

US Homebuilder Sentiment Extends Record Decline to 12 Months

US Homebuilder Sentiment Extends Record Decline to 12 Months

US homebuilder sentiment fell every month in 2022, sinking in December to a level not seen in over a decade outside of the pandemic amid elevated mortgage rates and high construction costs. The National Association of Home Builders/Wells Fargo gauge dropped 2 points this month to 31, the lowest level since June 2012 excluding the onset of the Covid-19 pandemic, figures showed Monday. The uninterrupted slide this entire year represents the longest stretch on record. The rapid climb in mortgage rates this year — a result of the Federal Reserve's aggressive inflation-fighting campaign — crushed buyer demand for homes. At the same time, higher costs for materials and labor have made it more expensive to build. The combination has weighed on builder sentiment and new construction.

UK factory output and export orders sag in December

British factories' output and export orders slid this month, according to a survey on Monday that underlined the troubles faced by the manufacturing sector, including high inflation and a weak global economy. The Confederation of British Industry (CBI) said its gauge of manufacturing output during the three months to December fell to its lowest level since September 2020. Its gauge of new orders cooled to -6 in December from -5 in November, a smaller drop than the decline to -9 which economists had forecast in a Reuters poll, and still above the series' long-run average. However, export orders fell sharply to -19 from -18 and manufacturers' price expectations strengthened.

Chinese business confidence falls to lowest in almost a decade on COVID

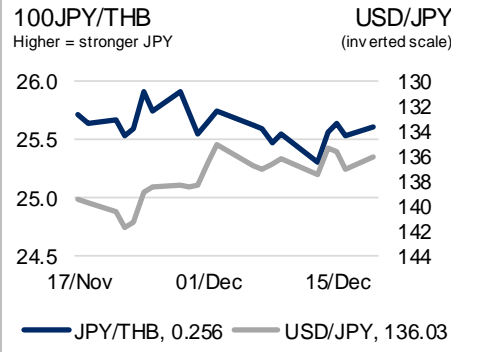
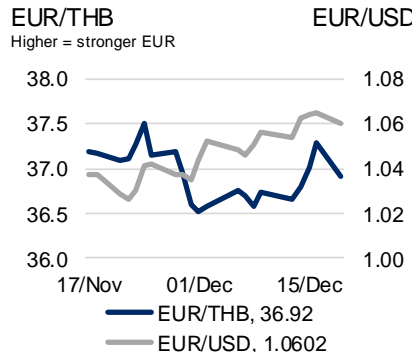
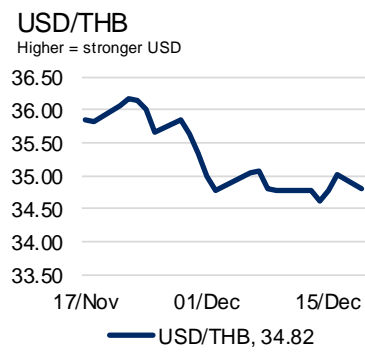
China's business confidence fell to its lowest since January 2013, a survey by World Economics showed on Monday, reflecting the impact of surging COVID-19 cases on economic activity with the abrupt lifting of many pandemic control measures. The index fell to 48.1 in December from 51.8 in November, showed the World Economics' survey of sales managers at over 2,300 companies conducted Dec. 1-16. The index was the lowest since the survey began in 2013. The survey results were among the first indicators of how business sentiment has taken a hit in the world's second-biggest economy, after the sharp relaxation of strict COVID containment measures on Dec. 7 triggered a still-growing wave of domestic COVID cases across China.

