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The decline in euro zone business activity accelerated faster than initially thought last month as the bloc's dominant services industry fell into contraction, according to a survey which suggests the bloc could drop into recession. HCOB's final Composite Purchasing Managers' Index (PMI), compiled by S&P Global and seen as a good barometer of overall economic health, dropped to 46.7 in August from July's 48.6, a low not seen since November 2020. That was below the 50 mark separating growth from contraction for a third month and shy of a preliminary estimate for 47.0. The headline services PMI sank to 47.9 from 50.9, below the flash 48.3 estimate, as indebted consumers feeling the pinch from increased borrowing fees and high living costs reined in spending.

**Japan Aug service activity growth fastest in 3 months**

Japan's service sector activity expanded at its quickest pace in three months in August, underpinned by robust consumer spending as inbound tourism regained momentum. The relatively upbeat service sector conditions contrast with the manufacturing industry's shrinking activity and subdued business sentiment amid slowing global demand. The final au Jibun Bank Japan Services purchasing managers' index (PMI) grew to 54.3 last month from 53.8 in July, in line with the flash reading and stayed above the 50-benchmark dividing expansion from contraction for 12 consecutive months. The subindex measuring outstanding businesses swung back above the 50.0 threshold in August helped by the re-acceleration of new orders. Survey respondents noted stronger consumption thanks to higher customer numbers and demand on the back of a surge in inbound tourists. The number of visitors to Japan in July rose to its highest since the pandemic at 2.32 million people.

**South Korea's inflation quickens above forecast, keeping policymakers on watch**

South Korea's annual consumer inflation accelerated to 3.4% in August while the month-on-month rate was the fastest since early 2017, which should keep policymakers on alert for any sustained uptick in prices. The Bank of Korea (BOK) last month held interest rates steady for a fifth straight meeting, as it continued to priorities price stabilization amid heightened growth risks. On a monthly basis, the consumer price index (CPI) rose 1.0% in August, after gaining 0.1% in the prior month, official data showed on Tuesday, beating economists' median forecast for a 0.3% rise in a Reuters survey. Annual inflation, which accelerated for the first time in seven months, also topped the 2.7% expected by economists, and marked the quickest since April. It followed a 2.3% rise in July, which was the slowest in 2 years.

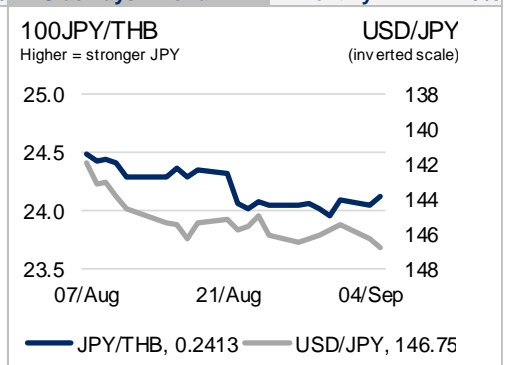
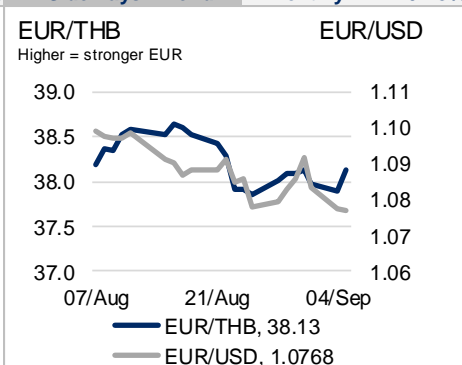
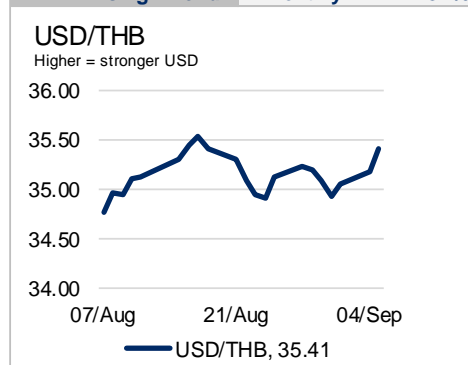
**US dollar rises on global growth worries; Aussie down**

