

US mortgage applications fall for 4th week

US mortgage applications fall for 4th week

According to Mortgage Bankers Association of America, mortgage applications in the US fell 4.5% in the week ending October 14th, a fourth consecutive decline as the 30-year mortgage rate hit 6.94% for the first time since 2002. Applications to purchase a home loan decreased 3.7% and the refinancing index dropped 6.8%. The average contract interest rate for 30-year fixed-rate mortgages with conforming loan balances (\$647,200 or less) increased to 6.94% from 6.81%, with points decreasing to 0.95 from 0.97 (including the origination fee) for loans with a 20% down payment. That is the highest rate since 2002 on the MBA's index.

Eurozone inflation rate confirmed at new high

The statistical office of the European Union published by Eurostat, the Eurozone annual inflation rate was revised slightly down to 9.9%yoy or rose 1.2%mom in September 2022 from a preliminary estimate of 10.0%yoy. Still, it was the highest rate since comparable records began in 1991, as the euro hit a 20-year low and the bloc's energy crisis deepened. Main upward pressure came from energy, followed by food, alcohol & tobacco, services, and non-energy industrial goods. Meanwhile, the annual core inflation, which excludes volatile prices of energy, food, alcohol & tobacco, climbed to 4.8%yoy in September, also the highest on record. The lowest annual rates were registered in France (6.2%), Malta (7.4%) and Finland (8.4%). The highest annual rates were recorded in Estonia (24.1%), Lithuania (22.5%) and Latvia (22.0%). Compared with August, annual inflation fell in six member states, remained stable in one and rose in twenty.

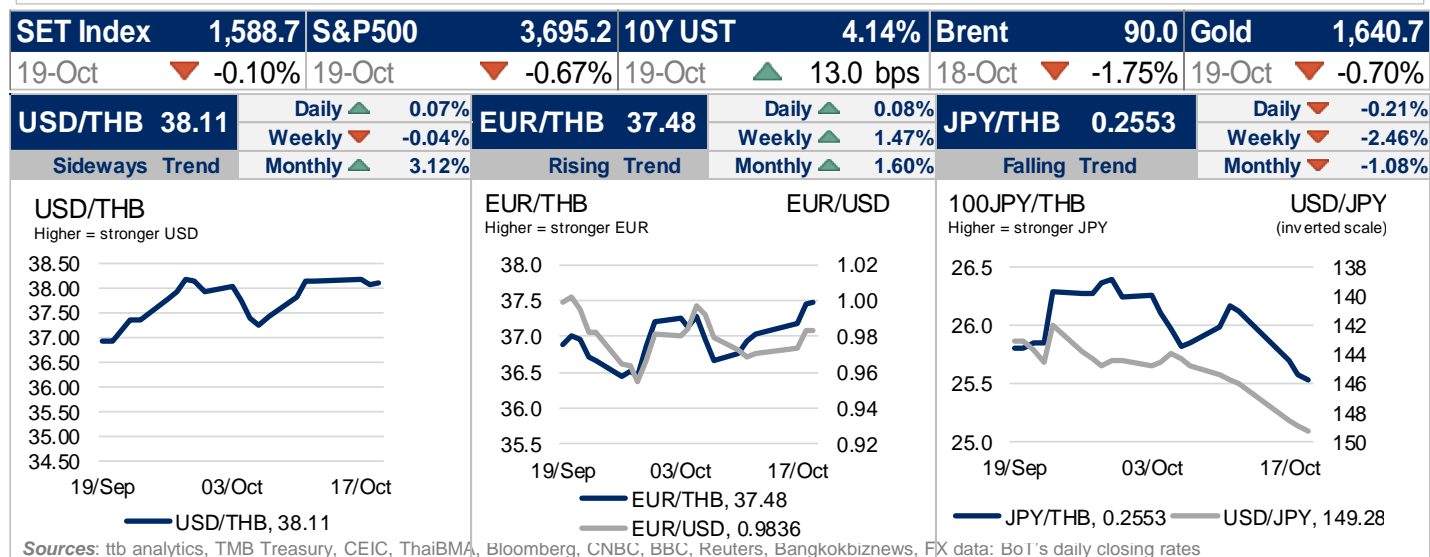
UK consumer price moves back to double-digit again, up to 40-year high

