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The U.S. trade deficit narrowed sharply in June as businesses cut back on purchases of foreign-made capital goods, resulting in imports falling to the lowest level in more than 1-1/2 years. The trade deficit contracted 4.1% to \$65.5 billion. Data for May was revised to show the trade gap narrowing to \$68.3 billion instead of \$69.0 billion as previously reported. Economists polled by Reuters had forecast the trade deficit shrinking to \$65 billion. The nation's goods trade deficit with China fell \$2.1 billion to \$22.8 billion, with imports tumbling \$2.3 billion. That trend could continue as China reported on Tuesday a 14.5% plunge in exports on a year-on-year basis. Despite the narrowing in June, the U.S. trade deficit average in the second quarter was higher than in the first three months of the year. The government estimated that trade was a small drag GDP last quarter after contributing to growth for four straight quarters.

Japan's real wages down for 15th month in test for BOJ policy, economy

Japanese real wages fell for a 15th straight month in June, while nominal pay growth also slowed, suggesting companies will need to do more on salary hikes to drive a virtuous growth cycle and allow the central bank to consider exiting easy policies. Separate data showed Japan's consumer spending shrank for the fourth month in June, underlining the challenge facing policymakers as the economy remains underpowered despite the end of COVID curbs months ago. Japan's wage trends are closely watched by global financial markets as the Bank of Japan has emphasized that sustainable pay hikes amid four-decade-high inflation is a prerequisite for dismantling its massive monetary stimulus. Inflation-adjusted real wages, a barometer of consumers' purchasing power, fell 1.6% from a year earlier, a faster decrease than May's 0.9% drop, extending a streak of contractions since April 2022.

Chinese exports, imports shrink more than expected in July

China's key imports and exports shrank more than expected in July amid worsening global and domestic demand, although the country's trade balance still grew past expectations for the month. The country's trade balance rose to \$80.60 billion in July from \$70.62 billion in the prior month, data from the customs administration showed on Tuesday. The reading was higher than expectations of \$70.60 billion. But the reading was likely driven by a bigger-than-expected drop in imports, which shrank 12.4% - much higher than expectations for a drop of 5.0%, and last month's decline of 6.8%. Weak demand within the country - particularly in the private sector - kept imports largely depressed this year, as a post-COVID economic recovery ran out of steam through the second quarter.

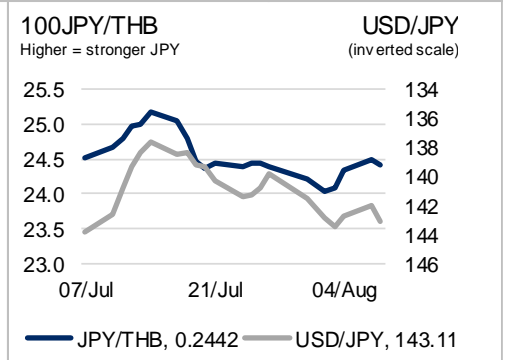
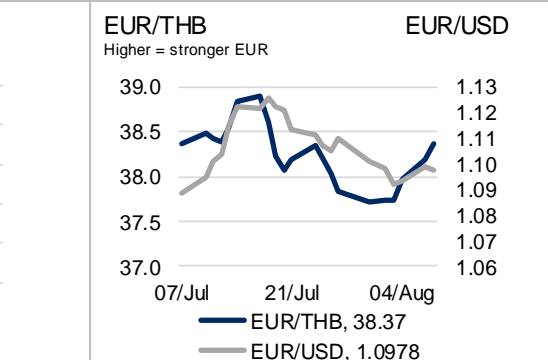
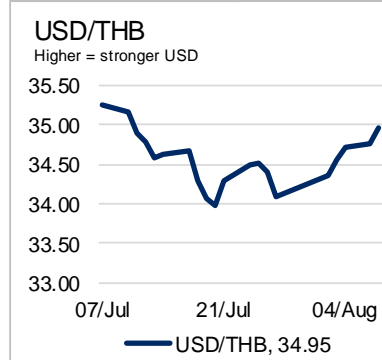
US dollar rises broadly as risk tolerance drops after Moody's downgrade, Chinese data