The 10-year government bond yield (interpolated) on the previous trading day was 2.84, +2.88 bps. The benchmark government bond yield (LB31DA) was 2.80, +4.00 bps. Meantime, the latest closed US 10-year bond yields was 4.27, +9.00 bps. USDTHB on the previous trading day closed around 35.41. Moving in a range of 35.50-35.54 this morning. USDTHB could be closed between 35.40-35.65 today. The dollar rose to a near six-month high against a basket of currencies on Tuesday as jitters over global growth, particularly in China, caused investors to flock to the safe-haven U.S. currency. The Aussie dollar slumped after the Reserve Bank of Australia kept rates steady. China's services activity expanded at the slowest pace in eight months in August, as weak demand continued to dog the world's second-largest economy and stimulus failed to meaningfully revive consumption. The decline in euro zone business activity accelerated faster than initially thought last month as the bloc's dominant services industry fell into contraction, according to a survey which suggests the bloc could drop into recession.

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

<b>SET Index</b>	<b>1,547.9</b>	<b>S&amp;P500</b>	<b>4,496.8</b>	<b>10Y UST</b>	<b>4.27%</b>	<b>Brent</b>	<b>89.0</b>	<b>Gold</b>	<b>1,931.8</b>
5-Sep	▼ -0.05%	4-Sep	▼ -0.42%	5-Sep	▲ 9.0 bps	4-Sep	▲ 0.51%	5-Sep	▼ -0.53%

<b>USD/THB 35.41</b>	Daily ▲ 0.66%	<b>EUR/THB 38.13</b>	Daily ▲ 0.61%	<b>JPY/THB 0.2413</b>	Daily ▲ 0.32%
Weekly ▲ 0.92%	Weekly ▲ 0.08%	Weekly ▲ 0.46%	Monthly ▲ 1.84%	Monthly ▼ -0.18%	Monthly ▼ -1.46%
Rising Trend	Sideways Trend	Sideways Trend	Sideways Trend	Sideways Trend	Sideways 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		104.24	0.0%	0.3%	1.7%	101.68	104.24
EUR/USD		1.0773	-0.5%	-0.5%	-1.5%	1.0773	1.1011
USD/JPY		146.26	0.5%	0.0%	2.5%	141.46	146.50
USD/CHF		0.8853	0.1%	0.1%	1.2%	0.8709	0.8862
GBP/USD		1.2596	-0.5%	-0.2%	-0.9%	1.2572	1.2852
USD/CAD		1.3603	0.6%	0.1%	1.7%	1.3253	1.3606
AUD/USD		0.6458	-0.1%	0.4%	-1.6%	0.6393	0.6671
NZD/USD		0.5945	-0.3%	0.5%	-2.3%	0.5910	0.6181
ASEAN Dollar		111.52	0.0%	-0.3%	1.3%	108.43	112.16
USD/THB		35.18	0.3%	0.0%	1.3%	34.26	35.52
USD/SGD		1.3544	0.2%	0.1%	1.0%	1.3312	1.3602
USD/MYR		4.6569	0.4%	0.2%	2.3%	4.5348	4.6569
USD/IDR		15,197	0.0%	-0.2%	0.4%	15,052	15,274
USD/PHP		56.68	0.0%	0.0%	1.6%	54.94	56.89
USD/CNY		7.2699	0.0%	-0.1%	1.3%	7.1406	7.3196
USD/HKD		7.8497	0.0%	0.1%	0.4%	7.7965	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: 25/08/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
05/09/2023	-1,528	-2,825	-4,353
04/09/2023	-432	-1,516	-1,948
01/09/2023	-1,038	-1,170	-2,208
31/08/2023	-6,127	-173	-6,299
30/08/2023	1,976	718	2,694
Last 5 days	-7,148	-4,966	-12,115

