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The European Central Bank raised borrowing costs to their highest level in 22 years on Thursday and left the door open to more hikes, extending its fight against inflation that remains stubbornly high even as the euro zone economy flags. The ECB increased its key interest rate - the one banks pay to park cash securely at the central bank - for the eighth consecutive time, by 25 basis points to 22 year-high of 3.5%. "The key ECB interest rates will be brought to levels sufficiently restrictive to achieve a timely return of inflation to the 2% medium-term target and will be kept at those levels for as long as necessary," ECB President Christine Lagarde said at a press conference following the decision.

**U.S. business inventories rebound in April**

U.S. business inventories rebounded in April, boosted by stocks at manufacturers, suggesting that inventories could contribute to economic growth in the second quarter. Business inventories increased 0.2% after dropping 0.2% in March, the Commerce Department said on Thursday. The rebound in inventories, a key component of gross domestic product, was in line with economists' expectations. Inventories increased 5.2% on a year-on-year basis in April. Private inventory investment rose at its slowest pace in 1-1/2 years in the first quarter, helping to restrict GDP growth to a 1.3% annualized pace in that three-month period. Growth estimates for the second quarter are around a 2.0% pace.

**China's economy slows in May, more stimulus expected**

China's economy stumbled in May with industrial output and retail sales growth missing forecasts, adding to expectations that Beijing will need to do more to shore up a shaky post-pandemic recovery. The economic rebound seen earlier this year has lost momentum in the second quarter, prompting China's central bank to cut some key interest rates this week for the first time in nearly a year, with expectations of more to come. Industrial output grew 3.5% in May from a year earlier, the National Bureau of Statistics (NBS) said on Thursday, slowing from the 5.6% expansion in April and slightly below a 3.6% increase expected by analysts in a Reuters poll, as manufacturers struggle with weak demand at home and abroad.

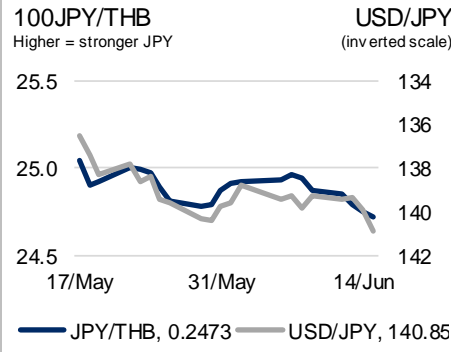
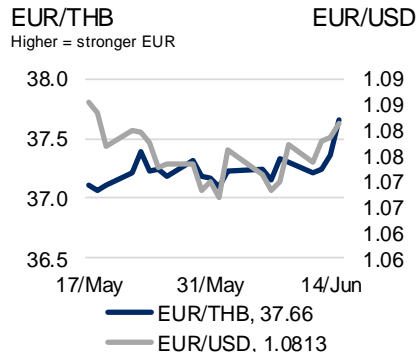
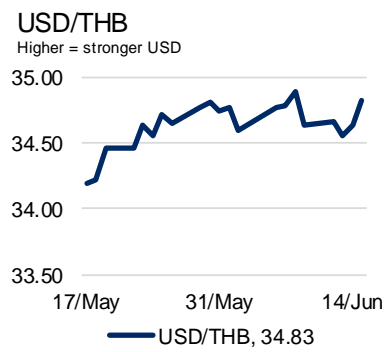
**Euro advances, surges to 15-year peak vs yen, after ECB lifts rates**

The 10-year government bond yield (interpolated) on the previous trading day was 2.62, +4.20 bps. The benchmark government bond yield (LB31DA) was 2.59, +4.00 bps. LB31DA could be between 2.30-2.80. Meantime, the latest closed US 10-year bond yields was 3.83, -1.00 bps. USDTHB on the previous trading day closed around 34.63 Moving in a range of 34.60-34.65 this morning. USDTHB could be closed between 34.50-35.00 today. The euro hit a 15-year peak against the yen and a five-week high against the dollar on Thursday after the European Central Bank raised interest rates for the eighth straight time and signaled further tightening to bring euro zone inflation to its medium-term target of 2%. The ECB lifted rates by 25 basis points (bps), as expected, to 3.5%, the highest in 22 years. Its staff have also increased their forecasts for inflation excluding energy and food, especially for this year and next, owing to past upward surprises. The inflation projection for this year was raised to 5.1% from 4.6%. In afternoon trading, the euro was last up 1.1% at \$1.0948 after earlier touching a five-week high of \$1.0952 against the dollar. Versus the yen, the euro rose 1.2% to 153.52, hitting 153.68 yen, the highest since September 2008, following the ECB decision.

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

<b>SET Index</b>	<b>1,557.7</b>	<b>S&amp;P500</b>	<b>4,425.8</b>	<b>10Y UST</b>	<b>3.72%</b>	<b>Brent</b>	<b>73.6</b>	<b>Gold</b>	<b>1,934.7</b>
15-Jun	▼ -0.22%	15-Jun	▲ 1.21%	15-Jun	▼ -11.0 bps	14-Jun	▼ -0.91%	15-Jun	▼ -0.89%