According to estimates published by the Office for National Statistics, the consumer price index rose 10.1%yoy in September, matches the 40-year high British inflation reached in July. Inflation unexpectedly dipped to 9.9%yoy in August, down from 10.1%yoy in July, on the back of a fuel price decline. Increasing food, transport and energy prices were the biggest contributing factors to inflation, food was up 14.6%yoy, transport was up 10.9%yoy, while the price of furniture and household goods rose 10.8%yoy. The rate rose in the year to September 2022 as the country's cost-of-living crisis continues to hammer households and businesses ahead of a tough winter.

10Y US treasury bond rout resumes

The 10-year government bond yield (interpolated) on the previous trading day was 3.29, +5.78 bps. The benchmark government bond yield (LB31DA) was 3.17, +3.00 bps. LB31DA could be between 3.00-3.20. Meantime, the latest closed US 10-year bond yields was 4.14, +13.00 bps. USDTHB on the previous trading day closed around 38.21 Moving in a range of 38.31-38.45 this morning. USDTHB could be closed between 38.20-38.50 today. The US 10-year treasury yield, the benchmark for borrowing costs worldwide, moved towards the 4.1% mark, the highest since October 2008, with investors fretting about the prospects of a recession from aggressive central bank actions to tame inflation. Germany's 10-year bond yield, the European benchmark, rose to as high as 2.4%, closing in on its highest level since August 2011. Also, volatility is expected to remain elevated, with sharp moves in gilts sending shockwaves through other bond markets.

Sources : ttbank analytics , Bloomberg, CNBC, Trading economics, Investing, CEIC



Main Contributor

Arisa Chantaraboontha (66) 2 2991111 ext. 5191 arisa.cha@ttbank.com
 Pimchatr Ekkachan (66) 2 2991111 ext. 5191 pimchatr.ekk@ttbank.com

Tarathip Tangkanjanapas (66) 2 2991111 ext. 5191 tarathip.tan@ttbank.com

ttbank analytics ttbanalytcs@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		112.19	0.1%	-0.5%	2.3%	109.50	114.51
EUR/USD		0.9836	0.0%	1.1%	-1.6%	0.9549	1.0022
USD/JPY		149.28	0.3%	2.6%	4.3%	142.04	149.28
USD/CHF		0.9959	0.1%	0.1%	3.5%	0.9611	1.0033
GBP/USD		1.1316	-0.3%	2.2%	-1.2%	1.0586	1.1526
USD/CAD		1.3758	0.3%	0.0%	3.9%	1.3172	1.3841
AUD/USD		0.6303	0.1%	-0.6%	-5.9%	0.6226	0.6748
NZD/USD		0.5685	0.3%	1.5%	-4.7%	0.5554	0.6004
ASEAN Dollar		112.52	0.1%	0.5%	2.8%	109.02	112.61
USD/THB		38.11	0.1%	0.8%	3.0%	36.69	38.18
USD/SGD		1.4214	0.1%	-1.0%	0.9%	1.4055	1.4457
USD/MYR		4.7226	0.1%	1.5%	4.3%	4.5233	4.7226
USD/IDR		15,457	0.1%	1.2%	3.7%	14,858	15,457
USD/PHP		58.87	-0.1%	-0.3%	2.5%	57.07	59.06
USD/CNY		7.2198	0.3%	1.4%	3.0%	6.9585	7.2199
USD/HKD		7.8561	0.0%	0.0%	0.1%	7.8352	7.8581

FX Swap Market and BoT's Reserves

Foreign Fund Flows (THB.mn)

USTH FX Sp	1M History	Last	%Chg(1D)	Date	Equity	Bond	Total	
1-month		0.15	0.15	19/10/2022	-76	-4,910	-4,986	
3-month		0.70	-0.05	18/10/2022	420	-2,860	-2,440	
6-month		1.50	-0.20	17/10/2022	-2,360	-3,071	-5,430	
				12/10/2022	-932	-1,821	-2,753	
				11/10/2022	-364	-4,063	-4,427	
				Last 5 days	-3,312	-16,725	-20,038	
Reserves (\$mn)	3M History	Last	\$mn Chg(1W)					
Total		199,819	375	Period-to-date	Equity	Bond	Total	
Gold		13,303	268	MTD	Month	-8,002	-14,716	-22,718
SDR		5,211	-13	QTD	Quarter	-8,002	-14,716	-22,718
IMF Reserves		1,192	-3	YTD	Year	142,233	92,335	234,568
Foreign Ccy		180,114	123					
Net Fwd Position		28,510	-220					