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -2,998	↓ -5,512	↓ -8,510
QTD	Quarter	↓ -31,056	↓ -9,508	↓ -40,564
YTD	Year	↓ -138,195	↑ 5,920	↓ -132,275

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	1.78	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	2.19	2.61	12M		2.68	1.59	2.71	12M		1.33	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		<b>4.1900</b>	-15.00	14.00	76.00	3.37	4.34
Gilt 10y		<b>4.6537</b>	0.92	33.69	90.26	3.65	4.65
Bund 10y		<b>2.4800</b>	-19.00	-10.00	20.00	2.25	2.67
JGB 10y		<b>0.6820</b>	2.50	2.80	28.30	0.38	0.68
TGB 1y		<b>2.2074</b>	1.65	1.77	1.89	2.17	2.21
TGB 2y		<b>2.3254</b>	1.84	2.08	5.75	2.25	2.33
TGB 5y		<b>2.5814</b>	2.88	6.87	14.60	2.41	2.58
TGB 7y		<b>2.7158</b>	3.31	6.89	19.19	2.50	2.72
TGB 10y		<b>2.8363</b>	2.88	5.58	20.15	2.61	2.84
AAA Spread		<b>71.32</b>	0.05	0.85	3.23	68.09	73.93
AA Spread		<b>81.45</b>	-0.14	1.57	1.13	77.60	85.02
A Spread		<b>121.99</b>	0.04	-1.18	-5.03	121.95	127.78
BBB Spread		<b>239.72</b>	0.00	2.23	13.86	225.86	239.83

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		<b>89.00</b>	0.5%	5.4%	3.2%	83.20	89.00
London Gold		<b>1904.6</b>	0.8%	-1.5%	-5.1%	1,890.1	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)		<b>4,497.6</b>	0.4%	1.8%	-1.4%	4,369.7	4,589.0
STOXX (EU)		<b>446.2</b>	0.2%	-2.3%	-3.8%	445.3	470.4
FTSE All-Share(UK)		<b>4,055.8</b>	-0.2%	-0.3%	-1.8%	3,953.4	4,155.7
DAX (DE)		<b>15,621.5</b>	-0.5%	-2.1%	-1.7%	15,574.3	16,406.0
CAC All-Tradable(FR)		<b>5,379.5</b>	-0.4%	-1.5%	-2.6%	5,300.8	5,577.8
TOPIX (JP)		<b>2,286.6</b>	0.9%	0.5%	9.1%	2,032.5	2,306.0
Shanghai (CH)		<b>3,231.3</b>	-1.2%	-5.7%	-5.8%	3,231.3	3,559.0
Hang Seng (HK)		<b>17,845.9</b>	1.3%	-8.7%	-9.7%	17,623.3	20,040.4
ASX 200 (AU)		<b>7,182.1</b>	0.8%	-1.7%	-1.2%	7,042.3	7,455.9
SET (TH)		<b>1,557.4</b>	0.8%	1.8%	-0.8%	1,466.9	1,569.6
SET50 (TH)		<b>960.4</b>	0.6%	1.2%	0.9%	896.4	963.0
Straits Times (SG)		<b>3,174.2</b>	0.6%	-3.9%	-2.1%	3,154.0	3,373.8
FTSE Malay (MY)		<b>1,440.1</b>	-0.7%	-0.4%	1.0%	1,378.7	1,460.3
JSX Index (ID)		<b>6,899.4</b>	-0.2%	0.7%	0.8%	6,626.1	6,948.3
PSE Index (PH)		<b>6,179.6</b>	-1.8%	-6.0%	-7.2%	6,179.6	6,684.4
Vn Index (VN)		<b>1,180.5</b>	0.2%	-2.5%	10.6%	1,039.6	1,243.3

Sources: ttb analytics, CEIC

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

### Important Disclosures

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