40	0.02	0.06
TGB 1y		0.4456	0.87	3.97	6.26	0.38	0.45
TGB 2y		0.4867	2.07	3.48	8.49	0.39	0.49
TGB 5y		0.8009	3.37	7.48	11.57	0.65	0.80
TGB 7y		1.0551	6.40	9.02	11.46	0.93	1.06
TGB 10y		1.3875	6.04	6.18	7.97	1.29	1.39
AAA Spread		124.51	-0.09	-0.11	-0.85	124.51	125.37
AA Spread		92.36	3.74	-0.33	-27.06	88.62	120.08
A Spread		189.78	-0.16	4.03	0.97	185.54	190.08
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		1811.7	0.2%	-2.5%	-4.2%	1,808.6	1,957.2

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)		3,915.6	0.7%	3.8%	2.4%	2,467.4	3,915.6
STOXX (EU)		405.3	-1.1%	2.1%	-0.9%	328.0	409.9
FTSE All-Share(UK)		3,579.3	0.5%	1.2%	-4.4%	3,505.9	3,744.0
DAX (DE)		14,059.9	0.0%	3.2%	0.1%	13,432.9	14,060.3
CAC All-Tradable(FR)		4,432.6	0.4%	4.0%	-0.1%	4,214.6	4,436.2
TOPIX (JP)		1,924.0	1.7%	5.1%	5.3%	1,791.2	1,924.0
Shanghai (CH)		3,702.9	1.0%	0.8%	-1.1%	3,651.0	3,799.1
Hang Seng (HK)		29,319.5	0.1%	1.5%	5.2%	27,548.5	30,159.0
ASX 200 (AU)		6,880.7	0.6%	3.3%	2.5%	6,607.1	6,880.7
SET (TH)		1,516.4	1.3%	2.6%	-1.3%	1,467.0	1,547.3
SET50 (TH)		948.2	1.6%	2.7%	-3.0%	916.7	980.8
Straits Times (SG)		2,931.4	0.8%	1.2%	-2.1%	2,863.0	3,017.2
FTSE Malay (MY)		1,573.3	-0.3%	0.4%	-1.2%	1,566.4	1,636.7
JSX Index (ID)		6,208.9	0.9%	2.3%	-0.8%	5,862.4	6,435.2
PSE Index (PH)		7,024.5	0.1%	3.1%	-3.6%	6,612.6	7,304.8
Vn Index (VN)		1,083.2	-3.9%	4.6%	-7.2%	1,023.9	1,194.2

Sources: TMB Analytics, CEIC

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

Important Disclosures

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