

US inflation outlook brightening; consumer sentiment near two-year high

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U.S. import prices fell for a second straight month in June as an increase in the cost of fuels was more than offset by declines elsewhere, the latest indication that inflationary pressures in the economy are abating. With the inflation environment improving considerably, Americans are growing more optimistic about the economic outlook. Consumer sentiment vaulted to the highest level in nearly two years in July. The disinflationary trend has raised cautious optimism that the economy could avoid a recession this year. Economists also believe an expected interest rate hike from the Federal Reserve later this month would be the last in the U.S. central bank's fastest monetary policy tightening cycle since the 1980s. The Fed, which has hiked its benchmark overnight interest rate by 500 basis points since March 2022, skipped a rate hike at its policy meeting last month.

China June new home prices flat in weakest showing this year

China's new home prices were unchanged in June, the weakest result this year, increasing pressure on policymakers for more stimulus as the country's economic recovery falters. The flat result from a month earlier, with rises slowing nationwide, was below May's 0.1% gain, according to Reuters calculations based on National Bureau of Statistics (NBS) data. Prices were also unchanged from a year earlier, retreating from a 0.1% increase in May. The property sector, accounting for one-fourth of activity in the world's second-biggest economy, slumped sharply last year as developers defaulted on debts and suspended construction of presold housing projects. The central and local governments and regulators have announced a slew of policies over the past year to prop up the sector.

Singapore dodges recession after slight growth in Q2

Singapore's economy narrowly escaped a recession in the second quarter as global demand weakened and China's slowdown dragged on trade flows, leading some economists to cut their growth forecasts for the year. The Southeast Asian economy grew a seasonally adjusted 0.3% quarter-on-quarter, following a 0.4% contraction in the first three months, preliminary government data showed on Friday. Four economists with quarterly estimates had forecast growth of 0.3% in a Reuters poll. China's reopening had fueled hopes for a sustained recovery in commerce and tourism for the region, especially Singapore's export-dependent economy, but demand has weakened in the wake of higher interest rates and strong inflationary pressures. On an annual basis, the economy expanded 0.7% in the second quarter, data from the Ministry of Trade and Industry showed.

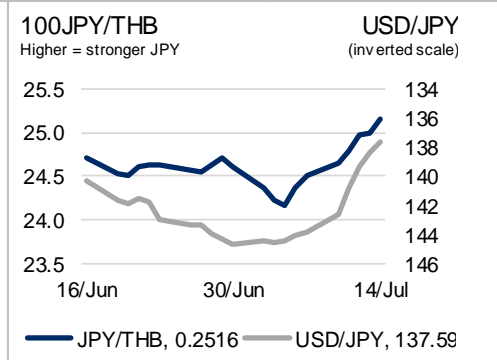
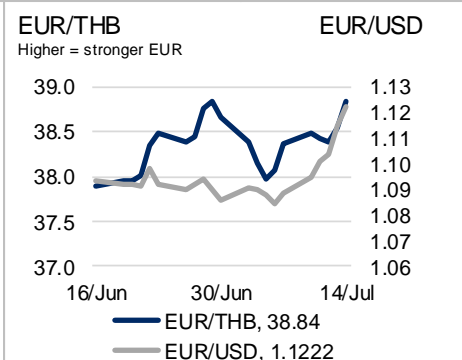
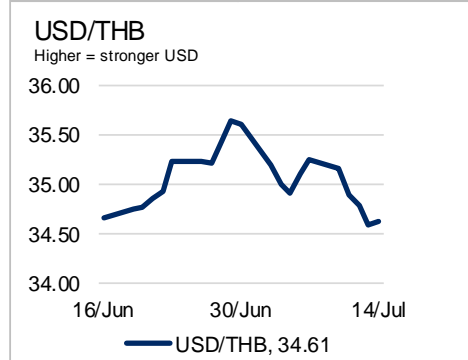
Dollar gains after steep losses, but downtrend stays intact

