

**US housing starts hit three-year low; surge in permits point to underlying strength**

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U.S. homebuilding plunged to a more than three-year low in August as a resurgence in mortgage rates weighed on demand for housing, but a jump in permits suggested new construction remained supported by a dearth of homes on the market. Housing starts tumbled 11.3% to a seasonally adjusted annual rate of 1.283 million units last month, the lowest level since June 2020. Data for July was revised lower to show starts accelerating to a rate of 1.447 million units instead of the previously reported 1.452 million units. Economists polled by Reuters had forecast starts would slip to a rate of 1.440 million units. Permits for future homebuilding jumped 6.9% to a rate of 1.543 million units, the highest since October 2022. They were boosted by a 14.8% surge in multi-family housing permits to a rate of 535,000 units.

**Euro zone Aug inflation revised slightly down**

Euro zone consumer inflation in August was slightly lower than initially estimated, the European Union's statistics office Eurostat said, but still remained more than twice the European Central Bank's target. Eurostat said inflation in the 20 countries sharing the euro was 0.5% month-on-month in August and 5.2% year-on-year, lower than the flash estimate of 5.3% year-on-year reported on Aug 31. The ECB wants to keep inflation at 2.0% in the medium term. Eurostat said core inflation, which excludes volatile prices of energy and unprocessed food, was 0.3% month-on-month in August and 6.2% year-on-year, in line with initial estimates. An even narrower measure of inflation, which also excludes alcohol and tobacco and is watched by many economists, was 0.3% on the month and 5.3% year-on-year.

**Bank of England likely to hike rates for 15th time, signals suggest peak nearing**

The Bank of England is anticipated to raise interest rates this Thursday for the 15th consecutive time, potentially pushing the rate to 5.5%. This move, expected by the market, has projected a 70% likelihood of a 25-basis-point hike. However, indications from the Monetary Policy Committee (MPC) suggest that this could be the final increase in the current series. Governor Andrew Bailey and Chief Economist Huw Pill have hinted that interest rates may be nearing their peak, metaphorically referred to as "Table Mountain." Despite these indications, there's no certainty that the MPC will halt its tightening policy. The decision will hinge on whether the committee assesses that sufficient monetary tightening has already occurred. Market sentiment widely anticipates a "one and done" scenario with this potential rate hike.

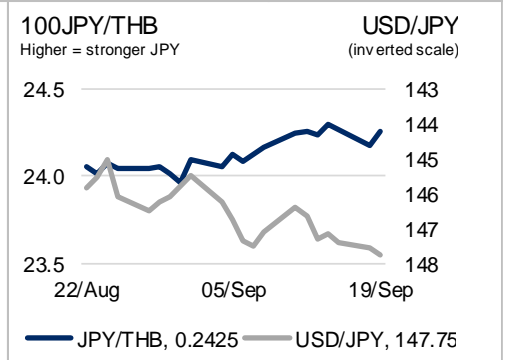
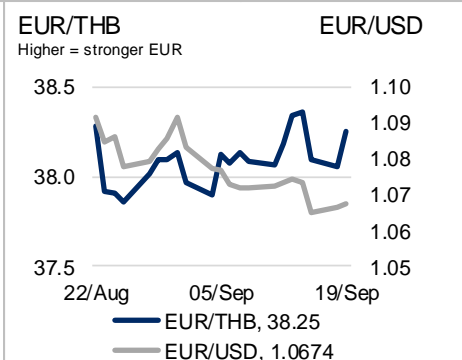
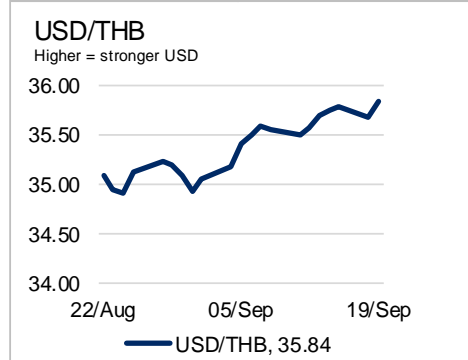
**Dollar drifts higher as traders look to upcoming Fed decision**

