

U.S. Consumer Price Index eased slightly to 8.5% in July on lower petrol prices

U.S. Consumer Price Index eased slightly to 8.5% in July on lower petrol prices

The U.S. Bureau of Labor Statistics reported that the U.S. Consumer Price Index (CPI) rose by 8.5%YoY in July, compared with 9.1%YoY the month earlier, as inflationary pressures eased on the back of lower petrol prices. The gasoline index fell 7.7%YoY and offset increases in the food and shelter indexes, resulting in the all-items index being unchanged over the month. The energy index fell 4.6%YoY over the month as the indexes for gasoline and natural gas declined. However, the food index continued to rise, increasing 1.1%YoY as the food at home index rose 1.3%YoY. On the other hand, the core inflation rose 5.9%YoY or 0.3%MoMsa in July, a smaller increase compared to last three-consecutive months. There were some indexes that declined in July, including those for airline fares, used cars and trucks, communication, and apparel.

Russia's natural gas pipeline exports to Europe decline to almost 40-year lows

Russia's natural gas exports by pipeline to the EU and the UK declined by almost 40%YoY during the first seven-months of 2022 and dropped by almost 50% compared with the previous five-year (2017-21) average, according to data from Refinitiv Eikon. In mid-July 2022, exports declined to 1.2 billion cubic feet per day (Bcf/d), the lowest level in nearly 40 years. According to Eurostat, Russia had accounted for about one-third of the EU's and the UK's supply of natural gas via pipeline between 2016 and 2020. The most significant decline in Russia's exports has been into Germany via the Nord Stream 1 pipeline. Exports on Nord Stream 1 declined to 1.4 Bcf/d in July, only 20% of its design capacity of 5.6 Bcf/d. Russia's deliveries to Germany (via Belarus and Poland) at Mallnow also declined significantly, starting in October 2021.

Japan producer prices rose the least in 7 months

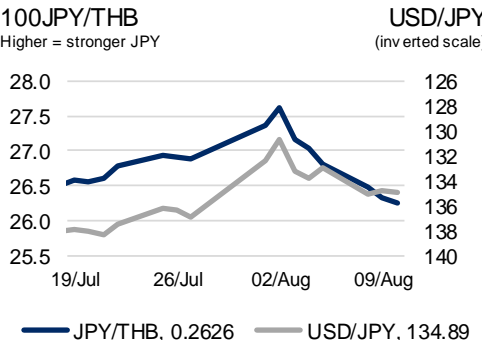
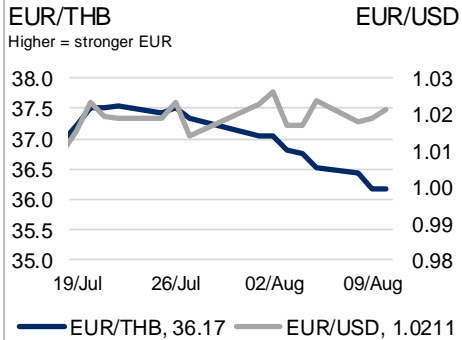
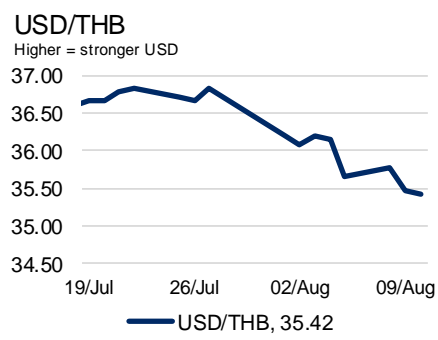
The producer price index (PPI) in Japan rose by 8.6%YoY in July, following an upwardly revised 9.4%YoY in the prior month. Amid signs that inflationary pressure from higher material costs was easing, cost of iron & steel rose 27.2%, the same as in June; while those of beverages & foods went up faster (5.5% in July vs 4.6% in June), as did transportation equipment (3.4% vs 3.3%), metal products (11.1% vs 10.9%), other manufacturing (3.9% vs 3.7%), and general-purpose machinery (2.1% vs 1.7%). Meantime, prices softened for chemicals (10.9% in July vs 13.0% in June), petroleum & coal (14.7% vs 21.8%), electrical machinery (2.4% vs 2.6%), non-ferrous metals (9.8% vs 16.2%), and business-oriented machinery (flat reading vs 0.4%).