The 10-year government bond yield (interpolated) on the previous trading day was 2.57, -1.03 bps. The benchmark government bond yield (LB31DA) was 2.585, +1.50 bps. LB31DA could be between 2.30-2.80. Meantime, the latest closed US 10-year bond yields was 3.83, +7.00 bps. USDTHB on the previous trading day closed around 34.61 Moving in a range of 34.62-34.65 this morning. USDTHB could be closed between 34.30-34.80 today. The U.S. dollar bounced on Friday after falling sharply the last few days, as investors consolidated losses ahead of the weekend, but its trajectory remained tilted to the downside with the Federal Reserve thought near the end of its rate hike cycle amid softening inflation. It was still on track for its biggest weekly decline since November against a basket of six major currencies. The weekly decline was exacerbated by June U.S. producer and consumer inflation data that showed easing price pressures. U.S. producer prices barely rose last month, and the annual increase was the smallest in nearly three years, a day after a report indicated that consumer prices gained modestly last month.

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

SET Index	1,517.9	S&P500	4,505.4	10Y UST	3.83%	Brent	81.5	Gold	1,956.5
14-Jul	▲ 1.59%	14-Jul	▼ -0.10%	14-Jul	▲ 7.0 bps	13-Jul	▲ 1.76%	14-Jul	▼ -0.16%

USD/THB 34.61	Daily ▲ 0.09%	EUR/THB 38.84	Daily ▲ 0.77%	JPY/THB 0.2516	Daily ▲ 0.64%
Weekly ▼ -1.57%	Weekly ▲ 0.91%	Weekly ▲ 2.01%	Monthly ▼ -0.12%	Monthly ▲ 2.47%	Monthly ▲ 1.80%
Sideways Trend	Rising Trend	Rising Trend	Rising Trend	Rising Trend	Rising 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		100.57	0.0%	-2.5%	-2.7%	100.57	103.67
EUR/USD		1.1146	1.0%	2.4%	3.1%	1.0737	1.1146
USD/JPY		138.35	-0.7%	-3.8%	-1.8%	138.35	144.69
USD/CHF		0.8654	-1.3%	-3.4%	-4.2%	0.8654	0.9066
GBP/USD		1.3014	0.3%	2.2%	3.0%	1.2538	1.3014
USD/CAD		1.3177	-0.2%	-1.5%	-1.3%	1.3131	1.3371
AUD/USD		0.6808	1.3%	2.7%	0.3%	0.6607	0.6875
NZD/USD		0.6328	1.6%	2.6%	2.5%	0.6080	0.6328

ASEAN Dollar		113.21	0.0%	-0.3%	0.3%	112.93	114.41
USD/THB		34.58	-0.6%	-1.9%	-0.7%	34.55	35.65
USD/SGD		1.3280	-0.6%	-1.8%	-1.2%	1.3280	1.3560
USD/MYR		4.6090	-0.7%	-1.2%	-0.5%	4.6090	4.6830
USD/IDR		14,934	-0.7%	-0.8%	0.3%	14,832	15,136
USD/PHP		54.64	-0.7%	-1.8%	-2.6%	54.64	56.19
USD/CNY		7.1585	0.0%	-1.2%	-0.1%	7.1254	7.2593
USD/HKD		7.8140	-0.1%	-0.1%	-0.2%	7.8140	7.8399

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		217,881	-347
Gold		15,115	44
SDR		5,481	22
IMF Reserves		1,284	5
Foreign Ccy		196,002	-418
Net Fwd Position		30,780	330

Last update: 7/7/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
14/7/2023	1,651	669	2,320
13/7/2023	-12	1,473	1,461
12/7/2023	-1,517	1,244	-273
11/7/2023	-444	-3,542	-3,985
10/7/2023	-193	-3,416	-3,609
Last 5 days	-514	-3,572	-4,087

