

U.S. GDP accelerates to 2.4% in the second quarter; jobless claims decline

U.S. GDP accelerates to 2.4% in the second quarter; jobless claims decline

Economic growth in the U.S. accelerated in the second quarter as activity remained largely resilient in the face of an aggressive bout of Federal Reserve policy tightening. The world's biggest economy expanded by 2.4% on an annual basis in the April to June period, according to preliminary data from the Commerce Department on Thursday. Economists had called for growth of 1.8%. The reading picked up the pace from 2.0% in the first three months of the year, which was down from 2.6% in the fourth quarter of 2022. The labor market has also stayed robust, with separate data on Thursday showing that the number of Americans filing new claims for unemployment benefits unexpectedly fell last week to 221,000.

US annual inflation posts smallest rise in more than two years

Annual U.S. inflation rose at its slowest pace in more than two years in June, with underlying price pressures receding, a trend that, if sustained, could push the Federal Reserve closer to ending its fastest interest rate hiking cycle since the 1980s. The personal consumption expenditures (PCE) price index increased 0.2% last month after edging up 0.1% in May, the Commerce Department said. Food prices dipped 0.1% while the cost of energy products increased 0.6%. In the 12 months through June, the PCE price index advanced 3.0%. That was the smallest annual gain since March 2021 and followed a 3.8% rise in May. Economists polled by Reuters had forecast the core PCE price index would gain 0.2% and rise 4.2% on a year-on-year basis.

Tokyo CPI inflation grows sticky in July as BOJ meeting approaches

Consumer inflation in Japan's capital grew more than expected in July, likely heralding a similar trend from nationwide inflation and putting more pressure on the Bank of Japan to eventually begin tightening policy. Tokyo core consumer price index (CPI) inflation, which ignores volatile fresh food prices, rose 3% in July, slightly ahead of forecasts of 2.9%, data from the Statistics Bureau showed on Friday. The reading was lower than the prior month's figure of 3.2% but remained well above the BOJ's 2% target range. Overall Tokyo CPI grew 3.2%, well above expectations of 2.8% and accelerating from the 3.1% seen in June. Inflation also grew 0.4% in July from the prior month.

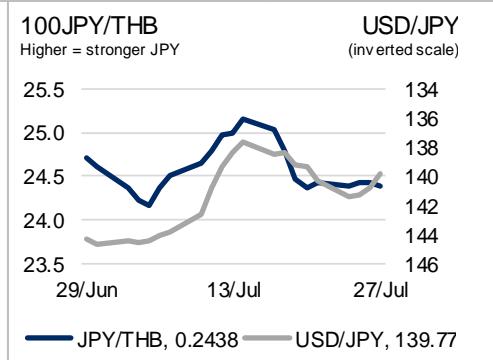
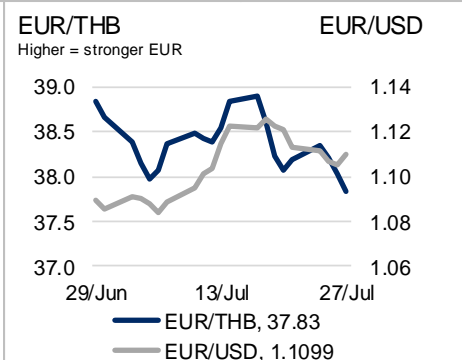
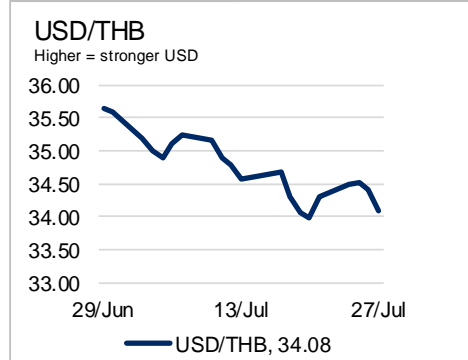
BOJ tweak stirs yen volatility; dollar stays down after US data