Stock indices jumped sharply after the latest U.S. inflation data shown

The 10-year government bond yield (interpolated) on the previous trading day was 2.48, -3.50 bps. The benchmark government bond yield (LB31DA) was 2.43, -5.0 bps. LB31DA could be between 2.35-2.45. Meantime, the latest closed US 10-year bond yields was 2.78, -2.00 bps. USDTHB on the previous trading day closed around 35.57 Moving in a range of 35.29-35.63 this morning. USDTHB could be closed between 35.50-35.80 today. The deceleration in the U.S. inflation for July is likely a big relief for investors. The European STOXX600 index bounce 0.9% and closing its best session in nearly two weeks. That was the similar trend as in DJIA jumped around 1.6%, the S&P 500 gain roughly 2%, hit its highest level since early May, while Nasdaq Composite rose 2.5%.

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

SET Index 1,617.2	S&P500 4,210.2	10Y UST 2.78%	Brent 96.6	Gold 1,793.5
10-Aug ▼ -0.10%	10-Aug ▲ 2.11%	10-Aug ▼ -2.0 bps	9-Aug ▼ -0.08%	10-Aug ▲ 0.16%
USD/THB 35.42	EUR/THB 36.17	JPY/THB 0.2626		
Daily ▼ -0.17%	Daily ▲ 0.02%	Daily ▼ -0.27%		
Weekly ▼ -2.05%	Weekly ▼ -1.62%	Weekly ▼ -2.89%		
Monthly ▼ -1.59%	Monthly ▼ -1.13%	Monthly ▼ -1.04%		
Falling Trend	Sideways Trend	Falling Trend		



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

Main Contributor

Arisa Chantaraboontha Pimchatr Ekkachan
(66) 2 2998985 ext. 5191, (66) 2 2998985 ext. 5191,
arisa.cha@ttbank.com pimchatr.ekk@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		106.36	-0.1%	0.0%	-0.5%	105.15	108.70
EUR/USD		1.0211	0.2%	0.4%	0.2%	1.0011	1.0425
USD/JPY		134.89	0.1%	1.3%	-0.5%	130.66	138.93
USD/CHF		0.9528	-0.2%	-0.4%	-1.7%	0.9496	0.9835
GBP/USD		1.2083	0.0%	-0.7%	1.2%	1.1825	1.2251
USD/CAD		1.2883	0.1%	0.1%	-1.1%	1.2803	1.3126
AUD/USD		0.6959	-0.2%	0.6%	2.3%	0.6724	0.6993
NZD/USD		0.6292	0.3%	0.8%	2.0%	0.6110	0.6320
ASEAN Dollar		111.26	-0.1%	-0.6%	-1.0%	111.26	113.03
USD/THB		35.42	-0.2%	-2.1%	-2.1%	35.42	36.84
USD/SGD		1.3778	-0.1%	-0.3%	-1.8%	1.3744	1.4065
USD/MYR		4.4525	-0.1%	-0.1%	0.6%	4.4149	4.4587
USD/IDR		14,841	-0.1%	-0.2%	-0.9%	14,827	14,993
USD/PHP		55.73	0.4%	0.1%	-0.1%	55.06	56.41
USD/CNY		6.7493	-0.1%	-0.1%	0.7%	6.6873	6.7718
USD/HKD		7.8460	0.0%	0.0%	0.1%	7.8400	7.8608

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		220,019	2063
Gold		13,864	304
SDR		5,385	15
IMF Reserves		1,233	4
Foreign Ccy		199,537	1740
Net Fwd Position		28,470	-110

Last update: 29/07/2022

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
10/08/2022	3,620	485	4,105
09/08/2022	3,187	4,863	8,051
08/08/2022	4,487	2,011	6,498
05/08/2022	901	546	1,447
04/08/2022	-1,205	-479	-1,684
Last 5 days	10,991	7,426	18,417

	Period-to-date	Equity	Bond	Total
MTD	Month	↑ 15,419	↑ 14,098	↑ 29,517
QTD	Quarter	↑ 20,141	↑ 10,505	↑ 30,646
YTD	Year	↑ 132,770	↑ 118,263	↑ 251,033

