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The U.S. trade deficit in goods narrowed in May as imports fell, but the improvement was probably insufficient to prevent trade from being a drag on economic growth in the second quarter. The hit from trade on gross domestic product was, however, likely to be offset by a rise in inventory investment, with the report from the Commerce Department on Wednesday also showing retail inventories increasing strongly last month. A raft of upbeat data this month, including nonfarm payrolls, retail sales, durable goods orders and housing starts, have suggested that the economy remained on a steady growth path in the second quarter, defying growing fears of a recession. The goods trade deficit decreased 6.1% to \$91.1 billion last month, leaving the bulk of April's surge intact.

**Australian retail sales beat expectations, hit 6-month high in May**

Australian retail sales grew more than expected in May from the prior month, hitting a six-month high as consumer spending showed some resilience despite rising interest rates and a high cost of living. Retail sales grew 0.7% in May from the prior month, data from the Australian Bureau of Statistics (ABS) showed. The reading was higher than expectations for growth of 0.1%, and a flat reading in April. Retail sales also grew to A\$35.52 billion (A\$1= \$0.6621)- their highest level since a record high hit in November 2022. The ABS attributed the rise in sales to a larger number of promotional activities and discounts through the month, which retailers took advantage of.

**China's industrial profits tumble, deepening economic gloom**

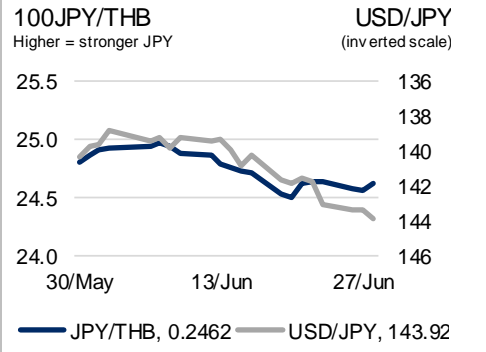
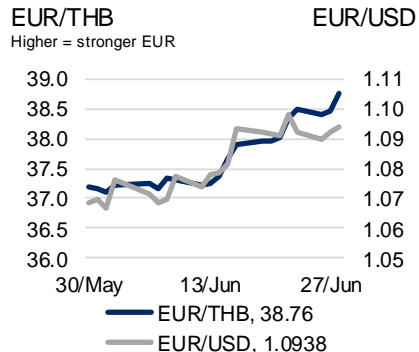
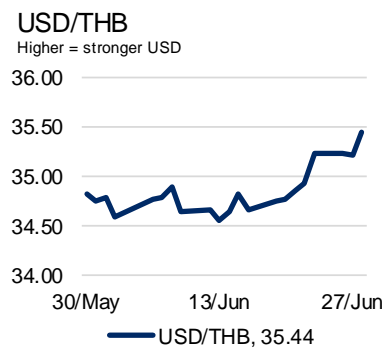
Annual profits at China's industrial firms extended a double-digit decline in the first five months as softening demand squeezed margins, reinforcing hopes of more policy support to bolster a stuttering post-COVID economic recovery. The 18.8% year-on-year slump in profits came on top of the 20.6% contraction in January-April, and added to evidence of an economy that was losing steam on many fronts in May including retail sales, exports and property investment as youth jobless rate scaled a fresh high of 20.8%. Last month alone, industrial earnings contracted by 12.6% from a year earlier, according to data from the National Bureau of Statistics (NBS) released on Wednesday. Profits were down 18.2% in April.