The 10-year government bond yield (interpolated) on the previous trading day was 2.58, -1.12 bps. The benchmark government bond yield (LB31DA) was 2.59, -1.00 bps. LB31DA could be between 2.30-2.80. Meantime, the latest closed US 10-year bond yields was 3.96, -5.00 bps. USDTHB on the previous trading day closed around 34.08 Moving in a range of 34.18-34.28 this morning. USDTHB could be closed between 34.00-34.50 today. The yen had its most volatile trading session in months on Friday after the Bank of Japan tweaked its yield curve control policy, leaving investors wondering if an eventual shift in its massive stimulus program is approaching. Whipsawing as traders digested the decision, the Japanese yen weakened 1.13% versus the greenback and was last at 141.05 per dollar in the New York afternoon session. The BOJ is offering to buy 10-year Japanese government bonds (JGB) at 1.0% and is keeping its short-term interest rate at minus 0.1% and the 10-year government bond yield around 0%. Meanwhile, the dollar fell against a basket of its major peers as investors largely shrugged off new data showing inflation slowing as they continue to sort through multiple central bank decisions this week to understand the outlook for monetary policy.

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

SET Index	1,543.3	S&P500	4,582.2	10Y UST	3.96%	Brent	83.4	Gold	1,950.2
27-Jul	▲ 1.22%	28-Jul	▲ 0.98%	28-Jul	▼ -5.0 bps	27-Jul	▲ 0.60%	28-Jul	▼ -1.28%

USD/THB 34.08	Daily ▼ -0.94%	EUR/THB 37.83	Daily ▼ -0.51%	JPY/THB 0.2438	Daily ▼ -0.22%
Weekly ▼ -0.64%	Weekly ▼ -0.96%	Weekly ▼ -0.21%	Weekly ▼ -0.21%	Weekly ▼ -0.21%	Weekly ▼ -0.21%
Monthly ▼ -4.49%	Monthly ▼ -2.65%	Monthly ▼ -1.32%	Monthly ▼ -1.32%	Monthly ▼ -1.32%	Monthly ▼ -1.32%



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		101.30	0.0%	1.2%	-1.4%	99.75	103.38
EUR/USD		1.1051	-0.1%	-1.4%	1.0%	1.0843	1.1254
USD/JPY		140.79	-0.4%	1.0%	-2.2%	137.59	144.69
USD/CHF		0.8640	-0.6%	0.8%	-3.4%	0.8575	0.8996
GBP/USD		1.2894	0.5%	-0.3%	1.3%	1.2616	1.3121
USD/CAD		1.3185	0.1%	0.2%	-0.3%	1.3114	1.3371
AUD/USD		0.6761	0.2%	-0.8%	1.8%	0.6607	0.6879
NZD/USD		0.6216	0.1%	-1.1%	1.6%	0.6080	0.6394
ASEAN Dollar		107.31	0.0%	0.6%	-1.2%	106.71	109.35
USD/THB		34.40	-0.3%	1.3%	-2.9%	33.97	35.65
USD/SGD		1.3272	-0.2%	0.3%	-1.7%	1.3198	1.3560
USD/MYR		4.5583	-0.2%	0.1%	-2.3%	4.5284	4.6830
USD/IDR		14,965	0.1%	0.1%	-0.1%	14,902	15,136
USD/PHP		54.65	0.1%	0.1%	-1.2%	54.33	55.82
USD/CNY		7.1435	0.0%	-0.6%	-1.2%	7.1335	7.2593
USD/HKD		7.8037	-0.1%	-0.2%	-0.4%	7.8037	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		221,374	-572
Gold		15,397	48
SDR		5,509	-36
IMF Reserves		1,259	-39
Foreign Ccy		199,208	-545
Net Fwd Position		30,665	-175

