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The number of Americans filing new claims for unemployment benefits dropped to a nine-month low last week as the labor market remains resilient despite higher borrowing costs and mounting fears of a recession this year. The surprise decline in weekly jobless claims reported by the Labor Department on Thursday raised cautious optimism that the economy could skirt a recession or just experience a shallow and short downturn. Federal Reserve Chair Jerome Powell told reporters on Wednesday that "the economy can return to 2% inflation without a really significant downturn or a really big increase in unemployment." Initial claims for state unemployment benefits dropped 3,000 to a seasonally adjusted 183,000 for the week ended Jan. 28, the lowest level since April 2022. It was the third straight weekly decline in applications. Economists polled by Reuters had forecast 200,000 claims for the latest week.

**ECB raises rates, signals at least one more hike**

The European Central Bank raised interest rates by 0.5% on Thursday and explicitly signaled at least one more hike of the same magnitude next month, reaffirming it would stay the course in the fight against high inflation. But financial markets immediately interpreted the move as suggesting the tightening cycle might in fact end soon - just as they had done on Wednesday after U.S. Federal Reserve chief Jerome Powell said there were signs inflation was easing. Speaking to Reuters after the meeting, three ECB policymakers pushed back on the market's reaction, saying on condition of anonymity they fully expected at least another rate hike in May. ECB President Christine Lagarde also disputed the interpretation that Thursday's move meant the hiking cycle was nearing the end.

**Bank of England hints rates near peak after 10th hike**

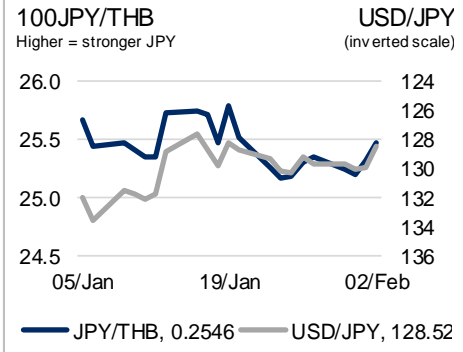
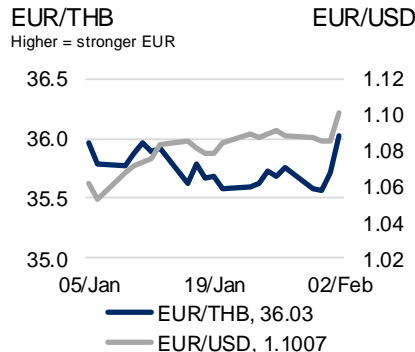
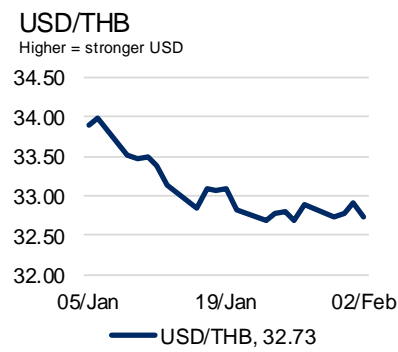
The Bank of England signaled the tide was turning in its battle against high inflation after it raised interest rates on Thursday for the 10th meeting in a row, prompting investors to prepare for the end of its run of higher borrowing costs. The BoE's interest rate setters voted 7-2 to push Bank Rate to 4.0% - its highest since 2008 - from 3.5%. The move had been expected by most investors and economists polled by Reuters. Like other central banks such as the U.S. Federal Reserve and the European Central Bank, which raised rates on Wednesday and Thursday respectively, the BoE is trying to smother the risks from an inflation rate that is way above its target. But it is also worried about aggravating what is expected to be the worst recession among big rich economies this year.

