

US consumer price increases slow; underlying inflation sticky

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U.S. consumer prices barely rose in May and the annual increase in inflation was the smallest in more than two years, though underlying price pressures remained strong, supporting the view that the Federal Reserve would keep interest rates unchanged on Wednesday while adopting a hawkish posture. The CPI increased 0.1% last month after gaining 0.4% in April. Gasoline prices dropped 5.6%, while electricity declined for a third straight month. Utility gas also cost less. But food prices rose 0.2% after being unchanged for two consecutive months as fruits and vegetables, nonalcoholic beverages and other food products became more expensive. Meat and fish, however, were cheaper, while egg prices fell 13.8%, the most since January 1951. It cost more to dine out. In the 12 months through May, the CPI climbed 4.0%. That was the smallest year-on-year increase since March 2021 and followed a 4.9% rise in April.

Australia business activity slows sharply in May, more risks ahead

Australia's business conditions eased sharply in May, dented by slower gains in sales and employment, suggesting demand growth is moderating in the wake of the central bank's most aggressive tightening campaign in its modern history. The survey from National Australia Bank (OTC:NABZY) Ltd (NAB) released on Tuesday showed its index of business conditions fell by a sizeable seven points to +8 in May, but they remained just above the long-run average. The volatile measure of confidence dipped back to negative territory, falling to -4 from April's 0, showing that the number of firms that are pessimistic outnumbered those that are optimistic. The survey's measure of sales declined 8 points to +14 in May, the employment index fell 7 points to +4, and forward orders, a leading indicator of demand, fell to -5 in May.

S.Korea's jobless rate falls to record low, factory sector still shaky

South Korea's jobless rate fell in May to a record low, official data showed on Wednesday, indicating a still robust labor market although conditions were softer in the manufacturing sector amid slowing economic growth. The employment report provides a brighter backdrop to the country as it navigates external challenges from tighter monetary policy and weak demand in key trading partner economies. The country's seasonally adjusted unemployment rate dropped to 2.5% in May from 2.6% in April, the lowest since the data series began in June 1999, according to Statistics Korea. The number of employed people rose by 351,000 from the same month a year earlier, compared with increases of 354,000 in the previous month and 1,135,000 in January 2022, the peak of the current employment growth streak that started in March 2021.

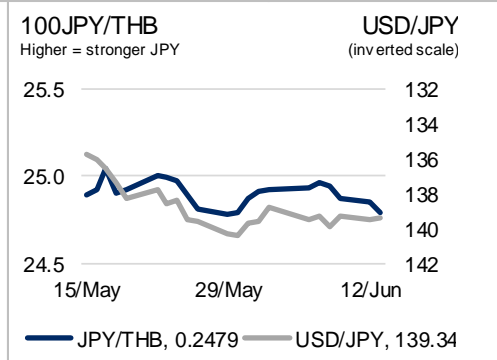
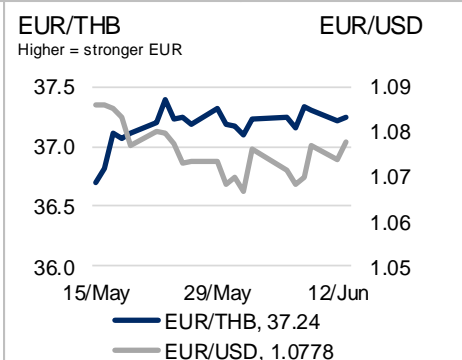
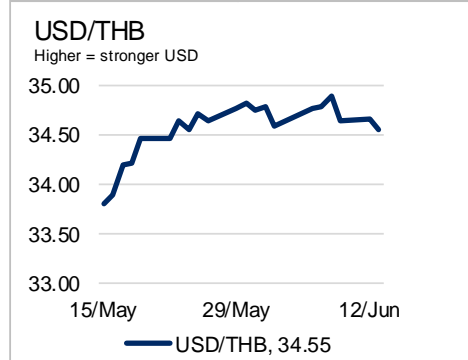
Dollar skids to three-week low as US inflation data reinforces Fed pause view

