

US core PCE inflation beats expectations again in August

US core PCE inflation beats expectations again in August

The core price index for personal consumer expenditures, which is a more accurate reflection of the actual spending patterns of US consumers than the Consumer Price Index, rose 0.6% on the month, after rising only 0.1% in July. Analysts had expected an increase of 0.5%. Stripping out food and energy, core PCE inflation rose to 4.9% on the year, from an upwardly-revised 4.7% in July. Overall PCE inflation rose more gently, by only 0.3%, owing largely to the steady decline in gasoline prices through the month, which led to overall energy prices falling 5.5% on the month. By contrast, food prices rose 0.8%, the Bureau of Economic Analysis said. As a result, the headline rate of PCE inflation fell to 6.2% from 6.4%.

Euro zone inflation hits record high 10%, raising pressure on ECB

Euro zone inflation zoomed past forecasts to hit 10.0% in September, a new record high that will reinforce expectations for another jumbo interest rate hike next month from the European Central Bank. Price growth in the 19 countries sharing the euro accelerated from August's 9.1%, data from Eurostat showed, beating expectations for a reading of 9.7%, with some euro zone members experiencing the fastest price growth since the time of the Korean War 70 years ago. Inflation was still driven mainly by volatile energy and food prices but continued to broaden out, with virtually all categories, from services to industrial goods, now showing painfully high readings.

Japanese factory sentiment unexpectedly worsens in Q3

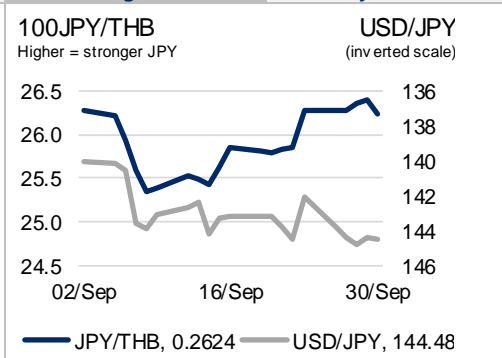
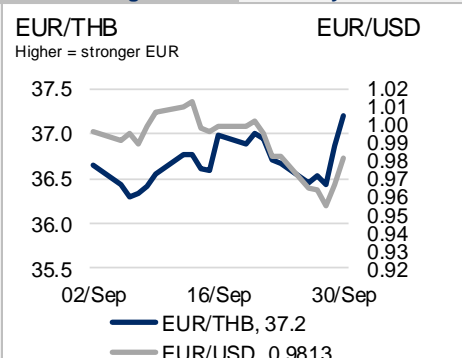
Sentiment among major Japanese manufacturers unexpectedly worsened in the third quarter, a survey by the Bank of Japan showed, as rising material costs and a worsening economic outlook weighed. The BoJ's Tankan Large Manufacturers Index, which is based on a quarterly poll conducted by the bank, fell to 8 in the quarter to Sept. 30 from 9 in the prior quarter. Analysts expected a reading of 11. The reading also puts manufacturing sentiment at its weakest level since March 2021, when the country was grappling with fresh COVID-19 outbreaks. An index of industry outlook also ducked expectations. Sentiment among commodity-importing industries such as petroleum, lumber and iron worsened the most.

Oil rallies over 2% on reports of OPEC+ supply cut this week

The 10-year government bond yield (interpolated) on the previous trading day was 3.21, -5.66 bps. The benchmark government bond yield (LB31DA) was 3.10, -10.0 bps. LB31DA could be between 3.05-3.15. Meantime, the latest closed US 10-year bond yields was 3.83, +7.00 bps. USDTHB on the previous trading day closed around 37.92 Moving in a range of 37.83-37.88 this morning. USDTHB could be closed between 37.85-38.10 today. Oil prices rallied in early trade on Monday following multiple reports that the OPEC+ will decide on supply cuts during a meeting this week, as it grapples with weakening prices. The Organization of Petroleum Exporting Countries and its allies (OPEC+) is considering production cuts of over 1 million barrels a day (bpd) when it meets on Wednesday, in order to support weakening crude prices. The cut would come amid several signals from OPEC members that recent declines in crude prices were unfounded, and that production cuts to stabilize prices are in order.