<b>USD/THB 34.83</b>	Daily ▲ 0.56%	<b>EUR/THB 37.66</b>	Daily ▲ 0.80%	<b>JPY/THB 0.2473</b>	Daily ▼ -0.11%
Weekly ▲ 0.56%	Weekly ▲ 0.95%	Weekly ▲ -0.59%	Monthly ▲ 1.47%	Monthly ▼ -1.30%	
Rising Trend	Rising Trend	Falling 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		103.35	-0.1%	-0.7%	0.8%	101.50	104.44
EUR/USD		1.0787	0.1%	0.8%	-0.7%	1.0668	1.0963
USD/JPY		139.92	0.4%	0.1%	2.9%	134.15	140.38
USD/CHF		0.9049	-0.2%	-0.5%	1.0%	0.8906	0.9116
GBP/USD		1.2612	0.6%	1.4%	0.8%	1.2336	1.2614
USD/CAD		1.3314	-0.4%	-0.4%	-1.3%	1.3314	1.3643
AUD/USD		0.6771	0.2%	1.7%	1.3%	0.6495	0.6771
NZD/USD		0.6157	0.5%	1.8%	-1.3%	0.6000	0.6362
ASEAN Dollar		107.60	0.0%	-0.2%	1.8%	105.15	108.33
USD/THB		34.63	0.2%	-0.7%	2.2%	33.69	34.89
USD/SGD		1.3417	0.0%	-0.5%	0.3%	1.3256	1.3554
USD/MYR		4.6186	0.0%	0.1%	2.6%	4.4547	4.6247
USD/IDR		14,857	0.2%	-0.1%	0.5%	14,704	14,984
USD/PHP		55.91	-0.3%	-0.5%	-0.6%	55.77	56.43
USD/CNY		7.1634	0.0%	0.3%	2.9%	6.9333	7.1634
USD/HKD		7.8297	0.0%	-0.1%	-0.2%	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: 02/06/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
15/06/2023	-1,613	-1,797	-3,410
14/06/2023	-758	3,022	2,263
13/06/2023	592	205	797
12/06/2023	60	-1,581	-1,521
09/06/2023	-1,504	-282	-1,785
Last 5 days	-3,222	-433	-3,655

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -4,164	↓ -2,734	↓ -6,898
QTD	Quarter	↓ -45,325	↓ -642	↓ -45,967
YTD	Year	↓ -102,201	↑ 22,150	↓ -80,051

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		1.54	0.78	1.82	ON		0.08	0.07	0.08
1W		2.03	1.53	2.03	1W		1.56	0.50	1.69	1W		0.00	0.00	0.08
1M		2.05	1.56	2.05	1M		1.67	0.69	1.80	1M		0.23	0.09	0.23
2M		2.10	1.65	2.10	2M					2M		0.00	0.00	0.16
3M		2.15	1.72	2.15	3M		1.86	1.07	1.90	3M		0.51	0.15	0.52
6M		2.24	1.85	2.24	6M		2.04	1.31	2.11	6M		0.76	0.22	0.83
12M		2.37	2.02	2.37	12M		2.41	1.59	2.48	12M		1.18	0.35	1.34

Last Updated: 14/06/2023

Last Updated: 09/03/2022

Note: D=d=day; M=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		3.7900	10.00	7.00	-13.00	3.30	3.98
Gilt 10y		4.1464	8.13	22.95	57.42	3.32	4.30
Bund 10y		2.4800	3.00	17.00	19.00	2.14	2.76
JGB 10y		0.4340	-1.60	2.40	-9.70	0.33	0.53
TGB 1y		2.0379	0.15	2.08	10.42	1.92	2.04
TGB 2y		2.1316	1.59	4.86	14.22	1.96	2.13
TGB 5y		2.3332	3.49	10.44	15.45	2.15	2.33
TGB 7y		2.4346	3.67	7.84	7.78	2.32	2.44
TGB 10y		2.6241	4.20	5.10	10.92	2.50	2.62
AAA Spread		72.61	-0.04	2.52	-1.29	67.91	73.90
AA Spread		78.65	-0.23	-1.26	-13.66	78.65	94.47
A Spread		123.58	-0.04	-3.37	-0.28	123.57	128.18
BBB Spread		237.96	-0.01	0.07	12.37	225.58	244.82

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		73.62	-0.9%	-4.3%	-2.1%	71.84	78.36
London Gold		1963.1	1.1%	-0.9%	7.1%	1,810.2	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)		4,338.9	0.9%	1.5%	5.2%	4,109.9	4,338.9
STOXX (EU)		449.3	0.9%	-0.3%	-1.5%	445.2	463.2
FTSE All-Share(UK)		4,161.9	0.2%	0.3%	-1.8%	4,066.8	4,237.0
DAX (DE)		15,960.6	0.0%	-1.2%	4.9%	14,768.2	16,152.9
CAC All-Tradable(FR)		5,385.6	0.1%	-2.2%	-0.2%	5,191.5	5,642.7
TOPIX (JP)		2,206.3	-0.6%	2.1%	11.7%	1,937.1	2,219.8
Shanghai (CH)		3,352.0	-1.1%	-1.5%	-2.7%	3,352.0	3,559.0
Hang Seng (HK)		19,252.0	0.8%	-2.2%	-5.7%	18,216.9	21,190.4
ASX 200 (AU)		7,129.6	-0.2%	-1.8%	-2.1%	6,955.4	7,417.8
SET (TH)		1,533.2	0.1%	0.3%	-7.5%	1,523.9	1,670.3
SET50 (TH)		927.0	0.2%	-0.3%	-6.5%	910.7	992.3
Straits Times (SG)		3,179.6	-0.3%	-1.2%	-2.6%	3,129.8	3,321.8
FTSE Malay (MY)		1,378.7	-0.2%	-2.8%	-5.8%	1,378.7	1,484.3
JSX Index (ID)		6,619.8	-0.2%	-1.2%	-4.1%	6,619.8	6,935.3
PSE Index (PH)		6,479.9	-0.5%	-2.1%	-3.9%	6,393.3	6,923.1
Vn Index (VN)		1,109.5	1.1%	4.1%	6.7%	1,034.9	1,109.5

Sources: ttb analytics, CEIC

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

Important Disclosures

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