The 10-year government bond yield (interpolated) on the previous trading day was 2.61, -0.75 bps. The benchmark government bond yield (LB31DA) was 2.61, -0.50 bps. LB31DA could be between 2.30-2.80. Meantime, the latest closed US 10-year bond yields was 4.02, -7.00 bps. USDTHB on the previous trading day closed around 34.95. Moving in a range of 35.01-35.08 this morning. USDTHB could be closed between 34.80-35.30 today. The U.S. dollar firmed across the board on Tuesday, garnering safe-haven bids, after a disappointing set of Chinese trade figures hurt the yuan and the Australian and New Zealand currencies, with European risk-sensitive currencies also sliding on the worsening global outlook. The dollar index rose 0.4% to 102.52, moving further away from Friday's one-week low in the wake of a mixed U.S. jobs report, which pointed to a cooling but still resilient labor market. China's imports and exports fell much faster than expected in July, data on Tuesday showed, with imports down 12.4% from a year earlier while exports contracted by 14.5%, in another sign of the country's faltering economic recovery and subdued global demand.

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

SET Index	1,518.4	S&P500	4,499.4	10Y UST	4.02%	Brent	85.9	Gold	1,934.8
8-Aug	▼ -0.92%	8-Aug	▼ -0.42%	8-Aug	▼ -7.0 bps	7-Aug	▼ -0.42%	8-Aug	▼ -0.11%

USD/THB 34.95	Daily ▲ 0.55%	EUR/THB 38.37	Daily ▲ 0.46%	JPY/THB 0.2442	Daily ▼ -0.24%
Weekly ▲ 1.75%	EUR/THB 38.37	Weekly ▲ 1.69%	JPY/THB 0.2442	Weekly ▲ 1.58%	
Monthly ▼ -0.84%	Rising Trend	Monthly ▲ 0.03%	Sideways Trend	Monthly ▼ -0.38%	



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

Main Contributor

Arisa Chantarabontha
arisa.cha@ttbank.com

Pimchatr Ekkachan
pimchatr.ekk@ttbank.com

Tarathip Tanganjanapas
tarathip.tan@ttbank.com

ttbank analytics | ttbankanalytics@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		102.23	0.0%	0.5%	-1.0%	99.75	103.30
EUR/USD		1.0988	0.5%	-0.2%	1.3%	1.0843	1.1254
USD/JPY		141.98	-0.5%	0.4%	-1.4%	137.59	144.52
USD/CHF		0.8750	0.0%	0.5%	-2.6%	0.8575	0.8983
GBP/USD		1.2735	0.2%	-0.9%	0.3%	1.2693	1.3121
USD/CAD		1.3386	0.1%	1.0%	0.7%	1.3114	1.3386
AUD/USD		0.6574	0.2%	-1.4%	-1.2%	0.6525	0.6879
NZD/USD		0.6102	0.3%	-1.3%	-1.4%	0.6068	0.6394
ASEAN Dollar		106.98	0.0%	0.9%	-0.2%	105.51	107.98
USD/THB		34.76	0.1%	1.5%	-1.0%	33.97	35.25
USD/SGD		1.3401	-0.1%	0.7%	-0.9%	1.3198	1.3527
USD/MYR		4.5548	0.1%	0.4%	-2.2%	4.5237	4.6670
USD/IDR		15,125	-0.1%	0.5%	1.0%	14,902	15,164
USD/PHP		55.84	0.1%	1.6%	0.3%	54.33	55.84
USD/CNY		7.1929	0.0%	0.7%	-0.8%	7.1275	7.2479
USD/HKD		7.8083	-0.1%	0.1%	-0.1%	7.7926	7.8318

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		220,789	-584
Gold		15,381	-16
SDR		5,497	-12
IMF Reserves		1,257	-3
Foreign Ccy		198,654	-554
Net Fwd Position		31,090	425