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

SET Index	1,589.5	S&P500	3,585.6	10Y UST	3.83%	Brent	85.3	Gold	1,672.8
30-Sep	▼ -0.18%	30-Sep	▼ -1.52%	30-Sep	▲ 7.0 bps	30-Sep	▼ -2.16%	30-Sep	▲ 1.58%
USD/THB	37.92	EUR/THB	37.20	JPY/THB	0.2624				
Daily ▼ -0.54%		Daily ▲ 0.94%		Daily ▼ -0.58%					
Weekly ▲ 0.35%		Weekly ▲ 2.07%		Weekly ▼ -0.13%					
Monthly ▲ 2.97%		Monthly ▲ 1.52%		Monthly ▼ -0.13%					
Sideways Trend		Rising Trend		Falling Trend					



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

Main Contributor

Arisa Chantaraboontha (66) 2 2998985 ext. 5191, arisa.cha@ttbbank.com

Pimchatr Ekkachan (66) 2 2998985 ext. 5191, pimchatr.ekk@ttbbank.com

Tarathip Tanganjanapas (66) 2 2998985 ext. 5191, tarathip.tan@ttbbank.com

ttb analytics ttbanalytics@ttbbank.com

Naris Sathapholdeja (66) 2 299 2494, naris.sat@ttbbank.com

Kasem Hanchanpanich (66) 2 242 3265; kasem.har@ttbbank.com

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		112.00	-1.3%	0.6%	2.7%	108.19	114.64
EUR/USD		0.9813	1.5%	-0.1%	-2.0%	0.9549	1.0131
USD/JPY		144.48	0.0%	1.7%	3.6%	138.48	144.74
USD/CHF		0.9758	-0.5%	-0.2%	-0.4%	0.9520	0.9951
GBP/USD		1.1133	3.2%	-0.9%	-3.9%	1.0586	1.1702
USD/CAD		1.3699	0.1%	1.5%	4.0%	1.2990	1.3783
AUD/USD		0.6492	0.4%	-2.0%	-4.7%	0.6392	0.6889
NZD/USD		0.5720	0.7%	-2.0%	-6.1%	0.5592	0.6144
ASEAN Dollar		113.73	-0.4%	1.2%	3.0%	110.14	114.14
USD/THB		37.92	-0.5%	1.6%	3.3%	36.29	38.16
USD/SGD		1.4325	-0.5%	0.9%	2.3%	1.3956	1.4457
USD/MYR		4.6374	-0.1%	1.5%	3.4%	4.4767	4.6440
USD/IDR		15,234	0.0%	1.4%	2.7%	14,798	15,240
USD/PHP		58.57	-0.7%	0.2%	3.9%	56.22	59.06
USD/CNY		7.1006	-1.2%	0.2%	2.9%	6.9015	7.2199
USD/HKD		7.8468	-0.1%	0.0%	0.0%	7.8406	7.8581

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		202,768	-6938
Gold		12,905	-245
SDR		5,200	-82
IMF Reserves		1,190	-19
Foreign Ccy		183,473	-6592
Net Fwd Position		28,700	20

Last update: 23/09/2022

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
30/09/2022	-1,389	-3,604	-4,993
29/09/2022	-2,105	-9,936	-12,041
28/09/2022	-208	-3,477	-3,686
27/09/2022	-1,526	-2,261	-3,787
26/09/2022	-1,919	-3,059	-4,978
Last 5 days	-7,148	-22,338	-29,486

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -24,366	↓ -17,902	↓ -42,268
QTD	Quarter	↑ 37,606	↓ -707	↑ 36,899
YTD	Year	↑ 150,236	↑ 107,051	↑ 257,286

