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Growth in U.S. business activity touched a 13-month high in May as a jump in services activity helped offset weakness in the manufacturing sector, according to new data on Tuesday. S&P Global's flash U.S. composite purchasing managers' index rose to 54.5 during the month, up from 53.4 in April. It was the sharpest in the reading increase since April 2022, and topped economists' forecasts of 50.0. A level above 50 denotes expansion. Leading the surge was the services industry, where the rate of growth was the fastest for just over a year thanks to a spike in demand that has allowed these companies to raise prices in a bid to counter "historically elevated" inflationary pressures. New business from abroad was particularly strong, with export orders growing for the first time in a year.

Euro zone business growth solid in May but shows signs of easing

Euro zone business growth remained resilient but slowed slightly more than thought this month as the bloc's dominant services industry lost a little of its shine and the downturn in the manufacturing sector deepened, a survey showed on Tuesday. HCOB's flash Composite Purchasing Managers' Index (PMI) for the bloc, compiled by S&P Global (NYSE:SPGI) and seen as a good gauge of overall economic health, fell to 53.3 in May from April's 54.1. While still comfortably above the 50-mark separating growth from contraction it was below a Reuters poll estimate for 53.5. With prices still rising sharply and indebted households having to pay increased borrowing costs, overall demand growth waned sharply. The new business index dropped to 50.4 from 52.5.

Japan manufacturers' mood turns positive as economy recovers

Business sentiment at big Japanese manufacturers turned positive for the first time this year and service-sector morale hit a five-month high, the Reuters Tankan poll showed, as the economy continued to improve from a COVID-led recession. Wednesday's monthly poll, which tracks the Bank of Japan's closely watched quarterly tankan survey, found that manufacturers are also upbeat about the coming three months, while service-sector morale was seen down a tad. The solid reading may further fuel speculation that the BOJ will embark on normalizing its easing policy sooner rather than later. However, Governor Kazuo Ueda has repeatedly said that inflation, supported by wage hikes, needs to track at a sustainable rate of 2% before the bank could consider any exit.

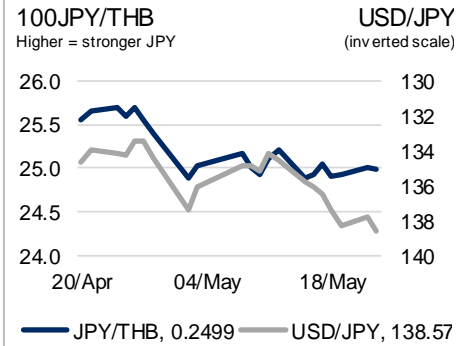
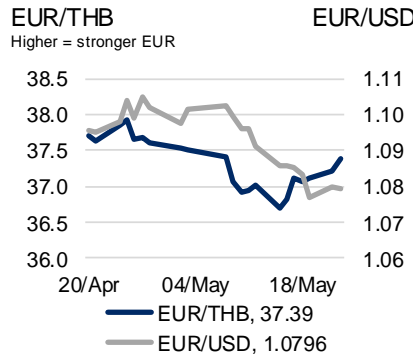
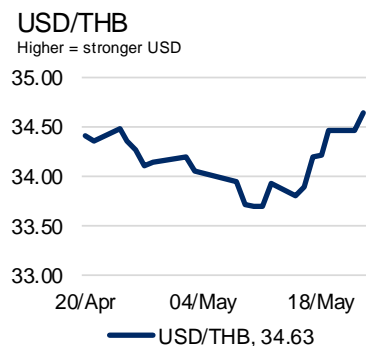
Dollar higher as U.S. debt ceiling concerns keep traders nervous