**Dollar strengthens after ECB conference, yen stays soft**

The 10-year government bond yield (interpolated) on the previous trading day was 2.58, +1.15 bps. The benchmark government bond yield (LB31DA) was 2.57, +1.00 bps. LB31DA could be between 2.30-2.80. Meantime, the latest closed US 10-year bond yields was 3.71, -6.00 bps. USDTHB on the previous trading day closed around 35.44 Moving in a range of 35.56-35.65 this morning. USDTHB could be closed between 35.20-35.70 today. The dollar index rose on Wednesday following comments from a host of global central bank leaders, including Federal Reserve Chair Jerome Powell, who did not rule out the possibility of another rate hike by the Fed at its next meeting in July. Powell, speaking at a European Central Bank (ECB) conference along with Bank of England Governor Andrew Bailey, ECB President Christine Lagarde and Bank of Japan Governor Kazuo Ueda, noted that two rate rises are likely this year, and did not rule out the possibility of a rate increase at its next policy meeting set for July 25-26. In addition, Powell also said he does not see inflation coming down to the Fed's 2% target until 2025. Expectations for a 25-basis point hike at the July meeting moved up to 81.8 from 76.9% a day earlier, according to CME's FedWatch Tool.

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

<b>SET Index</b>	<b>1,466.9</b>	<b>S&amp;P500</b>	<b>4,376.9</b>	<b>10Y UST</b>	<b>3.71%</b>	<b>Brent</b>	<b>72.8</b>	<b>Gold</b>	<b>1,909.9</b>
28-Jun	▼ -0.76%	28-Jun	▼ -0.04%	28-Jun	▼ -6.0 bps	27-Jun	▼ -1.84%	28-Jun	▼ -0.74%
<b>USD/THB</b>	<b>35.44</b>	<b>EUR/THB</b>	<b>38.76</b>	<b>JPY/THB</b>	<b>0.2462</b>				
Daily ▲	0.65%	Daily ▲	0.81%	Daily ▲	0.26%				
Weekly ▲	1.46%	Weekly ▲	1.10%	Weekly ▼	-0.03%				
Monthly ▲	1.79%	Monthly ▲	4.14%	Monthly ▼	-0.70%				
Rising Trend		Rising Trend		Sideways 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		102.65	-0.2%	0.1%	-1.4%	102.16	104.44
EUR/USD		1.0920	0.2%	0.1%	1.7%	1.0668	1.0978
USD/JPY		143.35	0.0%	1.3%	2.2%	138.37	143.37
USD/CHF		0.8949	-0.1%	-0.4%	-1.1%	0.8921	0.9116
GBP/USD		1.2725	0.0%	-0.3%	2.9%	1.2336	1.2812
USD/CAD		1.3131	-0.3%	-0.7%	-3.4%	1.3131	1.3643
AUD/USD		0.6703	0.4%	-1.2%	2.5%	0.6495	0.6875
NZD/USD		0.6178	0.3%	0.1%	1.9%	0.6000	0.6235
ASEAN Dollar		108.89	0.0%	0.9%	0.8%	107.26	108.89
USD/THB		35.21	-0.1%	1.0%	1.3%	34.55	35.44
USD/SGD		1.3504	-0.1%	0.5%	0.0%	1.3370	1.3554
USD/MYR		4.6644	-0.4%	0.4%	1.3%	4.5808	4.6830
USD/IDR		14,968	-0.1%	0.0%	0.2%	14,822	15,002
USD/PHP		55.66	-0.3%	-0.1%	-0.6%	55.66	56.43
USD/CNY		7.2151	0.0%	0.4%	2.2%	7.0567	7.2151
USD/HKD		7.8285	-0.1%	0.0%	0.1%	7.8179	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		220,699	374
Gold		15,369	-25
SDR		5,484	30
IMF Reserves		1,284	7
Foreign Ccy		198,562	361
Net Fwd Position		29,165	520

Last update: 16/06/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
28/06/2023	506	-1,220	-714
27/06/2023	-1,729	-3,434	-5,163
26/06/2023	-418	-2,443	-2,861
23/06/2023	-594	-7,811	-8,405
22/06/2023	-928	-1,580	-2,507
Last 5 days	-3,164	-16,487	-19,650

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -11,958	↓ -14,624	↓ -26,582
QTD	Quarter	↓ -53,119	↓ -12,532	↓ -65,651
YTD	Year	↓ -109,995	↑ 10,260	↓ -99,736

