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President Joe Biden's administration is reviewing the removal of some tariffs on China and a possible pause on federal gas tax as the United States struggles to tackle soaring gasoline prices and inflation. U.S. Treasury Secretary Janet Yellen said some tariffs on China inherited from the administration of former President Donald Trump served "no strategic purpose" and added that Biden was considering removing them as a way to bring down inflation. Energy Secretary Jennifer Granholm said the president was also evaluating a pause on federal gas tax to bring down prices, telling CNN that such a move was "not off the table."

**U.S. manufacturing output softens; leading indicator extends decline**

Production at U.S. factories unexpectedly fell in May, the latest sign of cooling economic activity as the Federal Reserve aggressively tightens monetary policy to tame inflation. Manufacturing output dipped 0.1% last month, the first decline since January, after increasing 0.8% in April. Slowing growth was indicated in other data showing a gauge of future economic activity declining in May for a third straight month. Other data this week showed a drop in retail sales last month as well as steep declines in homebuilding and permits. Weakness in manufacturing output also reflects a shift in spending from goods to services.

**Euro zone inflation reached record high 8.1% in May**

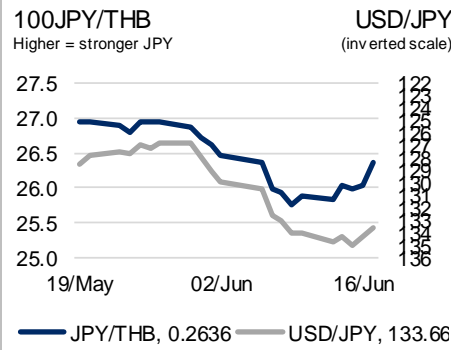
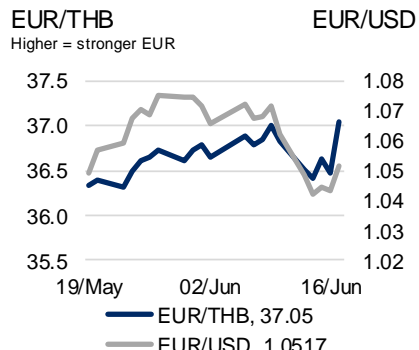
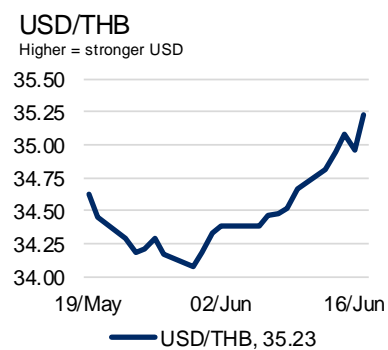
Euro zone inflation rose to a record high 8.1% last month in line with a preliminary estimate, more than four times the European Central Bank's target and underscoring its plans to raise interest rates next month to tame runaway price growth. Price growth across the 19 countries sharing the euro rose to 8.1% in May from 7.4% in April. Though inflation is now four times the ECB's 2% target, policymakers appear equally worried about a quick rise in underlying prices as they suggest that rapid inflation is now getting embedded via second round effects. Inflation excluding food and energy costs, a figure closely watched by the ECB, accelerated to 4.4% from 3.9%.

**Yen tanks as FX market adjusts to central bank rate decisions**

The 10-year government bond yield (interpolated) on the previous trading day was 3.04, -4.10 bps. The benchmark government bond yield (LB31DA) was 2.95, -8.00 bps. LB31DA could be between 2.90-3.03. Meantime, the latest closed US 10-year bond yields was 3.28%, -5.00bps. USDTHB on the previous trading day closed around 35.23 Moving in a range from 34.25-35.35 this morning. USDTHB could be closed between 35.20-35.50 today. The Japanese yen tumbled against the dollar on Friday after the Bank of Japan bucked a wave of tightening and stuck with its ultra-accommodative stance, adding to soaring volatility in currency markets hit by a series of rate hikes this week.

Sources : Bloomberg, CNBC, Investing, CEIC

<b>SET Index</b>	<b>1,559.4</b>	<b>S&amp;P500</b>	<b>3,674.8</b>	<b>10Y UST</b>	<b>3.25%</b>	<b>Brent</b>	<b>119.2</b>	<b>Gold</b>	<b>1,849.9</b>
17-Jun	▼ -0.11%	17-Jun	▲ 0.22%	17-Jun	▼ -3.0 bps	16-Jun	▲ 0.30%	17-Jun	▲ 0.99%
<b>USD/THB</b>	<b>35.23</b>	<b>EUR/THB</b>	<b>37.05</b>	<b>JPY/THB</b>	<b>0.2636</b>				
Daily ▲ 0.76%		Daily ▲ 1.58%		Daily ▲ 1.19%					
Weekly ▲ 1.19%		Weekly ▲ 1.48%		Weekly ▲ 1.98%					
Monthly ▲ 1.71%		Monthly ▲ 1.98%		Monthly ▼ -2.23%					
Rising Trend		Rising Trend		Sideways Trend					



Sources: ttb analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoJ'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		104.27	-0.7%	1.0%	0.8%	101.54	105.21
EUR/USD		1.0517	0.8%	-1.0%	-0.1%	1.0383	1.0751
USD/JPY		133.66	-0.4%	-0.2%	3.5%	126.76	134.95
USD/CHF		0.9709	-2.4%	-0.9%	-2.4%	0.9567	1.0028
GBP/USD		1.2298	1.3%	-1.5%	-1.3%	1.2025	1.2646
USD/CAD		1.2972	0.6%	2.1%	1.1%	1.2548	1.3022
AUD/USD		0.7009	0.2%	-1.3%	0.0%	0.6877	0.7211
NZD/USD		0.6333	0.9%	-1.0%	-0.3%	0.6229	0.6546

