

U.S. trade gap widens in December; deficit highest on record in 2022

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The U.S. trade deficit widened in December, reversing half of the prior month's sharp contraction, as imports rebounded, and exports of goods dropped to a 10-month low amid cooling global demand and declining crude oil prices. The report from the Commerce Department on Tuesday also showed the trade gap widening to a record high in 2022. With the deficit expected to increase again in January, economists anticipated that trade would probably not provide support to the economy this quarter after contributing to gross domestic product growth for three straight quarters. The trade deficit increased 10.5% to \$67.4 billion. The trade gap contracted 21.1% in November to \$61.0 billion. The numbers are not adjusted for inflation. When adjusted for inflation, the so-called real goods trade gap widened to \$98.6 billion from \$96.1 billion in November.

UK construction slips to near 3-year low, but confidence rises

Britain's construction sector had its worst month in almost three years in January as rising borrowing costs hit house-building hard, but builders turned more confident about the outlook for 2023, a survey showed on Monday. The S&P Global/CIPS Purchasing Managers' Index (PMI) for the construction sector dropped to 48.4 from 48.8 in December, hitting its lowest level since May 2020. Britain's construction sector lost its momentum during the second half of 2022 in the face of higher interest rates. The Bank of England last week raised borrowing costs to 4%, their highest since 2008, in an attempt to tackle the surge in inflation. Monday's survey showed a sharp fall in house-building while civil engineering work and commercial projects also declined. But the construction PMI's gauge of business expectations bounced back to its highest since July last year after touching its lowest level since May 2020 in December.

Japan current account surplus shrinks sharply as weak yen, trade deficits bite

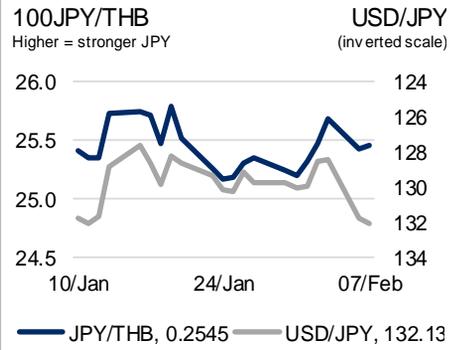
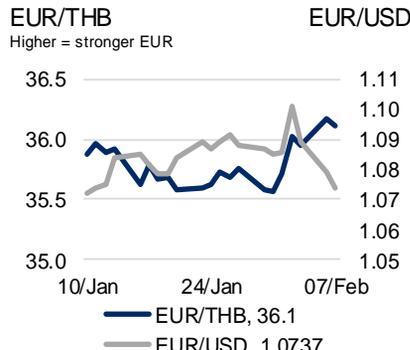
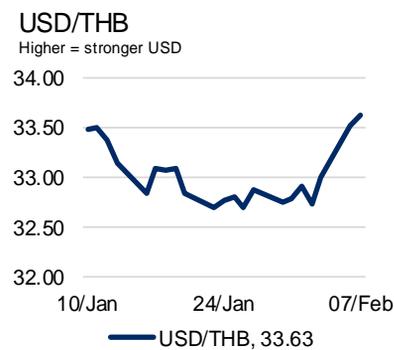
Japan's current account surplus fell sharply in December after a record rise the prior month, finance ministry data showed on Wednesday, highlighting the impact of persistent trade deficits and a weak yen on the country's once-solid balance of payments. The yen's slide over the past year has bumped up the cost of imports, including commodities and oil that were already on the rise due to the Ukraine war, putting immense pressure on Japan's overall current and trade accounts. The current account surplus stood at 33.4 billion yen (\$255.51 million) in December, down steeply from a surplus of 1.8 trillion yen the previous month that was driven by income gains from securities investments and hefty Japanese investments overseas. The latest figure marked a decline of 334 billion yen from a year earlier and undershot economists' median estimates for 98.4-billion-yen surplus in a Reuters poll.

