

**U.S. business activity growth slows as services soften**

**U.S. business activity growth slows as services soften**

U.S. business activity slowed to a five-month low in July, dragged down by decelerating service-sector growth, closely watched survey data on Monday showed, but falling input prices and slowed hiring indicate the Federal Reserve could be making progress on important fronts in its bid to reduce inflation. S&P Global said its flash U.S. Composite PMI index, which tracks manufacturing and service sectors, fell to a reading of 52 in July from 53.2 in June. July's reading showed the sixth straight month of growth but was restrained by softening conditions in the service sector. Readings above 50 indicate expansion. The slowdown may be viewed positively at the Fed, which is keen to see activity cool to lower inflation.

**Worsening euro zone business downturn reignites recession fears**

Euro zone business activity shrank much more than expected in July as demand in the bloc's dominant services industry declined while factory output fell at the fastest pace since COVID-19 first took hold. The decline was broad-based with the euro zone's two biggest economies - Germany and France - both in contractionary territory and will likely add to fears the bloc will slip back into recession. The survey also indicated the European Central Bank's sustained campaign of interest rate rises is starting to take its toll on consumers and denting the services sector. This will pose questions for the bank, which meets on Thursday, as it weighs its fight against record inflation against the economic damage it could cause.

**Thai industrial sentiment rises in June, but political uncertainty a concern**

Thailand's industrial sentiment rose for the first time in three months in June, bolstered by higher domestic demand, but sluggish exports and uncertainty over the formation of a new government remained a worry. The Federation of Thai Industries (FTI) said its industrial sentiment index rose to 94.1 in June from 92.5 in May. While domestic demand has been supported by a continued recovery in the vital tourism sector, soft global demand continues to crimp Thai exports, a key driver of Thailand's growth, the FTI said in a statement. The FTI expects 29 to 30 million foreign tourists this year, compared with nearly 40 million in pre-pandemic 2019. Political uncertainty persists after Thailand's May national election as a new government has yet to be formed.

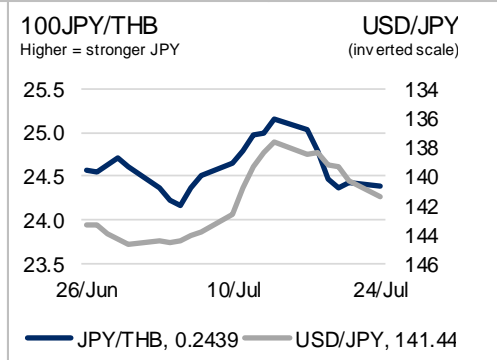
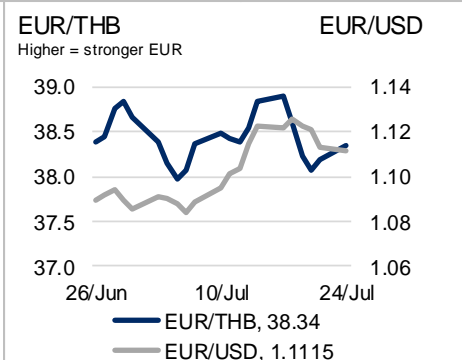
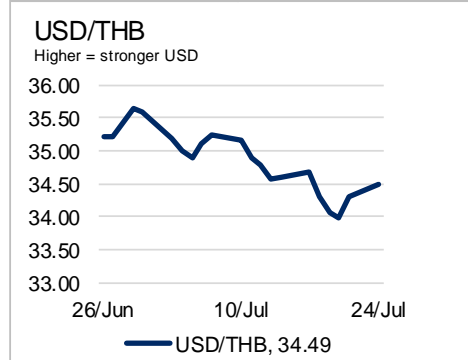
**Dollar clings to gains with central banks in focus**