ASEAN Dollar		111.63	0.3%	0.9%	0.8%	109.50	111.63
USD/THB		35.23	0.8%	1.6%	1.7%	34.08	35.23
USD/SGD		1.3859	-0.2%	0.3%	-0.1%	1.3669	1.3955
USD/MYR		4.4011	0.1%	0.0%	0.2%	4.3680	4.4229
USD/IDR		14,812	0.5%	1.8%	1.1%	14,439	14,812
USD/PHP		53.53	0.3%	1.0%	2.0%	52.19	53.53
USD/CNY		6.7000	0.0%	0.2%	-0.7%	6.6479	6.8067
USD/HKD		7.8550	0.1%	0.0%	0.0%	7.8407	7.8550

FX Swap Market and BoT's Reserves

Foreign Fund Flows (THB.mn)

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		226,345	-3286
Gold		14,690	161
SDR		5,437	-52
IMF Reserves		1,214	-12
Foreign Ccy		205,004	-3383
Net Fwd Position		29,790	160

Date	Equity	Bond	Total
17/06/2022	-1,611	-5,457	-7,068
16/06/2022	-5,800	35	-5,765
15/06/2022	-2,417	-383	-2,800
14/06/2022	97	-1,076	-978
13/06/2022	-2,597	978	-1,619
Last 5 days	-12,328	-5,903	-18,230

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -21,618	↓ -11,910	↓ -33,529
QTD	Quarter	↑ 9,534	↑ 25,719	↑ 35,253
YTD	Year	↑ 120,398	↑ 111,278	↑ 231,676

Last update: 10/06/2022

Money Market

THB BIBOR	1M Hist	Last	1M Range	
			Min	Max
ON		0.50	0.50	0.50
1W		0.52	0.52	0.53
1M		0.56	0.55	0.56
2M		0.62	0.59	0.62
3M		0.68	0.63	0.68
6M		0.81	0.73	0.81
12M		1.06	0.95	1.06

THB FIX	1M Hist	Last	1M Range	
			Min	Max
ON		0.61	0.09	0.61
1W		0.68	-0.53	0.68
1M		0.24	-0.49	0.44
3M		0.54	0.09	0.54
6M		0.90	0.47	0.90
12M		1.75	0.86	1.75

USD LIBOR	1M Hist	Last	1M Range	
			Min	Max
ON		0.08	0.07	0.08
1W		0.00	0.00	0.00
1M		0.35	0.12	0.35
2M		0.00	0.00	0.00
3M		0.75	0.34	0.75
6M		1.04	0.56	1.04
12M		1.49	1.00	1.49

Last Updated: 16/06/2022

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		3.2500	-3.00	10.00	36.00	2.74	3.49
Gilt 10y		2.4538	-9.16	21.29	69.21	1.72	2.55
Bund 10y		1.6400	10.00	35.00	75.00	0.89	1.64
JGB 10y		0.2690	-0.20	1.40	2.30	0.22	0.27
TGB 1y		1.0897	-0.15	40.32	34.94	0.65	1.09
TGB 2y		1.7539	-1.71	12.70	-11.29	1.52	1.87
TGB 5y		2.5985	-2.94	13.51	-0.42	2.23	2.69
TGB 7y		2.8361	-3.74	13.14	-10.19	2.55	3.09
TGB 10y		3.0485	-4.11	11.96	-30.51	2.90	3.42
AAA Spread		68.69	0.08	4.00	9.54	59.15	68.69
AA Spread		77.22	-4.62	-4.68	-1.82	77.22	83.81
A Spread		121.36	0.14	1.34	-1.51	118.33	125.88
BBB Spread		318.71	24.52	0.11	-0.45	275.80	319.29

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		119.23	0.3%	-2.5%	8.0%	110.43	123.75
London Gold		1849.9	1.0%	0.4%	1.2%	1,805.8	1,864.3

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)		3,674.8	0.2%	-5.8%	-5.8%	2,467.4	4,176.8
STOXX (EU)		387.8	1.4%	-3.7%	-5.0%	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)		13,126.3	0.7%	-4.6%	-5.4%	13,038.5	14,653.8
CAC All-Tradable(FR)		4,479.1	0.1%	-5.1%	-6.4%	4,476.3	4,999.1
TOPIX (JP)		1,835.9	-1.7%	-5.5%	-1.3%	1,835.9	1,970.0
Shanghai (CH)		3,475.8	1.0%	1.0%	7.5%	3,218.1	3,475.8
Hang Seng (HK)		21,075.0	1.1%	-3.4%	2.1%	19,950.2	22,014.6
ASX 200 (AU)		6,474.8	-1.8%	-7.8%	-9.9%	6,474.8	7,286.6
SET (TH)		1,559.4	-0.1%	-4.5%	-3.8%	1,559.4	1,663.4
SET50 (TH)		945.1	0.0%	-4.3%	-3.3%	944.9	1,002.2
Straits Times (SG)		3,098.1	0.0%	-2.6%	-2.9%	3,097.4	3,244.0
FTSE Malay (MY)		1,456.7	-1.1%	-2.5%	-6.3%	1,456.7	1,570.1
JSX Index (ID)		6,937.0	-1.6%	-2.1%	4.4%	6,598.0	7,193.3
PSE Index (PH)		6,331.6	-1.0%	-3.0%	-4.9%	6,319.4	6,822.3
Vn Index (VN)		1,217.3	-1.6%	-5.2%	-2.0%	1,213.9	1,307.9

Sources: ttb analytics, CEIC

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

### Important Disclosures

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