The 10-year government bond yield (interpolated) on the previous trading day was 2.56, +5.04 bps. The benchmark government bond yield (LB31DA) was 2.52, +5.00 bps. LB31DA could be between 2.20-2.70. Meantime, the latest closed US 10-year bond yields was 3.70, -2.00 bps. USDTHB on the previous trading day closed around 34.63 Moving in a range of 34.52-34.675 this morning. USDTHB could be closed between 34.50-35.00 today. The U.S. dollar hit a two-month high against a basket of currencies on Tuesday as a lack of progress in talks over increasing the U.S. debt limit hurt investors' appetite for risk-taking. Representatives of President Joe Biden and congressional Republicans ended another round of debt ceiling talks on Tuesday with no signs of progress as the deadline to raise the government's \$31.4 trillion borrowing limit or risk default ticked closer. While most market participants expect a deal eventually, the delay in getting it done was keeping traders nervous, Doyle said. Meanwhile, better-than-expected economic data and hawkish comments from regional Fed presidents including James Bullard and Neel Kashkari brought the possibility of further rate increases, also supporting the greenback.

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

SET Index	1,534.8	S&P500	4,145.6	10Y UST	3.70%	Brent	76.0	Gold	1,959.7
23-May ▲	0.37%	23-May ▼	-1.13%	23-May ▼	-2.0 bps	22-May ▲	0.54%	23-May ▼	-1.09%

USD/THB 34.63	Daily ▲ 0.51%	EUR/THB 37.39	Daily ▲ 0.49%	JPY/THB 0.2499	Daily ▼ -0.06%
Weekly ▲ 1.28%	Monthly ▲ 0.65%	Weekly ▲ 0.75%	Monthly ▼ -0.83%	Weekly ▼ -0.23%	Monthly ▼ -2.24%
Rising Trend		Sideways Trend		Falling Trend	



Sources: ttb analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoJ'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		103.23	-0.3%	0.7%	1.2%	101.27	103.51
EUR/USD		1.0799	0.3%	-0.6%	-1.4%	1.0767	1.1047
USD/JPY		137.78	-0.4%	1.3%	2.5%	133.42	138.27
USD/CHF		0.8991	-0.6%	0.3%	0.1%	0.8881	0.9045
GBP/USD		1.2437	0.3%	-0.6%	0.2%	1.2399	1.2635
USD/CAD		1.3528	0.2%	0.3%	0.8%	1.3362	1.3636
AUD/USD		0.6634	0.0%	-0.7%	-1.2%	0.6609	0.6780
NZD/USD		0.6266	0.4%	0.4%	1.1%	0.6133	0.6362
ASEAN Dollar		100.41	0.0%	1.3%	0.8%	99.02	100.41
USD/THB		34.46	0.0%	1.6%	0.2%	33.68	34.63
USD/SGD		1.3459	-0.1%	0.6%	0.9%	1.3241	1.3476
USD/MYR		4.5450	-0.1%	1.0%	2.5%	4.4146	4.5474
USD/IDR		14,896	0.1%	0.7%	0.3%	14,633	14,896
USD/PHP		55.96	0.2%	-0.5%	-0.5%	55.14	56.42
USD/CNY		7.0296	0.0%	1.0%	2.1%	6.8654	7.0391
USD/HKD		7.8323	0.2%	-0.1%	-0.3%	7.8152	7.8543

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.00	0.00
3-month		0.75	-0.10
6-month		1.70	-0.05

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		224,693	-1519
Gold		15,788	-42
SDR		5,481	-39
IMF Reserves		1,284	-9
Foreign Ccy		202,140	-1430
Net Fwd Position		28,350	515

Last update: 12/05/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
23/05/2023	-3,853	-3,828	-7,680
22/05/2023	-1,469	-8,583	-10,053
19/05/2023	-1,193	-9,789	-10,982
18/05/2023	-3,244	-3,685	-6,929
17/05/2023	-4,439	-16,849	-21,288
Last 5 days	-14,199	-42,733	-56,932

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -21,083	↑ 31,684	↑ 10,601
QTD	Quarter	↓ -28,969	↑ 10,891	↓ -18,078
YTD	Year	↓ -85,845	↑ 33,683	↓ -52,162