The 10-year government bond yield (interpolated) on the previous trading day was 2.60, -0.62 bps. The benchmark government bond yield (LB31DA) was 2.60, +0.00 bps. LB31DA could be between 2.30-2.80. Meantime, the latest closed US 10-year bond yields was 3.86, +2.00 bps. USDTHB on the previous trading day closed around 34.49 Moving in a range of 34.43-34.60 this morning. USDTHB could be closed between 34.20-34.70 today. The dollar clung to gains against the euro on Monday after recent economic data showed a stronger U.S. economy and a slowing euro zone as traders look beyond a trio of central bank meetings this week for clues to the outlook for monetary policy. A closely-watched purchasing managers' survey showed that U.S. business activity slowed to a five-month low in July, dragged down by decelerating service sector growth, but the data was better than similar surveys out of Europe. Falling U.S. input prices and slower hiring indicated the Federal Reserve could be making progress on important fronts in its bid to reduce inflation. The euro was down 0.49% at \$1.1069 while sterling was last trading at \$1.2823, down 0.25% on the day, kicking off a busy week for central bank meetings with investors expecting rate hikes in Europe and the United States.

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

<b>SET Index</b>	<b>1,523.8</b>	<b>S&amp;P500</b>	<b>4,554.6</b>	<b>10Y UST</b>	<b>3.86%</b>	<b>Brent</b>	<b>82.5</b>	<b>Gold</b>	<b>1,964.8</b>
24-Jul	▼ -0.36%	24-Jul	▲ 0.40%	24-Jul	▲ 2.0 bps	24-Jul	▲ 1.77%	24-Jul	▲ 0.05%

<b>USD/THB 34.49</b>	Daily ▲ 0.56%	<b>EUR/THB 38.34</b>	Daily ▲ 0.39%	<b>JPY/THB 0.2439</b>	Daily ▼ -0.20%
Sideways Trend	Weekly ▲ 0.56%	Sideways Trend	Weekly ▼ -0.69%	Falling Trend	Weekly ▼ -1.64%
	Monthly ▼ -2.11%		Monthly ▼ -0.12%		Monthly ▼ -0.75%



Sources: ttb analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoI's daily closing rates

**Main Contributor**

Arisa Chantarabontha arisa.cha@ttbank.com  
 Pimchatr Ekkachan pimchatr.ekk@ttbank.com  
 Tarathip Tanganjanapas tarathip.tan@ttbank.com

**ttb analytics** ttbanalytics@ttbank.com  
 Naris Sathapholdeja naris.sat@ttbank.com  
 Kasem Hanchanpanich kasem.har@ttbank.com

Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		100.77	0.0%	0.6%	-1.9%	99.75	103.38
EUR/USD		1.1134	-0.6%	-0.7%	2.0%	1.0843	1.1254
USD/JPY		140.37	0.7%	1.3%	-1.9%	137.59	144.69
USD/CHF		0.8659	1.0%	0.5%	-3.5%	0.8575	0.8996
GBP/USD		1.2878	-0.4%	-1.6%	1.3%	1.2616	1.3121
USD/CAD		1.3171	0.1%	-0.5%	-0.1%	1.3114	1.3371
AUD/USD		0.6768	-0.7%	-0.7%	0.8%	0.6607	0.6879
NZD/USD		0.6219	-1.1%	-2.0%	1.1%	0.6080	0.6394

ASEAN Dollar		108.35	0.0%	-0.7%	-1.3%	108.32	111.00
USD/THB		34.30	1.0%	-1.1%	-2.6%	33.97	35.65
USD/SGD		1.3268	0.2%	0.3%	-1.6%	1.3198	1.3560
USD/MYR		4.5517	0.0%	0.1%	-2.6%	4.5284	4.6830
USD/IDR		14,974	0.1%	0.3%	0.1%	14,894	15,136
USD/PHP		54.70	0.2%	0.4%	-1.9%	54.33	55.82
USD/CNY		7.1673	0.0%	0.0%	-0.5%	7.1335	7.2593
USD/HKD		7.8116	0.0%	0.0%	-0.3%	7.8063	7.8387

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		221,946	4065
Gold		15,349	234
SDR		5,545	64
IMF Reserves		1,299	15
Foreign Ccy		199,753	3751
Net Fwd Position		30,840	60

Last update: 14/07/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
24/07/2023	-4,344	-3,137	-7,481
21/07/2023	-585	597	12
20/07/2023	-1,703	2,862	1,159
19/07/2023	3	15,392	15,395
18/07/2023	1,464	2,348	3,812
Last 5 days	-5,164	18,062	12,898