Last update: 21/7/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
27/7/2023	1,363	3,878	5,241
26/7/2023	-927	427	-500
25/7/2023	-377	-825	-1,203
24/7/2023	-4,344	-3,137	-7,481
21/7/2023	-585	597	12
Last 5 days	-4,870	939	-3,931

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -12,827	↑ 32,233	↑ 19,406
QTD	Quarter	↓ -12,827	↑ 32,233	↑ 19,406
YTD	Year	↓ -119,966	↑ 47,661	↓ -72,305

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		2.04	1.54	2.04	1W		1.59	0.89	1.65	1W		0.00	0.00	0.08
1M		2.10	1.62	2.10	1M		1.56	0.87	1.72	1M		0.23	0.09	0.23
2M		2.19	1.71	2.19	2M					2M		0.00	0.00	0.16
3M		2.27	1.79	2.27	3M		2.01	1.09	2.02	3M		0.51	0.15	0.52
6M		2.39	1.95	2.39	6M		2.28	1.31	2.28	6M		0.76	0.22	0.83
12M		2.50	2.10	2.50	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=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		3.8500	5.00	-10.00	44.00	3.35	4.01
Gilt 10y		4.2532	-8.39	-7.91	85.69	3.32	4.54
Bund 10y		2.4300	2.00	2.00	11.00	2.25	2.66
JGB 10y		0.4650	-2.00	6.50	0.30	0.34	0.49
TGB 1y		2.0412	-0.06	-0.13	0.16	2.04	2.04
TGB 2y		2.2130	0.06	4.55	7.53	2.13	2.21
TGB 5y		2.3860	-0.55	3.36	6.31	2.31	2.39
TGB 7y		2.4932	-0.61	4.31	7.05	2.40	2.50
TGB 10y		2.5832	-1.12	-0.22	0.29	2.54	2.60
AAA Spread		70.62	-1.20	-3.31	-0.57	67.91	73.93
AA Spread		85.27	2.90	3.67	1.15	78.69	86.26
A Spread		123.33	-0.86	-1.39	-3.29	122.81	128.18
BBB Spread		237.69	-0.03	-0.09	11.64	225.85	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		83.42	0.6%	4.7%	15.4%	72.26	83.64
London Gold		1981.5	1.0%	2.8%	-1.8%	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)		4,554.6	0.3%	0.3%	5.5%	4,328.8	4,567.5
STOXX (EU)		462.2	0.0%	3.5%	0.4%	445.0	462.9
FTSE All-Share(UK)		4,195.2	-0.1%	0.3%	2.8%	3,957.1	4,198.7
DAX (DE)		16,204.2	0.5%	1.7%	3.2%	15,328.8	16,357.6
CAC All-Tradable(FR)		5,514.0	0.9%	1.1%	-0.1%	5,300.8	5,642.7
TOPIX (JP)		2,260.9	0.4%	-2.0%	15.0%	1,965.4	2,306.4
Shanghai (CH)		3,322.6	-0.9%	-1.7%	-4.3%	3,322.6	3,548.9
Hang Seng (HK)		18,928.0	-0.5%	-2.5%	-6.6%	18,365.7	20,650.5
ASX 200 (AU)		7,325.0	0.6%	1.0%	0.2%	7,004.0	7,381.5
SET (TH)		1,535.3	1.1%	1.9%	-4.1%	1,478.1	1,606.9
SET50 (TH)		948.8	1.2%	2.9%	-1.7%	902.7	967.8
Straits Times (SG)		3,274.4	0.6%	2.8%	-0.6%	3,149.3	3,324.1
FTSE Malay (MY)		1,406.7	0.0%	1.0%	-1.6%	1,374.6	1,434.2
JSX Index (ID)		6,864.2	0.0%	2.7%	1.5%	6,565.7	6,945.5
PSE Index (PH)		6,613.5	1.3%	1.6%	2.2%	6,379.7	6,685.7
Vn Index (VN)		1,172.8	-0.1%	3.4%	10.1%	1,034.9	1,174.1

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.