The 10-year government bond yield (interpolated) on the previous trading day was 3.14, +11.51 bps. The benchmark government bond yield (LB31DA) was 3.02, +12.00 bps. Meantime, the latest closed US 10-year bond yields was 4.37, +5.00 bps. USDTHB on the previous trading day closed around 35.84. Moving in a range of 36.06-36.09 this morning. USDTHB could be closed between 35.95-36.15 today. The U.S. dollar edged higher against a basket of currencies on Tuesday as traders awaited a raft of central bank interest rate decisions this week, including one by the Federal Reserve on Wednesday. The dollar index was up 0.05% at 105.13, not far from the six-month high of 105.43 touched on Thursday. The index rose for its ninth straight week last week, its longest winning streak in nearly a decade. Resilient U.S. growth has fueled a rebound in the dollar in recent weeks though the rally will likely be tested by a gauntlet of data and Wednesday's Fed interest rate decision. The dollar came under pressure against the euro earlier on Tuesday following a report that indicated the European Central Bank may soon start discussing how to drain some of the excess liquidity in the banking system, while the yen wallowed near 10-month lows against the dollar.

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

<b>SET Index</b>	<b>1,523.0</b>	<b>S&amp;P500</b>	<b>4,444.0</b>	<b>10Y UST</b>	<b>4.37%</b>	<b>Brent</b>	<b>94.4</b>	<b>Gold</b>	<b>1,935.0</b>
9-Sep	▼ -0.30%	19-Sep	▼ -0.14%	19-Sep	▲ 5.0 bps	18-Sep	▲ 0.53%	19-Sep	▲ 0.45%

<b>USD/THB 35.84</b>	Daily ▲ 0.44%	<b>EUR/THB 38.25</b>	Daily ▲ 0.51%	<b>JPY/THB 0.2425</b>	Daily ▲ 0.32%
Weekly ▲ 0.40%	Weekly ▼ -0.23%	Weekly ▲ 0.08%	Monthly ▲ 0.81%	Monthly ▲ 0.81%	Monthly ▲ 0.81%
Monthly ▲ 2.13%	Monthly ▼ -0.08%	Monthly ▲ 0.81%	Monthly ▲ 0.81%	Monthly ▲ 0.81%	Monthly ▲ 0.81%



Sources: ttbank 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		105.22	0.0%	0.5%	1.9%	103.09	105.30
EUR/USD		1.0666	0.2%	-0.6%	-2.0%	1.0647	1.0917
USD/JPY		147.56	0.1%	0.6%	1.6%	145.00	147.56
USD/CHF		0.8966	0.1%	0.6%	1.7%	0.8773	0.8966
GBP/USD		1.2397	-0.2%	-0.9%	-2.7%	1.2397	1.2781
USD/CAD		1.3513	0.0%	-0.6%	-0.2%	1.3508	1.3672
AUD/USD		0.6439	-0.3%	0.3%	0.5%	0.6376	0.6486
NZD/USD		0.5912	-0.2%	0.1%	-0.1%	0.5872	0.5962
ASEAN Dollar		109.03	0.0%	0.2%	0.5%	107.73	109.03
USD/THB		35.68	-0.3%	0.3%	1.1%	34.91	35.84
USD/SGD		1.3627	0.0%	0.1%	0.5%	1.3493	1.3644
USD/MYR		4.6828	0.0%	0.2%	0.8%	4.6383	4.6828
USD/IDR		15,322	0.1%	0.2%	0.4%	15,173	15,322
USD/PHP		56.87	0.2%	0.2%	1.1%	56.24	57.03
USD/CNY		7.2786	0.0%	-0.3%	-0.3%	7.2580	7.3429
USD/HKD		7.8202	-0.1%	-0.2%	-0.1%	7.8202	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		214,993	-2065
Gold		15,064	-165
SDR		5,414	-26
IMF Reserves		1,235	-6
Foreign Ccy		193,280	-1868
Net Fwd Position		30,380	-105

Last update: 08/09/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
19/09/2023	-1,117	-1,740	-2,857
18/09/2023	-2,568	-2,032	-4,599
15/09/2023	-1,935	-404	-2,340
14/09/2023	1,246	193	1,440
13/09/2023	-1,510	381	-1,129
Last 5 days	-5,884	-3,602	-9,486

