

German businesses expect only mild recession as disruptions ease

German businesses expect only mild recession as disruptions ease

German companies expect only a mild recession next year despite headwinds from the energy crisis, raw material shortages and a tepid global economy, a survey of major associations published by Reuters on Tuesday showed. There have been growing signs that the German economy could stave off the worst of an economic downturn triggered by a plunge in energy supply from Russia after the Ukraine invasion. Inflation slowed slightly to 11.3% in November from a high of 11.6% the month prior as energy prices eased. The German government has predicted the economy will grow by 1.4% this year and contract by 0.4% next year. The Association of German Chambers of Industry and Commerce (DIHK) said there were many indications that supply chain disruptions were gradually easing.

China's industrial profits slump on COVID fallout, next year seen improving

Profits at China's industrial firms contracted further in the January-November period as strict COVID 19-related curbs disrupted factory activity and supply chains, but analysts foresaw brighter long-term economic prospects after a U-turn in COVID policy. Industrial profits fell 3.6% in January-November from a year earlier to 7.7 trillion yuan (\$1.11 trillion), according to data released by the National Bureau of Statistics (NBS) on Tuesday. That compares with a 3.0% drop for January-October. Analysts have noted a squeeze in profits both from anti-virus curbs in big manufacturing hubs such as Guangzhou and Zhengzhou, and from the persistent weight of a protracted property crisis and slowing exports. But they expect a robust recovery could kick in next year as the economy reopens, although for the near term there was likely to be a further slump as the removal of restrictions brings a sharp rise in infections.

Thai Nov exports drop 6.0% y/y, slightly worse than forecast

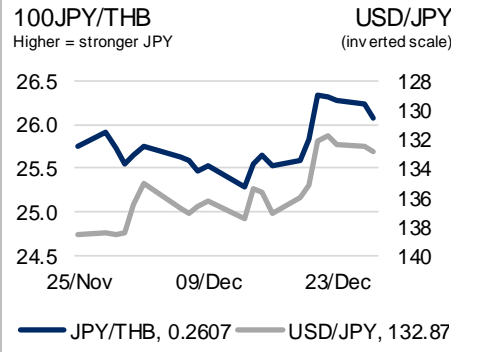
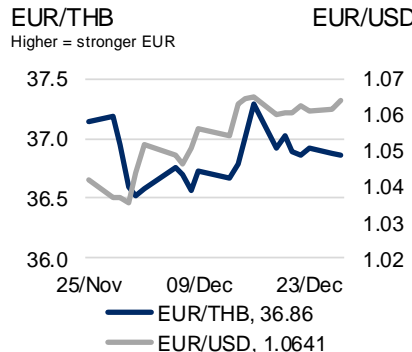
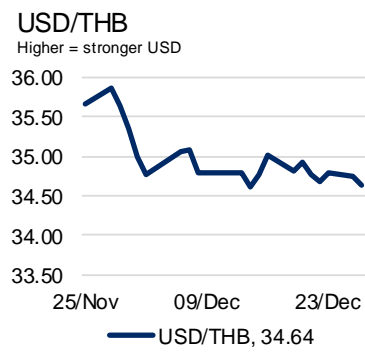
Thailand's exports dropped for a second straight month in November and by more than expected, due to a global slowdown and China's lockdown measures, the commerce ministry said on Tuesday. Exports, a key driver of Thai growth, declined 6.0% in November from a year earlier, compared with a forecast fall of 5.2% year on year in a Reuters poll. That came after October's 4.4% drop. Exports of agricultural and agro-industrial products dropped by 2% in November from a year earlier, while shipments of industrial products declined 5.1%, the ministry said in a statement. Among major markets in November, shipments to the United States rose 1.2% from a year earlier while those to Southeast Asia dropped 9.5%. Exports to China declined 9.9% from a year earlier.