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -8,525	↑ 11,865	↑ 3,340
QTD	Quarter	↓ -8,525	↑ 11,865	↑ 3,340
YTD	Year	↓ -115,664	↑ 27,293	↓ -88,371

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		2.06	1.59	2.06	1M		1.56	0.87	1.72	1M		0.23	0.09	0.23
2M		2.15	1.70	2.15	2M					2M		0.00	0.00	0.16
3M		2.23	1.77	2.23	3M		2.01	1.09	2.02	3M		0.51	0.15	0.52
6M		2.35	1.94	2.35	6M		2.28	1.31	2.28	6M		0.76	0.22	0.83
12M		2.47	2.10	2.47	12M		2.69	1.59	2.71	12M		1.18	0.35	1.34

Last Updated: 29/6/2023

Last Updated: 9/3/2022

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		4.0500	19.00	31.00	52.00	3.30	4.05
Gilt 10y		4.3143	2.59	-9.10	97.66	3.30	4.41
Bund 10y		2.5200	6.00	11.00	34.00	2.18	2.52
JGB 10y		0.3840	-4.80	-2.20	6.30	0.32	0.49
TGB 1y		2.0399	-0.08	-0.34	0.20	2.03	2.04
TGB 2y		2.1517	0.03	1.35	2.00	2.11	2.15
TGB 5y		2.3344	-1.62	0.70	0.12	2.29	2.35
TGB 7y		2.4377	-0.76	0.44	0.31	2.39	2.45
TGB 10y		2.5742	-1.03	0.19	-4.99	2.54	2.63
AAA Spread		73.78	-0.15	0.46	0.67	68.09	73.93
AA Spread		81.77	0.16	1.51	-2.62	78.84	86.28
A Spread		124.60	-0.12	1.39	-3.61	122.81	128.21
BBB Spread		237.79	0.00	0.12	11.39	225.82	237.99

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		81.53	1.8%	6.5%	9.7%	71.84	81.53
London Gold		1919.2	-0.5%	-0.8%	-3.0%	1,882.1	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)		4,409.5	0.9%	-0.4%	2.3%	4,293.9	4,455.6
STOXX (EU)		461.4	1.0%	2.8%	2.7%	445.2	462.9
FTSE All-Share(UK)		4,056.5	-0.1%	2.5%	-2.3%	3,957.1	4,170.0
DAX (DE)		15,528.5	-3.2%	-3.1%	2.6%	14,735.3	16,290.1
CAC All-Tradable(FR)		5,287.7	-3.8%	-2.4%	-0.1%	5,164.9	5,640.4
TOPIX (JP)		2,277.1	-1.3%	-0.8%	16.1%	1,929.3	2,306.4
Shanghai (CH)		3,360.3	-1.2%	-1.5%	-1.8%	3,302.7	3,557.1
Hang Seng (HK)		18,533.1	-4.5%	-5.5%	-5.4%	18,216.9	20,782.5
ASX 200 (AU)		7,163.4	-1.6%	-2.1%	3.0%	6,898.5	7,360.2
SET (TH)		1,490.5	-1.6%	-2.1%	-6.0%	1,466.9	1,609.2
SET50 (TH)		914.5	-1.5%	-1.2%	-4.4%	896.4	974.3
Straits Times (SG)		3,150.4	-1.7%	-2.2%	-1.9%	3,129.8	3,319.3
FTSE Malay (MY)		1,386.0	-0.5%	-0.2%	-1.8%	1,376.7	1,434.9
JSX Index (ID)		6,757.3	1.1%	0.9%	-0.6%	6,612.5	6,910.1
PSE Index (PH)		6,474.3	-0.6%	0.4%	-0.9%	6,393.6	6,664.6
Vn Index (VN)		1,126.2	-0.5%	0.7%	7.0%	1,032.4	1,138.4

Sources: ttb analytics, CEIC

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

Important Disclosures

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