Money Market

THB BIBOR	1M Hist	Last	1M Range		THBFX	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		0.39	0.33	0.54	ON		0.08	0.07	0.08
1W		0.61	0.53	0.61	1W		0.29	0.16	0.47	1W		0.00	0.00	0.00
1M		0.71	0.56	0.71	1M		0.28	0.15	0.40	1M		0.35	0.12	0.35
2M		0.76	0.64	0.76	2M		0.32	0.22	0.41	2M		0.00	0.00	0.00
3M		0.82	0.72	0.82	3M		0.36	0.28	0.42	3M		0.75	0.34	0.75
6M		0.98	0.90	0.98	6M		0.37	0.30	0.41	6M		1.04	0.56	1.04
12M		1.29	1.22	1.29	12M		0.45	0.38	0.50	12M		1.49	1.00	1.49

Last Updated: 23/02/2021

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		2.7800	-2.00	5.00	-18.00	2.60	3.09
Gilt 10y		2.0009	-8.75	15.00	-27.27	1.85	2.28
Bund 10y		0.8900	-4.00	4.00	-23.00	0.73	1.30
JGB 10y		0.1720	-1.00	-0.80	-7.60	0.17	0.25
TGB 1y		1.1083	-0.95	-0.58	2.29	1.08	1.12
TGB 2y		1.5914	-5.05	-8.47	-10.49	1.59	1.82
TGB 5y		1.9859	-4.15	-12.15	-33.90	1.99	2.44
TGB 7y		2.2530	-5.05	-8.64	-27.68	2.25	2.66
TGB 10y		2.4791	-3.49	-3.65	-22.20	2.48	2.80
AAA Spread		72.47	0.29	0.41	-2.83	71.70	76.05
AA Spread		104.13	-0.05	3.50	6.62	96.50	107.49
A Spread		123.00	-0.31	-0.18	0.96	120.87	123.87
BBB Spread		321.06	-0.01	0.28	1.40	319.07	321.19

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		96.57	-0.1%	-3.9%	-9.8%	94.12	110.01
London Gold		1793.5	0.2%	1.5%	3.4%	1,686.6	1,793.5

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)		4,210.2	2.1%	1.3%	10.0%	2,467.4	4,210.2
STOXX (EU)		411.0	0.1%	-0.2%	6.2%	328.0	414.3
FTSE All-Share(UK)		3,694.0	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		13,535.0	-1.1%	0.6%	5.5%	12,519.7	13,687.7
CAC All-Tradable(FR)		4,953.9	0.6%	0.8%	7.9%	4,493.8	4,953.9
TOPIX (JP)		1,856.0	-1.2%	-2.0%	-4.7%	1,818.9	1,970.0
Shanghai (CH)		3,516.7	-1.4%	-0.2%	3.5%	3,348.3	3,573.0
Hang Seng (HK)		21,586.7	-1.2%	-3.7%	-0.3%	20,845.4	22,419.0
ASX 200 (AU)		6,594.5	-0.5%	-1.6%	-8.5%	6,433.4	7,238.8
SET (TH)		1,541.8	0.0%	-2.8%	-5.5%	1,541.3	1,647.7
SET50 (TH)		944.2	0.1%	-2.0%	-4.3%	943.4	995.9
Straits Times (SG)		3,103.7	0.0%	-1.0%	-4.0%	3,092.8	3,232.0
FTSE Malay (MY)		1,420.9	-1.4%	-2.1%	-6.9%	1,420.9	1,549.9
JSX Index (ID)		6,646.4	-0.8%	-4.3%	-6.9%	6,639.2	7,193.3
PSE Index (PH)		6,445.0	2.1%	2.2%	-4.6%	6,065.2	6,769.6
Vn Index (VN)		1,149.6	-2.7%	-5.6%	-11.0%	1,149.6	1,307.9

Sources: ttb analytics, CEIC

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

Important Disclosures

This document is issued by ttb analytics, a division of ttb 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, ttb makes no guarantee to its accuracy and completeness. ttb 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 ttb, as of date of the analysis and are subject to change without notice. ttb shall not be responsible for the use of contents and its implication.