Last update: 28/07/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
08/08/2023	-3,348	-2,344	-5,692
07/08/2023	-394	-1,800	-2,194
04/08/2023	-2,576	-7,016	-9,592
03/08/2023	-2,931	-8,031	-10,962
02/08/2023	-2,500	-2,215	-4,716
Last 5 days	-11,750	-21,407	-33,157

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -11,750	↓ -21,407	↓ -33,157
QTD	Quarter	↓ -24,359	↑ 11,538	↓ -12,821
YTD	Year	↓ -131,498	↑ 26,966	↓ -104,532

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	1.75	2.00	ON		2.02	0.43	2.02	ON		0.08	0.07	0.08
1W		2.06	1.77	2.06	1W		1.59	0.89	1.65	1W		0.00	0.00	0.08
1M		2.18	1.80	2.18	1M		1.56	0.87	1.72	1M		0.23	0.09	0.23
2M		2.24	1.84	2.24	2M					2M		0.00	0.00	0.16
3M		2.31	1.89	2.31	3M		2.01	1.09	2.02	3M		0.51	0.15	0.52
6M		2.42	2.00	2.42	6M		2.28	1.31	2.28	6M		0.76	0.22	0.83
12M		2.52	2.14	2.52	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		3.9700	-4.00	14.00	37.00	3.37	4.05
Gilt 10y		4.2295	3.99	-20.42	57.25	3.36	4.54
Bund 10y		2.5200	3.00	3.00	8.00	2.24	2.66
JGB 10y		0.5510	10.00	7.10	6.20	0.39	0.55
TGB 1y		2.1881	0.00	6.43	14.54	2.04	2.19
TGB 2y		2.2585	-0.29	2.31	12.37	2.13	2.27
TGB 5y		2.4196	-1.08	1.59	10.00	2.31	2.44
TGB 7y		2.5002	-1.41	-0.44	8.15	2.40	2.52
TGB 10y		2.6082	-0.75	-0.12	4.87	2.54	2.63
AAA Spread		70.50	0.04	-1.13	-0.41	68.09	73.93
AA Spread		82.61	-2.07	0.10	0.11	78.65	85.52
A Spread		122.95	0.08	-1.35	-3.82	122.81	127.78
BBB Spread		237.45	-0.08	-0.19	11.54	225.86	238.05

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		85.88	0.9%	1.0%	12.2%	76.25	85.88
London Gold		1955.6	-1.0%	0.0%	-1.0%	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)		4,513.4	-0.3%	-0.8%	1.2%	4,399.0	4,589.0
STOXX (EU)		464.5	0.2%	0.8%	3.4%	445.0	464.5
FTSE All-Share(UK)		4,108.6	-0.3%	-1.7%	3.6%	3,957.1	4,198.7
DAX (DE)		16,446.8	0.2%	2.1%	3.6%	15,528.5	16,446.8
CAC All-Tradable(FR)		5,592.3	0.3%	1.6%	-0.9%	5,287.7	5,642.7
TOPIX (JP)		2,322.6	1.2%	3.5%	13.8%	1,961.3	2,322.6
Shanghai (CH)		3,450.0	2.3%	1.6%	-2.8%	3,320.7	3,548.9
Hang Seng (HK)		20,078.9	2.2%	3.8%	-2.8%	18,216.9	20,650.5
ASX 200 (AU)		7,410.4	-0.6%	1.5%	0.7%	7,004.0	7,455.9
SET (TH)		1,543.3	1.1%	3.5%	-3.1%	1,478.1	1,609.2
SET50 (TH)		957.6	1.2%	4.0%	-0.4%	902.7	974.3
Straits Times (SG)		3,374.0	1.1%	3.9%	1.5%	3,149.3	3,374.0
FTSE Malay (MY)		1,459.4	0.6%	4.5%	1.8%	1,377.7	1,459.4
JSX Index (ID)		6,931.4	0.5%	1.8%	1.4%	6,633.4	6,945.5
PSE Index (PH)		6,591.5	-1.3%	-0.5%	2.0%	6,379.7	6,685.7
Vn Index (VN)		1,222.9	2.1%	4.7%	16.6%	1,034.9	1,222.9

Sources: ttb analytics, CEIC

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

Important Disclosures

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