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -16,027	↓ -14,288	↓ -30,315
QTD	Quarter	↓ -44,086	↓ -18,284	↓ -62,370
YTD	Year	↓ -151,225	↓ -2,856	↓ -154,081

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	1.85	2.30	1M		1.20	0.87	1.72	1M		0.23	0.09	0.23
2M		2.37	1.93	2.37	2M					2M		0.00	0.00	0.16
3M		2.43	1.99	2.43	3M		1.91	1.09	2.02	3M		0.52	0.14	0.52
6M		2.52	2.10	2.52	6M		2.27	1.31	2.27	6M		0.83	0.22	0.83
12M		2.62	2.24	2.62	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	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		<b>4.2700</b>	0.00	1.00	54.00	3.46	4.28
Gilt 10y		<b>4.4451</b>	10.08	-10.54	30.75	3.73	4.60
Bund 10y		<b>2.6300</b>	3.00	-2.00	22.00	2.32	2.69
JGB 10y		<b>0.6660</b>	3.00	0.90	24.50	0.38	0.68
TGB 1y		<b>2.3964</b>	4.74	10.92	20.68	2.19	2.40
TGB 2y		<b>2.5408</b>	3.42	10.42	25.73	2.28	2.54
TGB 5y		<b>2.7823</b>	4.18	6.57	29.96	2.47	2.78
TGB 7y		<b>2.9514</b>	6.05	8.54	35.17	2.58	2.95
TGB 10y		<b>3.1361</b>	11.51	16.28	38.87	2.71	3.14
AAA Spread		<b>67.93</b>	-1.32	-3.30	-2.10	67.93	73.93
AA Spread		<b>80.21</b>	-0.06	-1.34	0.37	77.65	85.02
A Spread		<b>120.97</b>	-0.06	-0.95	-5.92	120.97	127.51
BBB Spread		<b>234.64</b>	-0.37	-5.03	-3.23	234.64	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		<b>94.43</b>	0.5%	4.2%	11.4%	83.21	94.43
London Gold		<b>1919.9</b>	-0.6%	1.5%	-1.7%	1,891.8	2,009.9

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>4,461.9</b>	0.1%	0.0%	0.7%	4,369.7	4,515.8
STOXX (EU)		<b>453.4</b>	-0.1%	0.0%	-0.9%	445.3	461.7
FTSE All-Share(UK)		<b>4,152.9</b>	-0.9%	1.7%	4.0%	3,953.4	4,190.4
DAX (DE)		<b>15,718.7</b>	-0.3%	0.7%	-1.2%	15,603.3	16,406.0
CAC All-Tradable(FR)		<b>5,370.9</b>	-0.8%	0.1%	-0.2%	5,356.8	5,576.1
TOPIX (JP)		<b>2,392.5</b>	0.8%	6.9%	11.5%	2,114.9	2,392.5
Shanghai (CH)		<b>3,273.6</b>	-1.0%	1.0%	-2.8%	3,212.3	3,455.5
Hang Seng (HK)		<b>18,450.0</b>	-2.1%	0.7%	-5.0%	17,845.9	20,078.9
ASX 200 (AU)		<b>7,171.0</b>	-2.0%	0.8%	-0.6%	7,078.7	7,455.9
SET (TH)		<b>1,550.4</b>	0.2%	1.6%	0.9%	1,485.3	1,576.7
SET50 (TH)		<b>948.9</b>	0.2%	0.7%	2.1%	908.3	966.7
Straits Times (SG)		<b>3,226.6</b>	0.0%	1.7%	0.4%	3,139.5	3,374.0
FTSE Malay (MY)		<b>1,460.1</b>	0.4%	1.0%	3.6%	1,376.1	1,463.5
JSX Index (ID)		<b>6,954.8</b>	-0.5%	1.3%	3.8%	6,619.8	6,991.7
PSE Index (PH)		<b>6,183.1</b>	-0.7%	-2.9%	-6.5%	6,181.1	6,661.1
Vn Index (VN)		<b>1,243.1</b>	0.7%	0.8%	16.9%	1,063.8	1,243.1

Sources: ttb analytics, CEIC

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

**Important Disclosures**

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