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US factory activity contracted for an eighth month in June, slipping to the weakest level in more than three years as production, employment and input prices retreated. The Institute for Supply Management's manufacturing gauge fell to 46, the weakest since May 2020, from 46.9 a month earlier, according to data released Monday. The current stretch of readings below 50, which indicates shrinking activity, is the longest since 2008-2009. The reading was also worse than all but one estimate in a Bloomberg survey of economists. The decline in the ISM production gauge, which also fell to the lowest level since May 2020, suggests demand for merchandise remains weak. The index of new orders contracted for a 10th straight month and order backlogs shrank, which may help explain a pullback in a measure of manufacturing employment.

UK year-ahead inflation expectations rise to 5%

The British public's expectations for inflation over the coming year rose in June but long-run expectations eased, according to a survey that will feed into the Bank of England's next debate about how high it needs to raise interest rates. Public expectations for inflation in 12 months' time increased to 5.0% in June from 4.7% in May, the monthly survey by U.S. bank Citi and polling firm YouGov showed. But expectations for inflation in five to 10 years' time fell to 3.3% from 3.5%, the fourth consecutive monthly fall and the joint-lowest since April 2021. The BoE is watching measures of inflation expectations as it worries about price growth pressures in the economy. It stepped up its attempts to bring down inflation to its 2% target - from 8.7% in May - with a bigger-than-expected half-a-percentage-point interest rate increase last month.

Improving Japan business mood signals steady economic recovery

Japanese business sentiment improved in the second quarter as raw material costs peaked and removal of pandemic curbs lifted consumption, a central bank survey showed, a sign the economy was on course for a steady recovery. Companies expect to increase capital expenditure and project inflation to stay above the Bank of Japan's 2% target five years ahead, the quarterly "tankan" showed on Monday, offering policymakers hope that conditions for phasing out their massive monetary stimulus may be gradually falling into place. The reading, which compared with a median market forecast for plus 3, was the highest since December 2022.

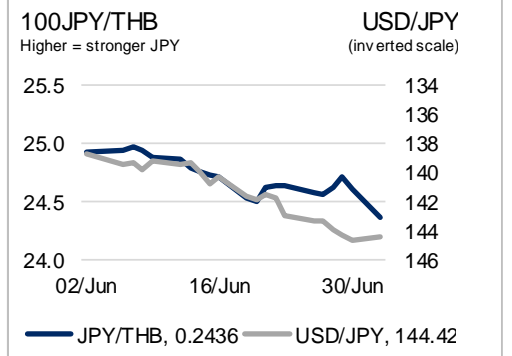
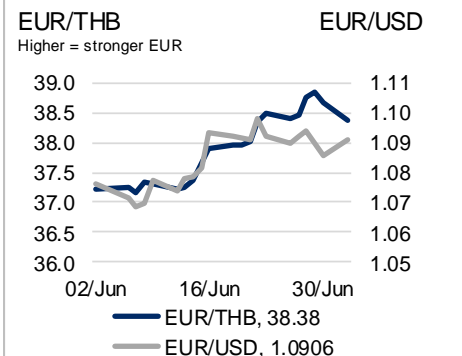
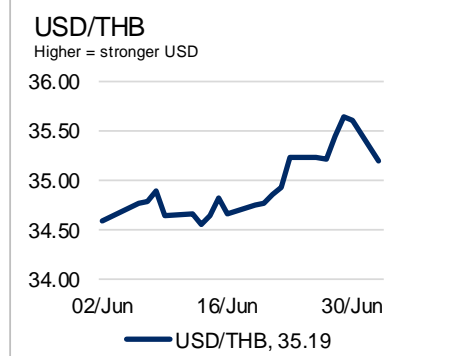
Dollar little changed after ISM data, yen below 145 threshold

The 10-year government bond yield (interpolated) on the previous trading day was 2.57, -1.53 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 3.86, +5.00 bps. USDTHB on the previous trading day closed around 35.19 Moving in a range of 35.698-35.98 this morning. USDTHB could be closed between 35.50-36.00 today. The dollar was little changed on Monday against a basket of major trading currencies and gained against a yen that's under intervention watch after the Japanese finance minister warned last week of excessive moves in the currency market. The dollar initially weakened on news of U.S. manufacturing slumping further in June to levels last seen when the economy was reeling from the initial wave of the COVID-19 pandemic. The Institute for Supply Management (ISM) said its manufacturing PMI dropped to 46.0 from 46.9 in May, the lowest reading since May 2020. It marked the eighth straight month that the PMI has been below the 50-threshold indicating contraction.

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

SET Index	1,506.8	S&P500	4,455.6	10Y UST	3.86%	Brent	74.9	Gold	1,913.8
3-Jul	▲ 0.25%	3-Jul	▲ 0.12%	3-Jul	▲ 5.0 bps	3-Jul	▲ 0.05%	3-Jul	▲ 0.53%