The 10-year government bond yield (interpolated) on the previous trading day was 2.57, -0.97 bps. The benchmark government bond yield (LB31DA) was 2.56, +1.00 bps. LB31DA could be between 2.30-2.80. Meantime, the latest closed US 10-year bond yields was 3.84, +11.00 bps. USDTHB on the previous trading day closed around 34.55 Moving in a range of 34.60-34.69 this morning. USDTHB could be closed between 34.50-35.00 today. The dollar dropped to a three-week low on Tuesday on news of the smallest annual increase in inflation last month in more than two years, cementing expectations that the Federal Reserve will pause interest rate hikes at its two-day meeting ending on Wednesday. The dollar index slid as low as 103.04 following the data and was last down 0.3% at 103.29. The euro rose 0.3% to \$1.0793 after climbing to \$1.0824, its highest since May 22. Against the yen, the dollar rose 0.4% to 140.17 yen. So-called core CPI gained 0.4% in May, the same percentage rise for the third straight month.

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

SET Index	1,562.4	S&P500	4,369.0	10Y UST	3.84%	Brent	74.2	Gold	1,964.0
13-Jun ▲	0.71%	13-Jun ▲	0.69%	13-Jun ▲	11.0 bps	13-Jun ▲	3.25%	13-Jun ▼	-0.01%

USD/THB 34.55	Daily ▼ -0.32%	EUR/THB 37.24	Daily ▲ 0.06%	JPY/THB 0.2479	Daily ▼ -0.25%
Weekly ▼ -0.66%	Weekly ▲ 0.24%	Weekly ▼ -0.70%	Monthly ▲ 1.46%	Monthly ▼ -0.39%	
Sideways Trend	Rising Trend	Falling Trend			



Sources: ttbank 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		103.67	0.2%	-0.3%	1.6%	101.40	104.44
EUR/USD		1.0737	-0.3%	0.2%	-1.6%	1.0668	1.0995
USD/JPY		139.44	0.2%	0.0%	3.6%	134.15	140.38
USD/CHF		0.9039	0.5%	-0.2%	1.2%	0.8894	0.9116
GBP/USD		1.2570	0.2%	1.0%	0.5%	1.2336	1.2624
USD/CAD		1.3354	-0.1%	-0.6%	-1.1%	1.3354	1.3643
AUD/USD		0.6740	0.5%	1.7%	0.8%	0.6495	0.6780
NZD/USD		0.6119	0.5%	0.7%	-2.4%	0.6000	0.6362
ASEAN Dollar		106.53	0.0%	-0.6%	2.5%	104.14	107.19
USD/THB		34.66	0.1%	-0.3%	2.2%	33.68	34.89
USD/SGD		1.3436	0.0%	-0.3%	0.9%	1.3241	1.3554
USD/MYR		4.6212	0.2%	0.6%	3.2%	4.4348	4.6247
USD/IDR		14,834	0.0%	0.1%	0.8%	14,704	14,984
USD/PHP		56.19	0.2%	-0.1%	0.4%	55.46	56.43
USD/CNY		7.1434	0.0%	0.5%	2.8%	6.9103	7.1434
USD/HKD		7.8399	0.1%	0.1%	0.0%	7.8152	7.8459

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.00	-0.40
3-month		0.85	-0.28
6-month		1.75	-0.38

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		221,102	724
Gold		15,291	11
SDR		5,446	1
IMF Reserves		1,276	0
Foreign Ccy		199,089	712
Net Fwd Position		28,205	315

Last update: 2/6/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
13/6/2023	592	205	797
12/6/2023	60	-1,581	-1,521
9/6/2023	-1,504	-282	-1,785
8/6/2023	1,823	-1,580	242
7/6/2023	1,611	2,813	4,424
Last 5 days	2,583	-425	2,158

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -1,793	↓ -3,958	↓ -5,751
QTD	Quarter	↓ -42,954	↓ -1,866	↓ -44,821
YTD	Year	↓ -99,830	↑ 20,926	↓ -78,905