Dollar pulls back as Powell sticks to usual Fed playbook

The 10-year government bond yield (interpolated) on the previous trading day was 2.52, 0.40 bps. The benchmark government bond yield (LB31DA) was 2.56, -2.0 bps. LB31DA could be between 2.30-2.80. Meantime, the latest closed US 10-year bond yields was 3.67, +4.0 bps. USDTHB on the previous trading day closed around 33.63 Moving in a range of 33.42-33.55 this morning. USDTHB could be closed between 33.40-33.80 today. The dollar eased on Wednesday after Federal Reserve Chair Jerome Powell failed to offer fresh signs of a hawkish pushback against a resilient labor market in the United States, leading investors to bet that interest rates may not rise much further. In a question-and-answer session before the Economic Club of Washington on Tuesday, Powell acknowledged that interest rates might need to move higher than expected if economic conditions remained strong but reiterated that he felt a process of disinflation was underway. The U.S. dollar struggled to recover its losses in Asia trade on Wednesday, after slipping in the previous session as Powell spoke.

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

SET Index	1,680.5	S&P500	4,164.0	10Y UST	3.67%	Brent	81.0	Gold	1,873.8
7-Feb	▼ -0.10%	7-Feb	▲ 1.28%	7-Feb	▲ 4.0 bps	6-Feb	▲ 1.30%	7-Feb	▲ 0.02%
USD/THB	33.63	EUR/THB	36.10	JPY/THB	0.2545				
Daily ▲ 0.35%	Weekly ▲ 2.18%	Daily ▼ -0.16%	Weekly ▲ 1.08%	Daily ▲ 0.12%	Weekly ▲ 0.55%				
Monthly ▲ 0.46%	Monthly ▲ 0.63%	Monthly ▲ 0.16%	Monthly ▲ 0.16%	Monthly ▲ 0.16%	Monthly ▲ 0.16%				
Rising Trend	Sideways Trend	Rising Trend	Rising Trend	Rising Trend	Rising 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		103.07	1.2%	0.9%	-0.5%	100.99	105.02
EUR/USD		1.0792	-0.9%	-0.5%	1.1%	1.0529	1.1007
USD/JPY		131.83	2.6%	1.4%	0.2%	127.61	133.63
USD/CHF		0.9255	1.3%	0.1%	0.0%	0.9076	0.9357
GBP/USD		1.2059	-1.3%	-2.5%	-0.7%	1.1929	1.2426
USD/CAD		1.3400	0.5%	0.1%	0.0%	1.3292	1.3636
AUD/USD		0.6926	-1.9%	-1.7%	0.1%	0.6769	0.7138
NZD/USD		0.6327	-2.3%	-2.1%	-0.9%	0.6242	0.6520
ASEAN Dollar		96.22	0.4%	0.1%	-4.3%	95.88	101.02
USD/THB		33.51	1.5%	2.2%	0.0%	32.69	33.99
USD/SGD		1.3233	1.0%	0.8%	-0.5%	1.3047	1.3433
USD/MYR		4.2540	-0.3%	0.2%	-2.6%	4.2282	4.4000
USD/IDR		14,983	0.7%	0.2%	-3.7%	14,881	15,597
USD/PHP		54.04	0.3%	-1.0%	-2.1%	53.88	56.02
USD/CNY		6.7776	0.0%	0.5%	-0.1%	6.6994	6.8873
USD/HKD		7.8422	0.1%	0.1%	0.6%	7.7962	7.8422

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		225,969	1802
Gold		15,134	8
SDR		5,508	1
IMF Reserves		1,267	0
Foreign Ccy		204,061	1793
Net Fwd Position		26,220	-995

Last update: 27/01/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
07/02/2023	-2,686	-1,158	-3,844
06/02/2023	-2,269	-2,055	-4,324
03/02/2023	-2,217	-6,109	-8,326
02/02/2023	-2,664	-3,805	-6,468
01/02/2023	-192	-13,910	-14,102
Last 5 days	-10,028	-27,036	-37,064