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -12,886	↑ 28,754	↑ 15,868
QTD	Quarter	↓ -12,886	↑ 28,754	↑ 15,868
YTD	Year	↓ -120,026	↑ 44,182	↓ -75,843

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		2.08	1.60	2.08	1M		1.56	0.87	1.72	1M		0.23	0.09	0.23
2M		2.18	1.70	2.18	2M					2M		0.00	0.00	0.16
3M		2.26	1.78	2.26	3M		2.01	1.09	2.02	3M		0.51	0.15	0.52
6M		2.38	1.94	2.38	6M		2.28	1.31	2.28	6M		0.76	0.22	0.83
12M		2.49	2.10	2.49	12M		2.69	1.59	2.71	12M		1.18	0.35	1.34

Last Updated: 29/06/2023

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		3.8300	-3.00	12.00	48.00	3.35	4.05
Gilt 10y		4.4337	-11.10	14.97	102.32	3.23	4.54
Bund 10y		2.4900	-15.00	13.00	19.00	2.24	2.66
JGB 10y		0.4800	1.20	8.20	9.10	0.28	0.49
TGB 1y		2.0424	0.01	0.07	0.27	2.04	2.04
TGB 2y		2.2007	0.93	4.65	7.20	2.13	2.20
TGB 5y		2.3798	0.64	3.62	3.65	2.31	2.38
TGB 7y		2.4948	2.33	5.47	6.23	2.40	2.49
TGB 10y		2.5979	-0.62	2.68	-0.31	2.54	2.61
AAA Spread		71.82	0.19	-2.09	-0.34	69.60	73.93
AA Spread		82.90	0.39	2.19	-3.10	78.84	86.00
A Spread		124.45	0.16	1.33	-3.11	122.81	128.31
BBB Spread		237.74	0.10	-0.02	11.43	225.88	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		82.52	1.8%	5.1%	11.3%	72.26	82.52
London Gold		1956.5	1.1%	2.8%	-1.1%	1,904.1	2,038.9

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)		4,555.0	0.2%	2.1%	4.0%	4,328.8	4,565.7
STOXX (EU)		448.2	0.4%	-2.9%	-1.2%	445.0	462.9
FTSE All-Share(UK)		4,187.6	0.1%	3.7%	2.6%	3,957.1	4,187.6
DAX (DE)		16,105.1	0.5%	1.0%	3.2%	15,210.4	16,310.8
CAC All-Tradable(FR)		5,504.0	0.5%	0.9%	0.4%	5,287.7	5,642.7
TOPIX (JP)		2,243.0	0.3%	-2.4%	11.2%	1,962.9	2,320.8
Shanghai (CH)		3,394.2	1.3%	1.7%	-0.7%	3,335.9	3,548.9
Hang Seng (HK)		19,350.6	3.7%	0.9%	-4.2%	18,365.7	20,650.5
ASX 200 (AU)		7,303.1	2.3%	1.5%	1.1%	7,004.0	7,362.2
SET (TH)		1,517.9	1.8%	2.6%	-5.5%	1,479.6	1,605.4
SET50 (TH)		937.8	1.9%	3.9%	-3.3%	902.7	969.6
Straits Times (SG)		3,248.6	2.3%	1.3%	-1.0%	3,149.3	3,324.1
FTSE Malay (MY)		1,396.2	0.3%	0.7%	-1.7%	1,374.6	1,434.2
JSX Index (ID)		6,810.2	0.2%	2.6%	3.7%	6,565.7	6,945.5
PSE Index (PH)		6,624.8	2.4%	1.7%	-0.1%	6,379.7	6,685.7
Vn Index (VN)		1,168.4	1.2%	3.8%	8.3%	1,034.9	1,168.4

Sources: ttb analytics, CEIC

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

### Important Disclosures

This document is issued by ttb analytics, a division of ttb Bank PCL. All analyses are based on information available to the public. Although the information contained herein is believed to be gathered from reliable sources, ttb makes no guarantee to its accuracy and completeness. ttb may have issued, and may in the future issue, other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. Opinions or predictions expressed herein reflect the authors' views, not that of ttb, as of date of the analysis and are subject to change without notice. ttb shall not be responsible for the use of contents and its implication.