

US mortgage rates top 7% for first time in two decades

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Benchmark U.S. mortgage rates surged again last week to hit their highest level since 2001, cranking up the pressure on a housing market that is already slowing sharply. The Mortgage Bankers Association's 30-year reference rate jumped 22 basis points to 7.16%, amid ongoing concerns that the Federal Reserve will keep raising interest rates into next year as it tries to bring down rampant inflation. The MBA 30-year rate has now risen by 170 basis points in the last two months alone as inflation has continued to surprise to the upside. That is having an increasingly dire effect on the housing market, where mortgage applications fell another 1.7%, their 10th decline in the last 11 weeks.

Japan's extra budget for stimulus package to exceed \$198 billion

Japan's upcoming economic stimulus package is expected to include an extra budget of more than 29 trillion yen (\$198 billion), far exceeding a previous estimate, national broadcaster NHK reported on Thursday. Only a day earlier, Japanese media had reported the government was set to spend about 25 trillion yen on the stimulus package, aimed at easing the pain from rising energy and other living costs. Japan's public debt is already the biggest among major economies at twice the size of its economy. The extra spending, which is likely to be finalized on Friday, is expected to be partially funded by additional debt issuance, raising concerns over Japan's fiscal discipline.

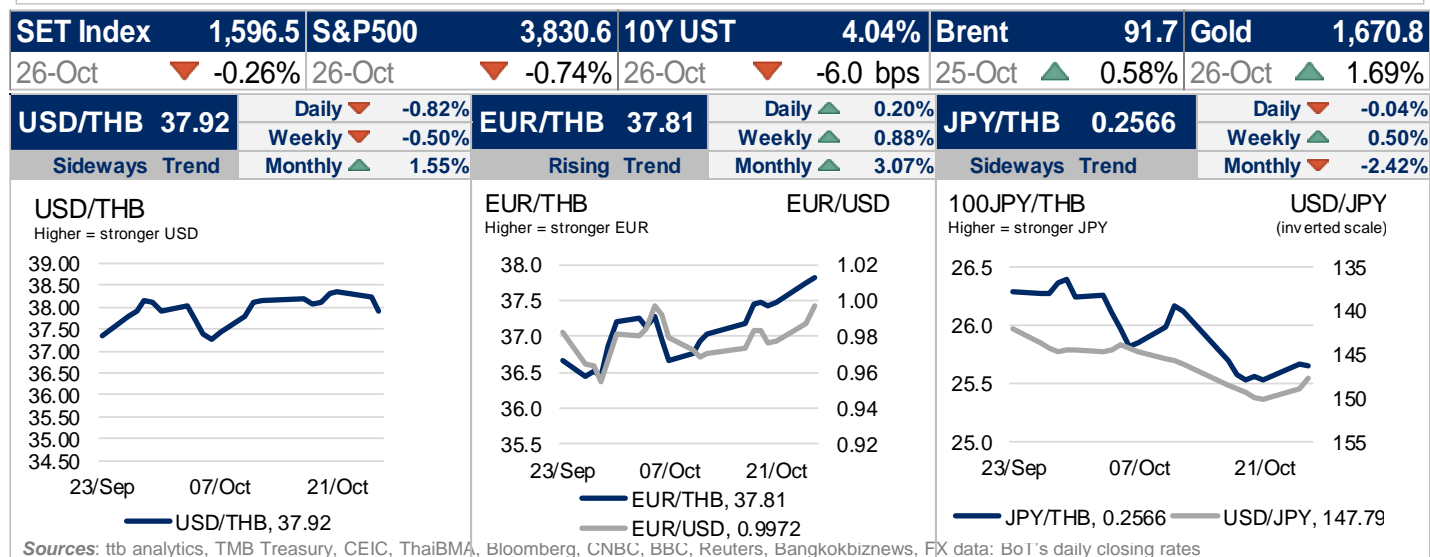
South Korea Q3 GDP hits 1-year low, slightly above expectations

South Korea's economy barely expanded in the third quarter, data showed on Thursday, as a mix of rising interest rates, elevated inflation and slowing exports ground economic activity to a halt this year. Third quarter gross domestic product (GDP) rose 0.3% from the prior quarter, data from Statistics Korea showed, slightly above expectations of 0.1%, but much below last quarter's reading of 0.7%. Growth was at its weakest level since the third quarter of 2021. On an annualized basis, GDP rose 3.1%, more than expectations of 2.8% and last quarter's reading of 2.9%. The reading highlights the slew of headwinds faced by the South Korean economy this year, as disruptions in global markets exacerbated the impact of rising inflation and interest rates.

Dollar sells off on speculation of less hawkish Fed, euro regains parity

The 10-year government bond yield (interpolated) on the previous trading day was 3.25, -4.24 bps. The benchmark government bond yield (LB31DA) was 3.245, -11.00 bps. LB31DA could be between 3.10-3.50. Meantime, the latest closed US 10-year bond yields was 4.04, -6.00 bps. USDTHB on the previous trading day closed around 37.92 Moving in a range of 37.65-37.77 this morning. USDTHB could be closed between 37.85-38.40 today. The U.S. dollar sank more than 1% against a basket of peers on Wednesday as weakening economic data firmed views that the Federal Reserve will slow the pace of its rate hiking cycle, sending the euro back above parity with the greenback for the first time in a month. The aggressive pace of Fed tightening this year, aimed at taming stubbornly high inflation, has turbo-charged the dollar. Traders and economists predict a fourth-straight 75 basis-point interest rate increase next Wednesday, but there is growing speculation that the central bank will slow to half a point in December.