Dollar slips with the yen in demand; BoJ meeting in focus

The 10-year government bond yield (interpolated) on the previous trading day was 2.60, +4.06 bps. The benchmark government bond yield (LB31DA) was 2.33, +2.34 bps. LB31DA could be between 2.20-2.70. Meantime, the latest closed US 10-year bond yields was 3.57, +9.0 bps. USDTHB on the previous trading day closed around 34.82 Moving in a range of 34.855-34.93 this morning. USDTHB could be closed between 34.80-35.20 today. The U.S. dollar weakened in early European trade Monday, with the yen in demand following a report that the Japanese authorities could be set to adjust the country's inflation target. The Dollar Index, which tracks the greenback against a basket of six other currencies, fell 0.3% to 104.035. USD/JPY fell 0.6% to 135.84 after local Japanese press reported over the weekend that the country's Prime Minister Fumio Kishida was considering issuing a joint statement with the Bank of Japan, probably next year, which would allow more flexibility around the 2% inflation goal. Such a move would likely mean a potential policy shift in the central bank's ultra-accommodative stance, which has seen Japanese interest rates stick to near zero while other major central banks have aggressively hiked rates to combat soaring inflation, to the detriment of the yen.

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

SET Index 1,618.2	S&P500 3,817.7	10Y UST 3.57%	Brent 79.0	Gold 1,796.5
19-Dec ▼ -0.05%	19-Dec ▼ -0.90%	19-Dec ▲ 9.0 bps	16-Dec ▼ -2.71%	19-Dec ▲ 0.91%
USD/THB 34.82	EUR/THB 36.92	JPY/THB 0.2560		
Daily ▼ -0.54%	Daily ▼ -0.99%	Daily ▲ 0.27%		
Weekly ▲ 0.10%	Weekly ▲ 0.68%	Weekly ▲ 1.18%		
Monthly ▼ -2.91%	Monthly ▼ -0.72%	Monthly ▼ -0.42%		
Sideways Trend	Sideways Trend	Sideways Trend		



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

Main Contributor

Arisa Chantarabontha arisa.cha@ttbank.com
Pimchatr Ekkachan pimchatr.ekk@ttbank.com

Tarathip Tanganjanapas tarathip.tan@ttbank.com

ttb analytics ttbanalytics@ttbank.com
Naris Sathapholdeja naris.sat@ttbank.com
Kasem Hanchanpanich kasem.har@ttbank.com

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		104.60	0.3%	-0.1%	-1.8%	103.96	107.59
EUR/USD		1.0602	-0.4%	0.4%	2.3%	1.0260	1.0649
USD/JPY		136.03	-0.8%	-0.1%	-2.6%	135.06	141.69
USD/CHF		0.9326	0.7%	-0.3%	-1.3%	0.9260	0.9566
GBP/USD		1.2180	-0.3%	-0.6%	2.7%	1.1771	1.2383
USD/CAD		1.3669	0.3%	0.5%	2.8%	1.3256	1.3671
AUD/USD		0.6708	-0.1%	-1.0%	-0.6%	0.6617	0.6831
NZD/USD		0.6381	0.3%	-0.1%	3.8%	0.6103	0.6443

ASEAN Dollar		105.81	-0.1%	0.3%	-1.6%	105.43	108.37
USD/THB		34.82	-0.5%	0.1%	-2.5%	34.61	36.18
USD/SGD		1.3567	0.1%	0.4%	-1.1%	1.3478	1.3802
USD/MYR		4.4219	0.0%	0.5%	-2.5%	4.3841	4.5931
USD/IDR		15,610	0.2%	0.1%	0.1%	15,465	15,713
USD/PHP		55.55	-0.4%	0.3%	-3.4%	55.37	57.55
USD/CNY		6.9729	0.1%	0.2%	-1.3%	6.9534	7.2002
USD/HKD		7.7827	0.2%	-0.2%	-0.5%	7.7674	7.8291

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		219,547	5515
Gold		14,104	-9
SDR		5,414	-4
IMF Reserves		1,236	-1
Foreign Ccy		198,793	5528
Net Fwd Position		28,910	570

Last update: 09/12/2022

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
19/12/2022	-807	-3,735	-4,542
16/12/2022	2,311	-1,053	1,258
15/12/2022	-1,268	713	-554
14/12/2022	2,177	347	2,524
13/12/2022	-32	8,237	8,205
Last 5 days	2,381	4,509	6,890