Money Market

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		1.00	0.75	1.00	ON		0.91	0.61	1.02	ON		0.00	#NUM!	0.00
1W		1.03	0.78	1.03	1W		1.14	0.26	1.14	1W		0.00	0.00	0.00
1M		1.07	0.81	1.07	1M		1.71	0.52	1.71	1M		0.00	#NUM!	0.00
2M		1.14	0.86	1.14	2M					2M		0.00	0.00	0.00
3M		1.22	0.93	1.22	3M		0.79	0.76	1.00	3M		0.00	#NUM!	0.00
6M		1.39	1.11	1.39	6M		0.98	0.71	0.99	6M		0.00	#NUM!	0.00
12M		1.72	1.38	1.72	12M		1.60	1.37	1.60	12M		0.00	#NUM!	0.00

Last Updated: 29/09/2022

Last Updated: 00/01/1900

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		3.8300	7.00	14.00	68.00	3.11	3.97
Gilt 10y		4.0517	-38.24	68.22	140.56	2.65	4.43
Bund 10y		2.1200	-13.00	14.00	51.00	1.48	2.33
JGB 10y		0.2770	-0.60	0.70	4.30	0.23	0.29
TGB 1y		1.2383	0.61	7.41	12.96	1.10	1.24
TGB 2y		1.8838	-4.04	14.60	30.53	1.52	1.93
TGB 5y		2.6480	-8.11	3.87	59.74	1.99	2.77
TGB 7y		2.9440	-6.75	11.30	54.17	2.27	3.05
TGB 10y		3.2139	-5.66	9.58	47.94	2.56	3.30
AAA Spread		76.85	-0.14	-1.76	1.15	74.67	78.60
AA Spread		98.48	0.17	1.63	-1.66	94.33	100.14
A Spread		122.67	0.22	0.36	-0.61	120.56	123.74
BBB Spread		241.49	0.42	-0.42	-79.37	240.58	321.10

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		85.32	-2.1%	0.3%	-7.6%	82.86	97.84
London Gold		1672.8	1.6%	0.7%	-2.3%	1,618.2	1,752.1

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)		3,585.6	-1.5%	-2.9%	-9.6%	2,467.4	4,110.4
STOXX (EU)		365.9	1.8%	-0.6%	-4.3%	328.0	403.4
FTSE All-Share(UK)		6,893.8	-5.4%	-8.6%	6.7%	5,577.3	7,607.7
DAX (DE)		12,114.4	1.2%	-1.4%	-4.1%	11,975.6	13,402.3
CAC All-Tradable(FR)		4,347.9	1.6%	-0.3%	-5.0%	4,281.5	4,797.6
TOPIX (JP)		1,835.9	-1.8%	-4.2%	-6.7%	1,835.9	1,986.6
Shanghai (CH)		3,169.6	-0.6%	-2.1%	-5.5%	3,169.6	3,420.3
Hang Seng (HK)		17,222.8	0.3%	-4.0%	-13.7%	17,165.9	20,023.2
ASX 200 (AU)		6,474.2	-1.2%	-1.5%	-7.3%	6,462.0	7,009.7
SET (TH)		1,589.5	-0.2%	-2.6%	-2.0%	1,589.5	1,665.7
SET50 (TH)		954.4	-0.2%	-2.7%	-3.1%	954.4	1,001.7
Straits Times (SG)		3,130.2	0.5%	-3.0%	-2.9%	3,115.1	3,290.1
FTSE Malay (MY)		1,394.6	-0.2%	-2.1%	-7.8%	1,394.6	1,512.1
JSX Index (ID)		7,040.8	0.1%	-1.9%	-1.6%	7,036.2	7,318.0
PSE Index (PH)		5,741.1	-3.3%	-8.9%	-12.8%	5,741.1	6,752.5
Vn Index (VN)		1,132.1	0.5%	-5.9%	-11.5%	1,126.1	1,282.6

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.