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		2.00	1.50	2.00	ON		1.50	0.71	1.78	ON		0.08	0.07	0.08
1W		2.03	1.53	2.03	1W		1.46	0.65	1.73	1W		0.00	0.00	0.08
1M		2.05	1.56	2.05	1M		1.58	0.64	1.76	1M		0.23	0.09	0.23
2M		2.09	1.63	2.09	2M					2M		0.00	0.00	0.16
3M		2.14	1.71	2.14	3M		1.90	1.10	1.90	3M		0.51	0.15	0.52
6M		2.22	1.84	2.22	6M		2.11	1.27	2.11	6M		0.76	0.22	0.83
12M		2.35	2.00	2.35	12M		2.48	1.49	2.48	12M		1.18	0.35	1.34

Last Updated: 12/6/2023

Last Updated: 9/3/2022

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		3.6900	8.00	4.00	-26.00	3.38	4.08
Gilt 10y		4.0651	-12.32	28.78	47.57	3.24	4.30
Bund 10y		2.4800	3.00	17.00	19.00	2.14	2.76
JGB 10y		0.4300	-1.80	3.50	-9.80	0.33	0.53
TGB 1y		2.0294	0.84	1.67	10.53	1.92	2.03
TGB 2y		2.1121	1.59	2.76	15.46	1.94	2.12
TGB 5y		2.2905	1.40	9.11	13.95	2.15	2.29
TGB 7y		2.3860	0.20	5.98	5.91	2.32	2.44
TGB 10y		2.5681	-0.97	5.75	7.12	2.50	2.61
AAA Spread		72.65	-0.02	2.54	-1.25	67.91	74.72
AA Spread		78.88	-0.47	-1.04	-11.07	78.69	94.59
A Spread		123.62	0.02	-3.89	-0.25	123.54	128.26
BBB Spread		237.97	0.04	0.10	12.36	225.57	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		74.21	3.3%	-2.7%	0.1%	71.84	78.36
London Gold		1942.5	-0.8%	-1.7%	5.3%	1,824.1	2,029.6

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)		4,293.9	0.6%	1.7%	3.8%	4,109.9	4,293.9
STOXX (EU)		451.7	-0.7%	-1.6%	-2.1%	450.4	463.2
FTSE All-Share(UK)		4,153.0	0.3%	-0.3%	-1.5%	4,066.8	4,237.0
DAX (DE)		15,963.9	0.7%	-1.9%	3.7%	14,735.3	16,275.4
CAC All-Tradable(FR)		5,381.4	0.9%	-3.7%	-1.6%	5,164.9	5,630.3
TOPIX (JP)		2,219.8	3.3%	2.7%	11.0%	1,947.5	2,219.8
Shanghai (CH)		3,388.3	0.9%	-1.6%	-2.2%	3,359.2	3,548.9
Hang Seng (HK)		19,108.5	4.9%	-3.1%	-8.5%	18,216.9	21,283.5
ASX 200 (AU)		7,145.1	0.8%	-1.3%	-2.6%	6,968.6	7,490.3
SET (TH)		1,531.2	-0.2%	0.3%	-7.7%	1,526.7	1,682.1
SET50 (TH)		924.9	0.0%	-0.1%	-7.0%	922.7	998.6
Straits Times (SG)		3,189.0	0.7%	-0.4%	-2.3%	3,155.5	3,328.4
FTSE Malay (MY)		1,381.3	-0.4%	-3.3%	-6.3%	1,381.3	1,484.0
JSX Index (ID)		6,633.4	0.0%	-0.6%	-3.8%	6,633.4	6,915.7
PSE Index (PH)		6,512.0	0.5%	-1.8%	-4.5%	6,466.1	6,936.6
Vn Index (VN)		1,097.8	1.8%	2.9%	4.1%	1,023.1	1,097.8

Sources: ttb analytics, CEIC

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

Important Disclosures

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