Last update: 07/10/2022

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		1.67	0.67	3.11	ON		0.08	0.07	0.08
1W		1.04	0.78	1.04	1W		1.75	0.26	1.76	1W		0.00	0.00	0.00
1M		1.08	0.85	1.08	1M		1.62	0.57	1.71	1M		0.35	0.12	0.35
2M		1.15	0.92	1.15	2M					2M		0.00	0.00	0.00
3M		1.24	0.99	1.24	3M		1.45	0.73	1.45	3M		0.75	0.34	0.75
6M		1.40	1.16	1.40	6M		1.54	0.71	1.54	6M		1.04	0.56	1.04
12M		1.75	1.47	1.75	12M		2.17	1.37	2.17	12M		1.49	1.00	1.49

Last Updated: 18/10/2022

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		4.1400	13.00	23.00	65.00	3.45	4.14
Gilt 10y		4.0661	-32.07	-47.84	87.40	3.17	4.54
Bund 10y		2.3400	1.00	1.00	46.00	1.77	2.34
JGB 10y		0.2590	0.00	0.20	-1.30	0.25	0.29
TGB 1y		1.3642	0.23	1.40	22.66	1.13	1.36
TGB 2y		1.9327	1.49	6.80	25.60	1.65	1.93
TGB 5y		2.7865	4.72	16.57	43.29	2.21	2.79
TGB 7y		3.0711	3.48	16.99	43.41	2.52	3.07
TGB 10y		3.2944	5.78	15.55	34.28	2.82	3.30
AAA Spread		73.11	-0.95	-0.84	-1.85	72.97	78.60
AA Spread		95.45	-2.05	-4.51	-1.20	94.33	100.11
A Spread		122.14	-0.05	-0.48	-0.95	120.56	123.54
BBB Spread		241.01	-0.07	-0.55	-1.33	240.58	262.09

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		90.03	-1.7%	-4.5%	-2.1%	82.86	97.92
London Gold		1640.7	-0.7%	-1.9%	-1.6%	1,618.2	1,716.0

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)		3,695.2	-0.7%	3.3%	-4.2%	2,467.4	3,899.9
STOXX (EU)		369.8	-2.5%	1.7%	-3.0%	328.0	386.1
FTSE All-Share(UK)		3,694.0	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		12,741.4	-0.2%	4.7%	0.6%	11,975.6	12,803.2
CAC All-Tradable(FR)		4,549.8	-0.5%	3.9%	0.6%	4,281.5	4,599.5
TOPIX (JP)		1,845.0	-1.4%	-1.2%	-4.2%	1,818.9	1,970.0
Shanghai (CH)		3,550.3	-0.3%	1.1%	6.5%	3,299.9	3,573.0
Hang Seng (HK)		21,859.8	-0.6%	2.8%	2.1%	20,697.4	22,419.0
ASX 200 (AU)		6,539.9	-0.4%	-0.6%	-9.6%	6,433.4	7,286.6
SET (TH)		1,572.7	0.3%	0.2%	-5.3%	1,557.6	1,663.4
SET50 (TH)		956.0	0.5%	0.6%	-4.6%	943.4	1,002.2
Straits Times (SG)		3,095.6	-0.2%	-0.5%	-4.1%	3,092.8	3,244.0
FTSE Malay (MY)		1,449.7	0.4%	0.9%	-6.7%	1,431.1	1,570.1
JSX Index (ID)		6,794.3	-1.7%	-3.5%	-5.0%	6,794.3	7,193.3
PSE Index (PH)		6,165.4	0.2%	-0.8%	-7.8%	6,065.2	6,774.7
Vn Index (VN)		1,198.9	0.1%	1.1%	-7.0%	1,169.3	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.