Dollar edges to one-week high vs yen amid spike in Treasury yields

The 10-year government bond yield (interpolated) on the previous trading day was 2.65, -0.28 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 3.84, +9.0 bps. USDTHB on the previous trading day closed around 34.64 Moving in a range of 34.60-34.66 this morning. USDTHB could be closed between 34.50-35.00 today. The dollar edged higher against its major peers on Wednesday, reaching a more than one-week top versus the yen, buoyed by higher Treasury yields as traders puzzled over the outlook for policy at the world's biggest central banks. The U.S. currency ticked 0.13% higher to 133.685 yen in Asian trading, and earlier touched 133.95 for the first time since Dec. 20, when the Bank of Japan sent the pair spiraling lower with an unexpected loosening of the 10-year Japanese government bond yield policy band. The greenback dropped as low as 130.58 yen that day for the first time since early August as traders speculated about an eventual end of BOJ stimulus. A summary of opinions from the meeting, released Wednesday, showed policymakers discussed growing prospects the country could see higher wage growth and sustained inflation next year.

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

<b>SET Index</b> 1,643.2	<b>S&amp;P500</b> 3,829.3	<b>10Y UST</b> 3.84%	<b>Brent</b> 83.9	<b>Gold</b> 1,815.2
27-Dec ▲ 1.00%	27-Dec ▼ -0.41%	27-Dec ▲ 9.0 bps	23-Dec ▲ 3.57%	22-Dec ▲ 0.09%
<b>USD/THB</b> 34.64	<b>EUR/THB</b> 36.86	<b>JPY/THB</b> 0.2607		
Daily ▼ -0.31%	Daily ▼ -0.05%	Daily ▼ -0.62%		
Weekly ▼ -0.38%	Weekly ▼ -0.06%	Weekly ▼ -0.99%		
Monthly ▼ -2.90%	Monthly ▼ -0.77%	Monthly ▲ 1.27%		
Falling Trend	Falling Trend	Sideways Trend		



Sources : ttb analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoI'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		104.10	-0.2%	-0.4%	-1.7%	103.96	107.59
EUR/USD		1.0641	0.3%	0.3%	2.2%	1.0260	1.0649
USD/JPY		132.87	0.3%	-1.7%	-4.4%	131.80	141.69
USD/CHF		0.9312	-0.3%	0.2%	-1.1%	0.9249	0.9566
GBP/USD		1.2087	0.2%	-0.5%	0.1%	1.1855	1.2383
USD/CAD		1.3563	-0.4%	-0.7%	1.5%	1.3331	1.3671
AUD/USD		0.6742	0.6%	0.9%	0.0%	0.6617	0.6831
NZD/USD		0.6294	0.5%	-0.7%	0.7%	0.6120	0.6443
ASEAN Dollar		105.03	-0.2%	-0.3%	-2.2%	104.98	107.91
USD/THB		34.64	-0.3%	-0.8%	-3.8%	34.61	36.18
USD/SGD		1.3454	-0.5%	-0.8%	-2.2%	1.3454	1.3802
USD/MYR		4.4214	-0.1%	-0.3%	-2.4%	4.3841	4.5746
USD/IDR		15,647	0.2%	0.5%	-0.2%	15,470	15,713
USD/PHP		55.40	0.2%	0.0%	-2.5%	55.23	57.43
USD/CNY		6.9585	-0.4%	-0.3%	-2.6%	6.9534	7.2002
USD/HKD		7.8015	-0.1%	0.3%	-0.2%	7.7674	7.8201

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		214,190	-5357
Gold		14,069	-35
SDR		5,417	2
IMF Reserves		1,237	1
Foreign Ccy		193,468	-5325
Net Fwd Position		28,810	-100

Last update: 16/12/2022

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
27/12/2022	4,460	4,873	9,333
26/12/2022	-35	-42	-77
23/12/2022	303	-1,047	-744
22/12/2022	-172	-2,100	-2,272
21/12/2022	1,363	-1,025	338
Last 5 days	5,918	660	6,578

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -2,424	↑ 40,157	↑ 37,734
QTD	Quarter	↑ 37,325	↑ 92,010	↑ 129,335
YTD	Year	↑ 187,560	↑ 199,061	↑ 386,622