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		1.75	1.25	1.75	ON		1.72	0.57	1.91	ON		0.08	0.07	0.08
1W		1.79	1.34	1.79	1W		1.65	0.22	1.73	1W		0.00	0.00	0.08
1M		1.88	1.45	1.88	1M		1.59	0.77	1.74	1M		0.31	0.09	0.31
2M		1.95	1.50	1.95	2M					2M		0.00	0.00	0.16
3M		2.01	1.56	2.01	3M		1.87	1.16	1.87	3M		0.64	0.16	0.64
6M		2.12	1.72	2.12	6M		2.01	1.44	2.01	6M		0.98	0.23	0.98
12M		2.26	1.90	2.26	12M		2.33	1.76	2.33	12M		1.38	0.38	1.38

Last Updated: 22/05/2023

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 Market

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range				
						Min	Max			
UST10y		3.7000	20.00		32.00		3.00		3.30	4.08
Gilt 10y		3.7846	11.31		4.40		68.35		3.10	3.79
Bund 10y		2.4500	16.00		21.00		16.00		2.13	2.70
JGB 10y		0.3950	-0.10		-7.10		-12.00		0.32	0.53
TGB 1y		1.9668	1.40		3.31		19.48		1.77	1.97
TGB 2y		2.0553	2.29		6.59		19.39		1.86	2.06
TGB 5y		2.2252	2.97		4.64		11.38		2.08	2.23
TGB 7y		2.3826	2.17		2.58		5.44		2.27	2.38
TGB 10y		2.5570	5.04		4.21		1.49		2.47	2.56
AAA Spread		70.11	0.07		-0.17		-5.02		69.35	75.13
AA Spread		79.92	-0.12		-0.27		-13.10		79.92	94.58
A Spread		127.52	0.00		0.45		-0.37		123.54	128.18
BBB Spread		237.87	-0.18		11.92		12.12		225.56	238.05

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		75.99	0.5%		1.0%		-8.6%		72.33	86.31
London Gold		1965.6	-2.5%		-0.8%		4.9%		1,813.4	2,036.1

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)		4,192.0	1.3%		2.5%		2.7%		3,855.8	4,192.0
STOXX (EU)		456.1	-0.3%		0.0%		-0.2%		433.7	464.9
FTSE All-Share(UK)		4,228.4	-0.1%		0.1%		-1.6%		4,201.2	4,298.2
DAX (DE)		16,275.4	2.3%		2.9%		6.2%		14,735.3	16,275.4
CAC All-Tradable(FR)		5,586.7	1.0%		1.1%		4.3%		5,164.9	5,642.7
TOPIX (JP)		2,161.7	2.2%		5.1%		9.7%		1,929.3	2,161.7
Shanghai (CH)		3,441.9	-0.8%		-1.2%		1.4%		3,379.9	3,548.9
Hang Seng (HK)		19,450.6	-2.6%		-1.3%		-8.3%		19,000.7	22,044.7
ASX 200 (AU)		7,279.5	0.2%		1.1%		-3.0%		6,955.4	7,504.1
SET (TH)		1,514.9	-1.7%		-0.9%		-10.0%		1,514.9	1,684.0
SET50 (TH)		919.4	-1.8%		-0.4%		-8.0%		919.4	1,006.1
Straits Times (SG)		3,202.6	-0.4%		-1.8%		-5.5%		3,155.5	3,394.2
FTSE Malay (MY)		1,428.5	0.8%		0.2%		-4.2%		1,393.8	1,497.6
JSX Index (ID)		6,700.6	-0.1%		-2.4%		-2.9%		6,565.7	6,935.3
PSE Index (PH)		6,664.6	2.2%		0.9%		-4.6%		6,464.7	7,069.7
Vn Index (VN)		1,067.1	0.1%		1.7%		0.1%		1,021.3	1,108.1

Sources: ttb analytics, CEIC

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

Important Disclosures

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