

U.S. manufacturing sector stabilizing at weaker levels in August

U.S. manufacturing sector stabilizing at weaker levels in August

U.S. manufacturing contracted for a 10th straight month in August, but the pace of decline continued to slow, suggesting that the sector could be stabilizing at lower levels. The Institute for Supply Management (ISM) said on Friday that its manufacturing PMI increased to 47.6 last month from 46.4 in July. The index slumped to 46.0 in June, which was the lowest reading since May 2020. Since last November, the PMI has been stuck below the 50 threshold, which indicates contraction in manufacturing, the longest such stretch since the 2007-2009 Great Recession. Economists polled by Reuters had forecast the index rising to 47. Manufacturing, which accounts for 11.1% of the economy, has been hammered by 525 basis points worth of interest rate increases from the Fed since March 2022.

Euro zone investor mood darkens in Sept –survey

Investor morale in the euro zone fell more than expected at the start of September as Germany's economic weakness remained a major drag on the region, a survey showed on Monday. Sentix's index for the euro zone declined to -21.5 points in September from -18.9 in August, weaker than the -20.0 estimate in a Reuters poll of analysts. The sub-index for future expectations in the euro zone also fell to -21.0 points, from -17.3 in the previous month. The current situation index declined to -22.0 points, its lowest level since November 2022. Singling out Germany, Huebner said the "complete lack of economic competence in the political leadership and the enormous uncertainties for the economy caused by the energy and electricity crisis are dragging the German economy deeper and deeper into recession".

China service sector activity hits 8-mth low in August- Caixin PMI

Chinese service sector activity grew at a slower-than-expected pace in August, a private survey showed on Tuesday, with slowing overseas demand being the key source of pressure on service providers. The Caixin China General Services purchasing managers' index (PMI) rose 51.8 in August, lower than expectations for a reading of 53.6 and July's figure of 54.1, Caixin Insights said in a statement. August was the index's weakest showing in eight months. Caixin noted that the weaker reading was driven chiefly by service exporters facing weaker overseas demand, amid deteriorating economic conditions in most of China's biggest trade partners. Local demand remained relatively strong, helping keep the PMI in expansion territory at above 50.

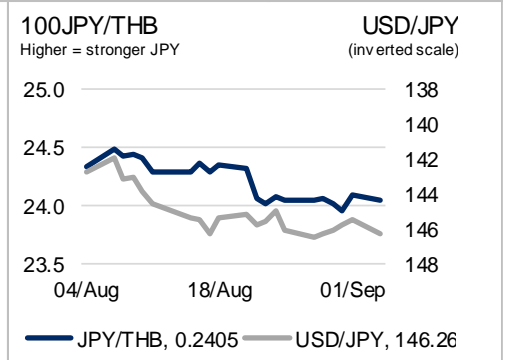
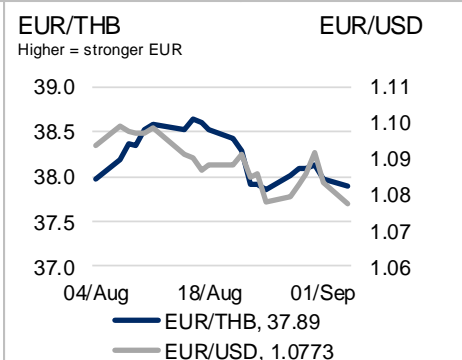
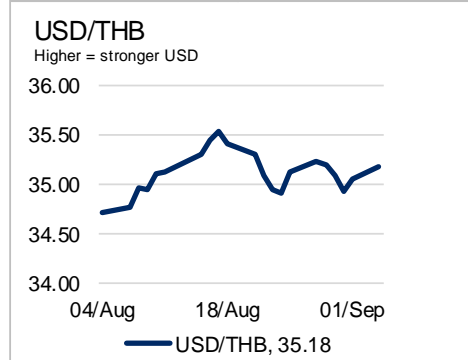
Dollar eases as risk appetite improves on China's measures

The 10-year government bond yield (interpolated) on the previous trading day was 2.81, +2.20 bps. The benchmark government bond yield (LB31DA) was 2.78, +2.00 bps. Meantime, the latest closed US 10-year bond yields was 4.18, +9.00 bps. USDTHB on the previous trading day closed around 35.18. Moving in a range of 35.31-35.42 this morning. USDTHB could be closed between 35.25-35.45 today. The safe-haven dollar fell on Monday as risk sentiment improved on hopes China's policy stimulus might stabilize the economy, while U.S. jobs data boosted bets the Federal Reserve could be at the end of its rate hike cycle. With U.S. markets closed on Monday, liquidity is likely to be thin and traders hesitant to place large bets. The dollar, against a basket of currencies, inched 0.15% lower to 104.08, but remained close to the two-month peak of 104.44 it touched on Aug. 25. The index gained 1.7% in August, snapping a two-month losing streak. China stepped up measures to boost the country's faltering economy, with Beijing planning further action including relaxing home-purchase restrictions.