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -10,028	↓ -27,036	↓ -37,064
QTD	Quarter	↑ 8,316	↑ 1,781	↑ 10,097
YTD	Year	↑ 8,316	↑ 1,781	↑ 10,097

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		0.57	0.43	1.39	ON		0.08	0.07	0.08
1W		1.53	1.27	1.53	1W		0.58	0.21	1.21	1W		0.00	0.00	0.00
1M		1.56	1.31	1.56	1M		0.77	0.68	1.16	1M		0.35	0.11	0.35
2M		1.64	1.38	1.64	2M					2M		0.00	0.00	0.00
3M		1.71	1.44	1.71	3M		1.17	1.10	1.38	3M		0.75	0.28	0.75
6M		1.85	1.60	1.85	6M		1.49	1.42	1.73	6M		1.04	0.46	1.04
12M		2.01	1.90	2.01	12M		1.89	1.76	2.12	12M		1.49	0.81	1.49

Last Updated: 06/02/2023

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		3.6700	4.00	15.00	-21.00	3.37	3.88
Gilt 10y		3.1620	6.09	-24.57	-57.96	3.10	3.74
Bund 10y		2.2900	2.00	-1.00	-5.00	2.02	2.49
JGB 10y		0.5110	0.00	0.00	2.20	0.40	0.52
TGB 1y		1.6466	4.10	6.95	30.59	1.33	1.65
TGB 2y		1.8047	0.50	1.09	25.68	1.55	1.80
TGB 5y		2.0637	1.05	-1.96	17.22	1.89	2.08
TGB 7y		2.2332	0.28	-3.69	4.52	2.11	2.27
TGB 10y		2.5168	0.39	-0.62	5.91	2.39	2.56
AAA Spread		73.73	-0.18	-1.36	-0.49	72.34	75.13
AA Spread		94.12	0.11	0.88	-3.38	92.81	97.53
A Spread		125.18	0.02	-2.75	-4.07	125.12	129.54
BBB Spread		225.80	-0.01	0.12	0.41	225.39	247.69

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		79.94	-3.5%	-8.6%	2.5%	78.01	88.19
London Gold		1873.8	0.0%	-1.6%	2.1%	1,802.7	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)		4,111.1	-0.6%	0.8%	7.5%	2,467.4	4,179.8
STOXX (EU)		453.4	0.8%	2.1%	9.1%	413.7	458.4
FTSE All-Share(UK)		4,303.9	0.1%	1.1%	2.9%	4,123.9	4,303.9
DAX (DE)		15,345.9	-0.8%	1.5%	9.1%	13,925.6	15,509.2
CAC All-Tradable(FR)		5,358.9	-0.1%	0.8%	7.5%	4,927.0	5,435.5
TOPIX (JP)		1,983.4	0.2%	0.4%	4.6%	1,868.2	1,983.4
Shanghai (CH)		3,404.5	0.3%	-0.2%	6.0%	3,213.3	3,444.0
Hang Seng (HK)		21,298.7	0.4%	-2.5%	7.0%	19,160.5	22,688.9
ASX 200 (AU)		7,504.1	-0.5%	0.4%	6.6%	7,038.7	7,558.1
SET (TH)		1,680.5	-0.1%	0.5%	0.1%	1,626.8	1,691.1
SET50 (TH)		998.3	0.0%	0.5%	-1.5%	983.5	1,018.0
Straits Times (SG)		3,380.8	-0.2%	0.5%	4.1%	3,245.8	3,394.2
FTSE Malay (MY)		1,476.4	-0.9%	-1.4%	0.1%	1,462.6	1,500.3
JSX Index (ID)		6,935.3	0.9%	1.4%	1.2%	6,622.5	6,935.3
PSE Index (PH)		6,881.3	-0.8%	1.3%	4.5%	6,564.9	7,094.9
Vn Index (VN)		1,065.8	-2.2%	-4.1%	8.2%	985.2	1,117.1

Sources: ttb analytics, CEIC

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

Important Disclosures

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