**Dollar at nine-month low after Fed guidance brings pivot into sight**

The 10-year government bond yield (interpolated) on the previous trading day was 2.45, -3.95 bps. The benchmark government bond yield (LB31DA) was 2.535, -2.0 bps. LB31DA could be between 2.30-2.80. Meantime, the latest closed US 10-year bond yields was 3.40, +1.0 bps. USDTHB on the previous trading day closed around 32.73 Moving in a range of 33.01-33.09 this morning. USDTHB could be closed between 32.90-33.10 today. The dollar was at its lowest level in over nine months in early European trading on Thursday, after the Federal Reserve's latest interest rate decisions and guidance brought the end of the current policy tightening cycle into view. Fed Chair Jerome Powell told his press conference that "the disinflationary process has started," although he added that he still doesn't expect the central bank to start cutting interest rates this year - a view that the foreign exchange and bond markets don't seem to share. The Dollar Index, which tracks the greenback against a basket of advanced economy currencies, was at 100.90, down 0.1% on the day, having earlier dipped as low as 100.675. It's lost some 2.3% so far this year as traders have bet on the interest rate differentials between the dollar and other G10 currencies narrowing.

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

<b>SET Index</b>	1,682.6	<b>S&amp;P500</b>	4,179.8	<b>10Y UST</b>	3.40%	<b>Brent</b>	82.8	<b>Gold</b>	1,954.9
2-Feb	▼ -0.19%	2-Feb	▲ 1.46%	2-Feb	▲ 1.0 bps	1-Feb	▼ -1.97%	2-Feb	▲ 1.51%
<b>USD/THB</b>	32.73	<b>EUR/THB</b>	36.03	<b>JPY/THB</b>	0.2546				
Daily ▼ -0.53%	Weekly ▼ -0.45%	Daily ▲ 0.86%	Weekly ▲ 0.73%	Daily ▲ 0.61%	Weekly ▲ 0.48%				
Monthly ▼ -3.47%	Monthly ▲ 0.16%	Monthly ▼ -0.79%							
Falling Trend	Rising Trend	Sideways Trend							



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

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Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		102.14	0.0%	0.5%	-2.1%	101.59	105.02
EUR/USD		1.0856	0.0%	-0.5%	2.7%	1.0529	1.0915
USD/JPY		129.99	0.0%	0.6%	-0.4%	127.61	133.63
USD/CHF		0.9166	-0.8%	-0.1%	-1.7%	0.9154	0.9357
GBP/USD		1.2314	-0.4%	-0.7%	2.6%	1.1929	1.2426
USD/CAD		1.3321	-0.5%	-0.6%	-2.3%	1.3315	1.3636
AUD/USD		0.7050	0.1%	-0.8%	4.0%	0.6750	0.7112
NZD/USD		0.6434	-0.5%	-0.8%	2.5%	0.6242	0.6497
ASEAN Dollar		97.16	0.1%	-0.3%	-3.6%	97.06	101.03
USD/THB		32.90	0.4%	0.7%	-3.9%	32.69	34.55
USD/SGD		1.3140	0.1%	0.2%	-2.0%	1.3115	1.3471
USD/MYR		4.2647	0.5%	0.4%	-3.1%	4.2282	4.4202
USD/IDR		14,965	0.0%	0.1%	-3.9%	14,923	15,689
USD/PHP		54.65	0.1%	0.2%	-2.5%	54.38	56.02
USD/CNY		6.7468	0.0%	-0.3%	-2.0%	6.6994	6.9703
USD/HKD		7.8398	0.1%	0.2%	0.5%	7.7831	7.8398

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		224,167	-153
Gold		15,126	52
SDR		5,507	-4
IMF Reserves		1,267	-16
Foreign Ccy		202,268	-185
Net Fwd Position		27,215	255

Last update: 20/01/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
02/02/2023	-2,664	-3,805	-6,468
01/02/2023	-192	-13,910	-14,102
31/01/2023	-2,895	500	-2,394
30/01/2023	-1,027	-9,005	-10,032
27/01/2023	2,828	-2,096	732
Last 5 days	-3,950	-28,315	-32,265

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -2,856	↓ -17,714	↓ -20,570
QTD	Quarter	↑ 15,488	↑ 11,103	↑ 26,590
YTD	Year	↑ 15,488	↑ 11,103	↑ 26,590