USD/THB 35.19	Daily ▼ -1.17%	EUR/THB 38.38	Daily ▼ -0.71%	JPY/THB 0.2436	Daily ▼ -0.99%
Weekly ▼ -0.06%	Weekly ▼ -0.18%	Weekly ▼ -0.80%	Monthly ▲ 1.70%	Monthly ▲ 3.02%	Monthly ▼ -2.28%
Sideways Trend	Sideways 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		103.38	0.3%	0.5%	-1.0%	102.16	104.44
EUR/USD		1.0856	-0.4%	-0.4%	1.8%	1.0668	1.0978
USD/JPY		144.69	0.3%	0.9%	3.6%	138.79	144.69
USD/CHF		0.8996	0.2%	0.4%	-1.3%	0.8921	0.9116
GBP/USD		1.2616	-0.1%	-0.9%	1.6%	1.2336	1.2812
USD/CAD		1.3266	0.0%	0.7%	-2.4%	1.3131	1.3637
AUD/USD		0.6618	0.2%	-0.9%	1.9%	0.6495	0.6875
NZD/USD		0.6080	0.0%	-1.3%	1.3%	0.6000	0.6235
ASEAN Dollar		106.54	0.0%	0.9%	0.0%	105.14	106.54
USD/THB		35.60	-0.1%	1.1%	2.4%	34.55	35.65
USD/SGD		1.3560	0.2%	0.3%	0.2%	1.3370	1.3560
USD/MYR		4.6762	0.1%	-0.1%	1.3%	4.5903	4.6830
USD/IDR		14,971	0.0%	-0.1%	-0.1%	14,822	15,002
USD/PHP		55.43	0.0%	-0.7%	-1.8%	55.31	56.43
USD/CNY		7.2593	0.0%	0.7%	2.0%	7.0618	7.2593
USD/HKD		7.8387	0.0%	0.1%	0.0%	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		218,370	-2329
Gold		15,084	-284
SDR		5,464	-20
IMF Reserves		1,280	-5
Foreign Ccy		196,542	-2020
Net Fwd Position		29,955	790

Last update: 23/06/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
03/07/2023	-1,949	9,101	7,152
30/06/2023	1,708	287	1,995
29/06/2023	1,148	4,882	6,030
28/06/2023	506	-1,220	-714
27/06/2023	-1,729	-3,434	-5,163
Last 5 days	-316	9,616	9,300

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -1,949	↑ 9,101	↑ 7,152
QTD	Quarter	↓ -1,949	↑ 9,101	↑ 7,152
YTD	Year	↓ -109,088	↑ 24,530	↓ -84,559

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		2.02	0.43	2.02	ON		0.08	0.07	0.08
1W		2.03	1.53	2.03	1W		1.59	0.89	1.65	1W		0.00	0.00	0.08
1M		2.05	1.57	2.05	1M		1.56	0.87	1.72	1M		0.23	0.09	0.23
2M		2.12	1.68	2.12	2M					2M		0.00	0.00	0.16
3M		2.18	1.75	2.18	3M		2.01	1.09	2.02	3M		0.51	0.15	0.52
6M		2.29	1.90	2.29	6M		2.28	1.31	2.28	6M		0.76	0.22	0.83
12M		2.43	2.06	2.43	12M		2.69	1.59	2.71	12M		1.18	0.35	1.34

Last Updated: 29/06/2023

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		3.7400	2.00	-5.00	23.00	3.30	3.97
Gilt 10y		4.3187	-8.66	17.50	62.84	3.23	4.41
Bund 10y		2.4800	3.00	17.00	19.00	2.14	2.76
JGB 10y		0.3900	-0.30	-6.50	4.80	0.32	0.53
TGB 1y		2.0397	0.00	0.00	2.98	2.00	2.04
TGB 2y		2.1469	-0.35	1.92	5.26	2.08	2.15
TGB 5y		2.3204	-0.45	-1.00	11.61	2.20	2.35
TGB 7y		2.4211	-1.16	0.70	9.25	2.32	2.44
TGB 10y		2.5655	-1.53	-0.47	6.41	2.50	2.63
AAA Spread		73.31	-0.02	0.73	0.23	69.35	73.33
AA Spread		80.27	0.02	1.32	-3.40	78.86	94.44
A Spread		122.81	-0.40	-0.59	-1.57	122.81	128.31
BBB Spread		237.78	0.12	-0.10	12.06	225.54	244.50

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		74.94	0.1%	1.5%	0.9%	71.84	77.12
London Gold		1919.4	-0.8%	-1.4%	4.6%	1,810.2	2,027.1

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)		4,376.9	1.1%	0.3%	4.1%	4,179.8	4,425.8
STOXX (EU)		458.8	-0.9%	0.6%	-0.9%	445.2	463.2
FTSE All-Share(UK)		4,097.7	0.0%	1.1%	0.2%	4,046.8	4,170.0
DAX (DE)		15,829.9	-1.2%	-1.0%	3.9%	14,933.4	16,290.1
CAC All-Tradable(FR)		5,343.9	-1.4%	-1.1%	-0.2%	5,252.8	5,642.7
TOPIX (JP)		2,264.7	-1.3%	3.3%	13.2%	1,957.3	2,295.0
Shanghai (CH)		3,352.4	-1.8%	0.1%	-2.4%	3,349.5	3,559.0
Hang Seng (HK)		18,890.0	-3.7%	-1.9%	-5.2%	18,216.9	20,567.5
ASX 200 (AU)		7,099.2	-2.9%	-0.3%	-0.1%	6,994.8	7,364.7
SET (TH)		1,505.5	-1.1%	-3.5%	-6.7%	1,505.5	1,634.0
SET50 (TH)		917.6	-0.9%	-3.0%	-4.7%	917.3	973.8
Straits Times (SG)		3,222.4	0.1%	1.3%	3.0%	3,129.8	3,313.4
FTSE Malay (MY)		1,394.7	0.5%	1.2%	-3.8%	1,378.7	1,455.5
JSX Index (ID)		6,626.1	-1.1%	-0.1%	-3.4%	6,626.1	6,941.9
PSE Index (PH)		6,404.9	-0.7%	-1.2%	-4.6%	6,393.3	6,711.5
Vn Index (VN)		1,129.4	1.0%	2.5%	8.6%	1,023.1	1,129.4

Sources: ttb analytics, CEIC

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

Important Disclosures

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