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

| | | | | | | | | | |
|------------------|----------------|-------------------|----------------|----------------|--------------|--------------|-------------|-------------|----------------|
| SET Index | 1,548.7 | S&P500 | 4,515.8 | 10Y UST | 4.18% | Brent | 88.6 | Gold | 1,942.1 |
| 1-Sep | ▼ -0.83% | 1-Sep | ▲ 0.18% | 1-Sep | ▲ 9.0 bps | 1-Sep | ▲ 1.93% | 4-Sep | ▼ -0.12% |

| | | | | | |
|----------------------|-------------------------|-------------------------|----------------------|-----------------------|----------------------|
| USD/THB 35.18 | Daily ▲ 0.35% | EUR/THB 37.89 | Daily ▼ -0.20% | JPY/THB 0.2405 | Daily ▼ -0.17% |
| Weekly ▼ -0.02% | Falling Trend | Weekly ▼ -0.52% | Falling Trend | Weekly ▼ -0.03% | Falling Trend |
| Monthly ▲ 1.31% | Monthly ▼ -0.19% | Monthly ▼ -1.14% | | | |



Sources: ttb 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

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 | | 103.73 | 0.0% | -0.4% | 1.0% | 100.82 | 104.20 |
| EUR/USD | | 1.0832 | -0.8% | 0.4% | -0.8% | 1.0779 | 1.1099 |
| USD/JPY | | 145.49 | -0.2% | -0.7% | 1.4% | 139.77 | 146.50 |
| USD/CHF | | 0.8840 | 0.6% | -0.1% | 0.6% | 0.8591 | 0.8862 |
| GBP/USD | | 1.2659 | -0.5% | 0.6% | -0.3% | 1.2572 | 1.2964 |
| USD/CAD | | 1.3520 | -0.1% | -0.6% | 1.1% | 1.3177 | 1.3606 |
| AUD/USD | | 0.6467 | -0.3% | 0.8% | -0.9% | 0.6393 | 0.6793 |
| NZD/USD | | 0.5962 | 0.0% | 0.8% | -1.8% | 0.5910 | 0.6250 |

| | | | | | | | |
|--------------|--|--------|------|-------|------|--------|--------|
| ASEAN Dollar | | 109.36 | 0.0% | -0.1% | 1.6% | 106.93 | 110.16 |
| USD/THB | | 35.05 | 0.3% | -0.5% | 1.4% | 34.08 | 35.52 |
| USD/SGD | | 1.3514 | 0.2% | -0.3% | 0.6% | 1.3226 | 1.3602 |
| USD/MYR | | 4.6396 | 0.0% | -0.3% | 1.8% | 4.5237 | 4.6530 |
| USD/IDR | | 15,190 | 0.1% | -0.4% | 0.2% | 14,955 | 15,274 |
| USD/PHP | | 56.70 | 0.0% | -0.2% | 2.3% | 54.56 | 56.89 |
| USD/CNY | | 7.2580 | 0.0% | -0.4% | 0.9% | 7.1275 | 7.3196 |
| USD/HKD | | 7.8479 | 0.1% | 0.0% | 0.5% | 7.7926 | 7.8507 |

FX Swap Market and BoT's Reserves

| USTH FX Sp | 1M History | Last | %Chg(1D) |
|------------|------------|------|----------|
| 1-month | | 0.40 | 0.00 |
| 3-month | | 1.13 | -0.18 |
| 6-month | | 2.13 | -0.23 |

| Reserves (\$mn) | 3M History | Last | \$mn Chg(1W) |
|------------------|------------|---------|--------------|
| Total | | 215,196 | 695 |
| Gold | | 15,033 | 201 |
| SDR | | 5,442 | -6 |
| IMF Reserves | | 1,241 | -4 |
| Foreign Ccy | | 193,480 | 504 |
| Net Fwd Position | | 30,905 | -600 |

Last update: 25/8/2023

Foreign Fund Flows (THB.mn)

| Date | Equity | Bond | Total |
|-------------|--------|--------|---------|
| 4/9/2023 | -432 | -1,516 | -1,948 |
| 1/9/2023 | -1,038 | -1,170 | -2,208 |
| 31/8/2023 | -6,127 | -173 | -6,299 |
| 30/8/2023 | 1,976 | 718 | 2,694 |
| 29/8/2023 | 1,454 | -4,332 | -2,879 |
| Last 5 days | -4,167 | -6,473 | -10,640 |

| | Period-to-date | Equity | Bond | Total |
|-----|----------------|------------|----------|------------|
| MTD | Month | ↓ -1,470 | ↓ -2,686 | ↓ -4,156 |
| QTD | Quarter | ↓ -29,528 | ↓ -6,683 | ↓ -36,211 |
| YTD | Year | ↓ -136,668 | ↑ 8,746 | ↓ -127,922 |