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



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Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		110.80	-1.0%	-1.1%	-0.5%	109.56	114.40
EUR/USD		0.9972	1.0%	1.4%	1.5%	0.9549	1.0022
USD/JPY		147.79	-0.8%	-0.7%	2.3%	142.04	150.14
USD/CHF		0.9930	-0.8%	-0.2%	2.7%	0.9649	1.0057
GBP/USD		1.1480	1.6%	1.1%	2.1%	1.0586	1.1480
USD/CAD		1.3595	-0.9%	-0.9%	0.6%	1.3260	1.3841
AUD/USD		0.6413	1.6%	1.8%	-2.8%	0.6226	0.6719
NZD/USD		0.5761	1.1%	1.6%	-1.1%	0.5554	0.5940

ASEAN Dollar		112.17	-0.5%	-0.1%	1.8%	109.37	112.81
USD/THB		37.92	-0.8%	-0.4%	1.5%	36.93	38.34
USD/SGD		1.4132	-0.7%	-0.5%	-0.4%	1.4073	1.4457
USD/MYR		4.7223	-0.4%	0.1%	3.4%	4.5526	4.7429
USD/IDR		15,556	-0.1%	0.7%	3.8%	14,958	15,575
USD/PHP		58.54	-0.6%	-0.7%	0.4%	57.14	59.06
USD/CNY		7.2754	-0.6%	1.1%	2.8%	7.0051	7.3182
USD/HKD		7.8378	-0.3%	-0.2%	-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	26/10/2022	848	5,933	6,781
3-month		0.70	-0.05	25/10/2022	2,275	200	2,475
6-month		1.50	-0.20	21/10/2022	1,475	-882	593

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)	Date	Equity	Bond	Total	
Total		197,824	-1995	20/10/2022	2,547	-4,439	-1,892	
Gold		12,890	-413	19/10/2022	-76	-4,910	-4,986	
SDR		5,195	-16	Last 5 days	7,068	-4,098	2,970	
IMF Reserves		1,188	-4	MTD	Month	-858	-13,904	-14,762
Foreign Ccy		178,552	-1563	QTD	Quarter	-858	-13,904	-14,762
Net Fwd Position		28,620	110	YTD	Year	149,378	93,147	242,525

Last update: 14/10/2022

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		0.89	0.82	3.11	ON		0.08	0.07	0.08
1W		1.04	0.79	1.04	1W		1.78	0.26	1.95	1W		0.00	0.00	0.00
1M		1.07	0.90	1.08	1M		1.12	0.67	1.76	1M		0.35	0.12	0.35
2M		1.16	0.95	1.16	2M					2M		0.00	0.00	0.00
3M		1.25	1.02	1.25	3M		1.28	0.73	1.54	3M		0.75	0.34	0.75
6M		1.41	1.20	1.41	6M		1.57	0.71	1.67	6M		1.04	0.56	1.04
12M		1.77	1.52	1.77	12M		2.17	1.38	2.23	12M		1.49	1.00	1.49

Last Updated: 25/10/2022

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		4.0400	-6.00	-10.00	16.00	3.62	4.25
Gilt 10y		3.8207	-28.94	-24.54	-2.19	3.37	4.54
Bund 10y		2.1600	-10.00	-18.00	6.00	1.81	2.48
JGB 10y		0.2640	0.10	0.50	-2.30	0.25	0.29
TGB 1y		1.3601	-0.24	-0.18	20.94	1.14	1.37
TGB 2y		1.9140	-1.27	-0.39	21.86	1.68	1.95
TGB 5y		2.7328	-5.14	-0.65	28.75	2.38	2.80
TGB 7y		2.9885	-5.28	-4.78	24.95	2.68	3.08
TGB 10y		3.2490	-4.25	1.25	20.80	2.98	3.32
AAA Spread		73.16	0.29	-0.90	-2.93	72.86	78.60
AA Spread		93.14	-0.02	-4.35	-4.04	93.14	100.11
A Spread		121.97	0.04	-0.22	0.18	120.56	122.96
BBB Spread		241.00	-0.05	-0.08	-0.85	240.58	242.16

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		91.74	0.6%	3.5%	10.7%	82.86	97.92
London Gold		1670.8	1.7%	1.8%	2.3%	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)		3,830.6	-0.7%	3.7%	5.0%	2,467.4	3,859.1
STOXX (EU)		378.8	-3.1%	0.1%	3.5%	328.0	390.9
FTSE All-Share(UK)		3,694.0	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		13,195.8	1.1%	3.6%	8.7%	11,975.6	13,195.8
CAC All-Tradable(FR)		4,728.9	0.5%	3.9%	8.9%	4,281.5	4,728.9
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

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