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		0.00	1.16	1.66	ON		0.08	0.07	0.08
1W		1.27	1.04	1.27	1W		0.33	0.20	1.54	1W		0.00	0.00	0.00
1M		1.31	1.15	1.31	1M		0.95	-0.03	1.40	1M		0.35	0.12	0.35
2M		1.38	1.25	1.38	2M					2M		0.00	0.00	0.00
3M		1.44	1.32	1.44	3M		1.18	0.95	1.43	3M		0.75	0.34	0.75
6M		1.60	1.48	1.60	6M		1.69	1.51	1.74	6M		1.04	0.56	1.04
12M		1.90	1.82	1.90	12M		2.05	1.93	2.24	12M		1.49	1.00	1.49

Last Updated: 26/12/2022

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		<b>3.8400</b>	9.00		27.00		16.00		3.42	3.84
Gilt 10y		<b>3.6200</b>	-4.20		22.27		39.92		3.08	4.43
Bund 10y		<b>2.4900</b>	11.00		30.00		57.00		1.76	2.49
JGB 10y		<b>0.5010</b>	1.90		6.90		22.30		0.27	0.52
TGB 1y		<b>1.3875</b>	-0.71		-2.41		-4.96		1.39	1.45
TGB 2y		<b>1.6349</b>	-0.67		-1.48		-13.70		1.63	1.79
TGB 5y		<b>1.9493</b>	0.14		-1.48		-36.92		1.94	2.38
TGB 7y		<b>2.2567</b>	-0.25		-1.37		-30.59		2.19	2.61
TGB 10y		<b>2.6538</b>	-0.29		0.69		-4.34		2.52	2.78
AAA Spread		<b>74.37</b>	0.00		1.02		-0.77		71.06	76.23
AA Spread		<b>96.93</b>	-0.02		0.09		2.54		93.67	96.95
A Spread		<b>129.60</b>	0.83		0.76		9.95		119.44	129.60
BBB Spread		<b>225.78</b>	0.02		0.26		1.46		224.15	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		<b>83.92</b>	3.6%		6.2%		-1.5%		76.10	87.70
London Gold		<b>1815.2</b>	0.1%		2.2%		4.6%		1,735.8	1,815.2

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)		<b>3,829.3</b>	-0.4%		0.3%		-4.9%		2,467.4	4,076.6
STOXX (EU)		<b>417.0</b>	1.1%		1.5%		-2.2%		328.0	427.9
FTSE All-Share(UK)		<b>3,694.0</b>	-1.0%		-0.7%		2.0%		3,571.2	3,746.8
DAX (DE)		<b>13,995.1</b>	0.4%		0.4%		-3.8%		13,884.7	14,541.4
CAC All-Tradable(FR)		<b>4,927.0</b>	0.6%		1.2%		-2.4%		4,851.3	5,073.5
TOPIX (JP)		<b>1,910.2</b>	0.4%		0.2%		-4.7%		1,893.3	2,018.8
Shanghai (CH)		<b>3,244.7</b>	1.0%		0.7%		0.6%		3,192.6	3,367.3
Hang Seng (HK)		<b>19,593.1</b>	-0.4%		0.7%		10.9%		17,297.9	19,900.9
ASX 200 (AU)		<b>7,107.7</b>	0.0%		-0.4%		-2.1%		7,024.3	7,354.4
SET (TH)		<b>1,643.2</b>	1.0%		2.4%		1.1%		1,604.4	1,648.4
SET50 (TH)		<b>996.1</b>	1.3%		2.3%		0.8%		973.6	996.1
Straits Times (SG)		<b>3,266.4</b>	0.3%		0.4%		0.8%		3,225.5	3,292.7
FTSE Malay (MY)		<b>1,474.7</b>	0.0%		-0.2%		-1.8%		1,441.3	1,501.9
JSX Index (ID)		<b>6,923.0</b>	1.3%		2.3%		-1.3%		6,715.1	7,081.3
PSE Index (PH)		<b>6,564.9</b>	0.4%		2.3%		0.8%		6,403.2	6,780.8
Vn Index (VN)		<b>1,004.6</b>	2.0%		-1.8%		-0.1%		947.7	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.