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -6,605	↑ 43,504	↑ 36,900
QTD	Quarter	↑ 33,144	↑ 95,358	↑ 128,501
YTD	Year	↑ 183,379	↑ 202,408	↑ 385,788

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		1.25	1.00	1.25	ON		1.52	1.16	1.66	ON		0.08	0.07	0.08
1W		1.27	1.04	1.27	1W		1.43	0.80	1.50	1W		0.00	0.00	0.00
1M		1.31	1.12	1.31	1M		0.15	-0.03	1.40	1M		0.35	0.12	0.35
2M		1.36	1.24	1.36	2M					2M		0.00	0.00	0.00
3M		1.43	1.30	1.43	3M		0.98	0.95	1.43	3M		0.75	0.34	0.75
6M		1.60	1.46	1.60	6M		1.65	1.51	1.74	6M		1.04	0.56	1.04
12M		1.90	1.81	1.90	12M		2.04	1.93	2.24	12M		1.49	1.00	1.49

Last Updated: 16/12/2022

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		3.5700	9.00	-4.00	-20.00	3.42	3.83
Gilt 10y		3.2988	-9.85	13.21	7.33	3.08	4.43
Bund 10y		2.1900	0.00	28.00	12.00	1.76	2.19
JGB 10y		0.2820	0.20	0.20	2.10	0.26	0.28
TGB 1y		1.4146	-0.82	-2.49	6.19	1.34	1.45
TGB 2y		1.6314	-0.64	-6.87	-12.73	1.63	1.79
TGB 5y		1.9566	1.55	-10.15	-38.89	1.94	2.38
TGB 7y		2.2058	1.47	-5.01	-34.72	2.19	2.61
TGB 10y		2.6037	4.06	1.75	-14.55	2.52	2.79
AAA Spread		73.57	-0.03	-1.39	-1.57	71.06	76.23
AA Spread		96.84	0.94	0.62	2.59	91.72	96.84
A Spread		128.92	-0.10	0.77	9.63	118.91	129.02
BBB Spread		225.58	-0.08	0.28	1.58	223.86	241.96

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		79.04	-2.7%	3.9%	-12.0%	76.10	93.86
London Gold		1796.5	0.9%	0.3%	1.8%	1,735.8	1,808.2

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)		3,817.7	-0.9%	-4.3%	-3.7%	2,467.4	4,080.1
STOXX (EU)		427.0	4.1%	1.3%	1.3%	328.0	427.9
FTSE All-Share(UK)		3,694.0	-1.0%	-0.7%	2.0%	3,571.2	3,746.8
DAX (DE)		13,942.9	0.4%	-2.5%	-3.4%	13,893.1	14,541.4
CAC All-Tradable(FR)		4,870.2	0.3%	-2.5%	-2.4%	4,855.2	5,073.5
TOPIX (JP)		1,935.4	-0.8%	-1.1%	-1.6%	1,935.4	2,018.8
Shanghai (CH)		3,256.8	-1.9%	-2.3%	0.3%	3,226.7	3,367.3
Hang Seng (HK)		19,352.8	-0.5%	-0.6%	7.6%	17,297.9	19,900.9
ASX 200 (AU)		7,133.9	-0.2%	-0.7%	-0.3%	7,122.2	7,354.4
SET (TH)		1,618.2	-0.1%	-0.3%	-0.1%	1,615.0	1,648.4
SET50 (TH)		979.4	-0.1%	0.0%	-0.5%	977.5	994.4
Straits Times (SG)		3,256.6	0.5%	0.5%	-0.5%	3,225.5	3,292.7
FTSE Malay (MY)		1,477.1	-0.1%	0.2%	2.0%	1,441.3	1,501.9
JSX Index (ID)		6,779.7	-0.5%	0.7%	-4.3%	6,715.1	7,082.2
PSE Index (PH)		6,414.3	-1.3%	-2.6%	0.3%	6,354.8	6,780.8
Vn Index (VN)		1,038.4	-1.3%	0.6%	7.1%	942.9	1,093.7

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.