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		0.00	0.98	2.01	ON		0.08	0.07	0.08
1W		2.03	1.53	2.03	1W		1.47	0.65	1.73	1W		0.00	0.00	0.08
1M		2.05	1.57	2.05	1M		1.20	0.64	1.74	1M		0.23	0.09	0.23
2M		2.11	1.68	2.11	2M					2M		0.00	0.00	0.16
3M		2.17	1.75	2.17	3M		1.91	1.10	2.02	3M		0.51	0.15	0.52
6M		2.28	1.90	2.28	6M		2.27	1.27	2.27	6M		0.76	0.22	0.83
12M		2.41	2.06	2.41	12M		2.68	1.49	2.71	12M		1.18	0.35	1.34

Last Updated: 27/06/2023

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		<b>3.7400</b>	2.00	5.00	4.00	3.30	3.98
Gilt 10y		<b>4.3298</b>	0.08	26.47	50.53	3.24	4.33
Bund 10y		<b>2.4800</b>	3.00	17.00	19.00	2.14	2.76
JGB 10y		<b>0.4060</b>	-1.60	-4.40	-12.30	0.31	0.53
TGB 1y		<b>2.0397</b>	0.00	0.00	4.27	1.99	2.04
TGB 2y		<b>2.1377</b>	0.77	0.66	3.52	2.08	2.14
TGB 5y		<b>2.3229</b>	-0.19	-2.87	9.39	2.20	2.35
TGB 7y		<b>2.4227</b>	1.49	-1.46	0.81	2.32	2.44
TGB 10y		<b>2.5803</b>	1.15	-3.04	0.24	2.50	2.63
AAA Spread		<b>73.27</b>	0.12	0.63	0.30	67.91	73.86
AA Spread		<b>80.22</b>	0.08	1.33	-3.40	78.69	94.56
A Spread		<b>123.19</b>	-0.07	-0.43	-0.35	123.18	128.26
BBB Spread		<b>237.77</b>	0.06	-0.21	12.20	225.57	237.97

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>72.83</b>	-1.8%	-4.3%	-5.4%	71.84	78.36
London Gold		<b>1953.9</b>	-0.5%	0.6%	6.0%	1,827.0	2,035.7

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>4,348.3</b>	-0.4%	-1.4%	4.7%	4,115.2	4,425.8
STOXX (EU)		<b>461.8</b>	0.6%	1.7%	1.1%	445.2	463.2
FTSE All-Share(UK)		<b>4,046.8</b>	0.0%	-1.9%	-2.5%	4,046.8	4,170.0
DAX (DE)		<b>16,111.3</b>	-1.5%	0.9%	3.1%	14,735.3	16,357.6
CAC All-Tradable(FR)		<b>5,443.0</b>	-1.4%	1.1%	-0.9%	5,164.9	5,640.4
TOPIX (JP)		<b>2,283.9</b>	-0.7%	2.9%	11.3%	1,947.5	2,300.4
Shanghai (CH)		<b>3,431.5</b>	1.4%	2.2%	-1.5%	3,349.5	3,557.1
Hang Seng (HK)		<b>19,912.9</b>	0.4%	5.1%	-3.4%	18,551.1	20,603.2
ASX 200 (AU)		<b>7,357.8</b>	1.5%	3.0%	0.7%	6,968.6	7,381.5
SET (TH)		<b>1,537.6</b>	-1.4%	0.4%	-4.3%	1,526.7	1,668.6
SET50 (TH)		<b>934.6</b>	-1.5%	1.1%	-2.7%	924.9	997.8
Straits Times (SG)		<b>3,220.2</b>	-1.2%	1.0%	1.3%	3,155.5	3,324.6
FTSE Malay (MY)		<b>1,388.3</b>	0.0%	0.5%	-4.8%	1,374.6	1,458.7
JSX Index (ID)		<b>6,686.1</b>	-0.4%	0.8%	-2.2%	6,565.7	6,915.7
PSE Index (PH)		<b>6,450.3</b>	-0.2%	0.3%	-3.1%	6,393.3	6,744.1
Vn Index (VN)		<b>1,111.7</b>	-0.3%	1.3%	5.3%	1,021.3	1,117.4

Sources: ttb analytics, CEIC

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

### Important Disclosures

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