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		1.50	1.25	1.50	ON		1.25	0.43	1.44	ON		0.08	0.07	0.08
1W		1.53	1.27	1.53	1W		0.22	0.20	1.54	1W		0.00	0.00	0.00
1M		1.55	1.31	1.55	1M		0.88	0.45	1.16	1M		0.35	0.11	0.35
2M		1.63	1.37	1.63	2M					2M		0.00	0.00	0.00
3M		1.69	1.43	1.69	3M		1.16	1.04	1.38	3M		0.75	0.28	0.75
6M		1.81	1.60	1.81	6M		1.44	1.42	1.73	6M		1.04	0.46	1.04
12M		1.98	1.90	1.98	12M		1.85	1.76	2.09	12M		1.49	0.81	1.49

Last Updated: 01/02/2023

Last Updated: 09/03/2023

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	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		<b>3.4000</b>	1.00	-9.00	-44.00	3.37	3.84
Gilt 10y		<b>3.4113</b>	1.03	4.53	-23.09	3.30	3.73
Bund 10y		<b>2.2500</b>	-1.00	6.00	-23.00	2.02	2.48
JGB 10y		<b>0.5150</b>	1.50	3.20	3.30	0.28	0.52
TGB 1y		<b>1.5872</b>	0.38	12.25	22.39	1.33	1.59
TGB 2y		<b>1.7799</b>	-0.11	1.75	19.60	1.55	1.79
TGB 5y		<b>2.0446</b>	-1.35	3.75	9.97	1.89	2.08
TGB 7y		<b>2.1950</b>	-2.81	0.43	-4.98	2.11	2.27
TGB 10y		<b>2.4525</b>	-3.95	-0.62	-12.40	2.39	2.64
AAA Spread		<b>75.12</b>	0.00	2.00	0.87	72.34	75.13
AA Spread		<b>93.03</b>	0.02	0.16	-4.50	92.81	97.64
A Spread		<b>126.21</b>	-1.68	-0.34	-3.33	125.68	129.54
BBB Spread		<b>225.77</b>	0.02	0.17	0.24	225.41	225.77

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>84.49</b>	-0.5%	-1.9%	-1.4%	78.01	88.19
London Gold		<b>1954.9</b>	1.5%	1.0%	8.4%	1,796.5	1,954.9

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>4,119.2</b>	1.0%	1.4%	7.0%	2,467.4	4,179.8
STOXX (EU)		<b>449.0</b>	-0.3%	-0.1%	7.6%	412.5	449.2
FTSE All-Share(UK)		<b>4,301.6</b>	1.2%	1.1%	3.7%	4,075.1	4,302.9
DAX (DE)		<b>15,509.2</b>	2.2%	2.5%	10.2%	13,940.9	15,509.2
CAC All-Tradable(FR)		<b>5,387.3</b>	1.3%	1.1%	8.9%	4,896.3	5,387.3
TOPIX (JP)		<b>1,965.2</b>	-0.4%	-0.7%	3.3%	1,868.9	1,982.7
Shanghai (CH)		<b>3,444.0</b>	0.0%	1.4%	7.1%	3,192.6	3,444.0
Hang Seng (HK)		<b>21,958.4</b>	-0.5%	-2.7%	14.6%	19,160.5	22,688.9
ASX 200 (AU)		<b>7,511.6</b>	0.1%	0.6%	5.7%	6,946.2	7,511.6
SET (TH)		<b>1,682.6</b>	-0.2%	0.7%	2.1%	1,609.9	1,691.4
SET50 (TH)		<b>999.1</b>	-0.3%	0.1%	-0.1%	973.6	1,017.0
Straits Times (SG)		<b>3,363.7</b>	-0.4%	-0.4%	3.3%	3,240.8	3,394.2
FTSE Malay (MY)		<b>1,489.8</b>	0.3%	-0.6%	1.5%	1,467.1	1,500.3
JSX Index (ID)		<b>6,890.6</b>	0.4%	0.4%	0.6%	6,584.5	6,899.0
PSE Index (PH)		<b>6,989.2</b>	-0.7%	-0.8%	6.5%	6,414.3	7,094.9
Vn Index (VN)		<b>1,077.6</b>	0.2%	-2.8%	5.8%	1,004.6	1,117.1

Sources: ttb analytics, CEIC

Note: A = actual, P = previous; C = consensus

**Important Disclosures**

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