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 | | 2.25 | 1.75 | 2.25 | ON | | 0.00 | 0.43 | 2.02 | ON | | 0.08 | 0.07 | 0.08 |
| 1W | | 2.28 | 1.77 | 2.28 | 1W | | 1.47 | 0.89 | 1.65 | 1W | | 0.00 | 0.00 | 0.08 |
| 1M | | 2.30 | 1.80 | 2.30 | 1M | | 1.20 | 0.87 | 1.72 | 1M | | 0.23 | 0.09 | 0.23 |
| 2M | | 2.36 | 1.86 | 2.36 | 2M | | | | | 2M | | 0.00 | 0.00 | 0.16 |
| 3M | | 2.41 | 1.92 | 2.41 | 3M | | 1.91 | 1.09 | 2.02 | 3M | | 0.52 | 0.14 | 0.52 |
| 6M | | 2.51 | 2.04 | 2.51 | 6M | | 2.27 | 1.31 | 2.27 | 6M | | 0.83 | 0.22 | 0.83 |
| 12M | | 2.61 | 2.18 | 2.61 | 12M | | 2.68 | 1.59 | 2.71 | 12M | | 1.33 | 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 | | 4.3400 | 8.00 | 14.00 | 81.00 | 3.38 | 4.34 |
| Gilt 10y | | 4.6084 | 5.79 | 30.13 | 81.93 | 3.63 | 4.61 |
| Bund 10y | | 2.5400 | -11.00 | -8.00 | 25.00 | 2.24 | 2.70 |
| JGB 10y | | 0.6820 | 2.50 | 2.80 | 28.30 | 0.38 | 0.68 |
| TGB 1y | | 2.1909 | 0.02 | 0.11 | 0.63 | 2.12 | 2.19 |
| TGB 2y | | 2.3071 | 0.37 | 0.60 | 4.38 | 2.24 | 2.31 |
| TGB 5y | | 2.5526 | 2.92 | 3.34 | 11.75 | 2.40 | 2.55 |
| TGB 7y | | 2.6827 | 2.63 | 3.10 | 15.84 | 2.50 | 2.68 |
| TGB 10y | | 2.8075 | 2.20 | 1.82 | 17.29 | 2.61 | 2.81 |
| AAA Spread | | 71.30 | 0.08 | 0.82 | 1.96 | 69.35 | 73.91 |
| AA Spread | | 81.43 | -0.12 | 0.10 | 1.11 | 77.60 | 85.27 |
| A Spread | | 121.99 | 0.07 | -1.21 | -5.79 | 121.92 | 127.78 |
| BBB Spread | | 239.70 | 0.03 | 2.20 | 13.63 | 225.95 | 239.99 |

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 | | 88.55 | 1.9% | 4.8% | 4.3% | 83.20 | 88.55 |
| London Gold | | 1901.9 | 0.5% | -1.8% | -6.1% | 1,891.8 | 2,036.1 |

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) | | 4,433.3 | 1.5% | 2.5% | -2.0% | 4,369.7 | 4,589.0 |
| STOXX (EU) | | 445.3 | -0.4% | -2.4% | -3.7% | 445.3 | 470.4 |
| FTSE All-Share(UK) | | 4,063.7 | -0.1% | 1.6% | -1.1% | 3,953.4 | 4,198.0 |
| DAX (DE) | | 15,728.4 | 0.8% | -1.4% | -1.2% | 15,528.5 | 16,310.8 |
| CAC All-Tradable(FR) | | 5,403.7 | 0.7% | -1.0% | -2.3% | 5,287.7 | 5,586.7 |
| TOPIX (JP) | | 2,277.1 | 1.6% | 0.4% | 9.3% | 2,023.9 | 2,337.4 |
| Shanghai (CH) | | 3,227.2 | -0.5% | -6.4% | -7.0% | 3,227.2 | 3,495.5 |
| Hang Seng (HK) | | 17,791.0 | -0.9% | -8.4% | -10.5% | 17,791.0 | 20,011.1 |
| ASX 200 (AU) | | 7,148.4 | 0.5% | -2.4% | -1.5% | 7,078.7 | 7,402.0 |
| SET (TH) | | 1,549.0 | 1.5% | 1.3% | -1.0% | 1,478.1 | 1,564.7 |
| SET50 (TH) | | 954.7 | 1.4% | 0.7% | 0.6% | 902.7 | 966.2 |
| Straits Times (SG) | | 3,159.9 | -0.4% | -5.0% | -2.6% | 3,149.3 | 3,374.0 |
| FTSE Malay (MY) | | 1,451.5 | 0.4% | 0.7% | 1.3% | 1,376.1 | 1,463.5 |
| JSX Index (ID) | | 6,921.4 | 0.8% | 0.3% | 1.6% | 6,619.8 | 6,921.4 |
| PSE Index (PH) | | 6,212.4 | -2.4% | -4.2% | -6.2% | 6,212.4 | 6,664.6 |
| Vn Index (VN) | | 1,179.8 | -4.4% | -3.3% | 11.6% | 1,040.3 | 1,242.2 |

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.