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US Treasury yields scaled a fresh 16-year peak on Tuesday, underpinning the dollar near a 10-month summit, as investors responded to the message from the Federal Reserve and other major central banks of rates staying elevated for longer. Asia-Pacific stock benchmarks sagged along with gold, while crude oil continued to drift back from 10-month highs. The yield on 10-year Treasury notes rose to 4.552%, a level not seen since October 2007. Traders now put the odds of another quarter-point Fed hike by January at a coin toss and have pushed the likely start of rate cuts to summer. The Fed surprised markets last week by suggesting more tightening may be in the pipeline, and projected high rates to stay in place for longer than investors had anticipated.

**ECB Maintains High Interest Rates to Combat Inflation Amid Economic Slowdown**

The European Central Bank (ECB) is determined to keep interest rates high enough to restrict business activity "as long as necessary" to counter inflation, according to the bank's president, Christine Lagarde. Speaking on Monday, she noted that the upward pressure on prices remains robust in the eurozone due to factors such as strong spending on holidays and travel and increasing wages. Annual inflation in the eurozone decreased slightly from 5.2% in July to 5.3% in August. Despite this slight drop, Lagarde emphasized that inflation is still expected to remain too high for too long. She reiterated the ECB's commitment to bringing inflation back to its 2% medium-term target promptly. In response to the persistent inflation, the ECB recently increased its benchmark deposit rate to an all-time high of 4%, up from -0.5% in July 2022.

**Singapore CPI inflation eases slightly in August, core inflation down**

Singapore consumer price index inflation eased slightly in August, aided by softer services and food prices, although increased fuel prices still kept inflation underpinned. Singapore CPI rose 4% in the 12 months to August, as expected, compared to a 4.1% increase in the prior month, data from the Monetary Authority of Singapore (MAS) showed. Excluding volatile items such as accommodation and private transport expenses, core CPI inflation grew 3.40% in August, slightly missing expectations of 3.5%, and falling from the 3.8% recorded in July. The softer inflation reading was spurred by easing global supply chain issues, which saw the cost of food and consumer good imports decrease through the month.

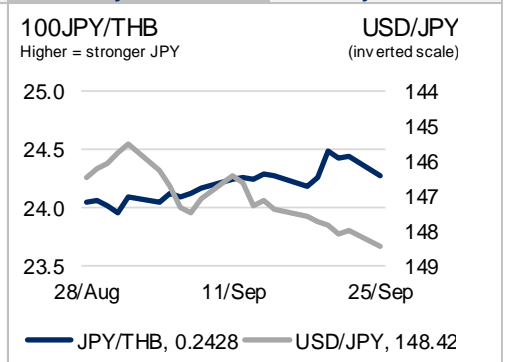
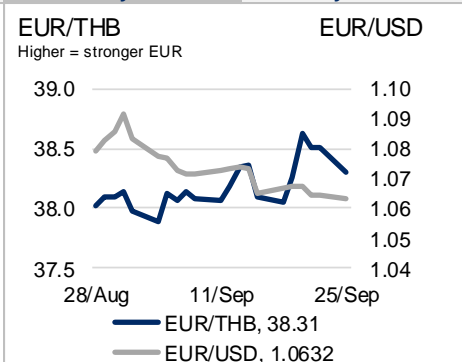
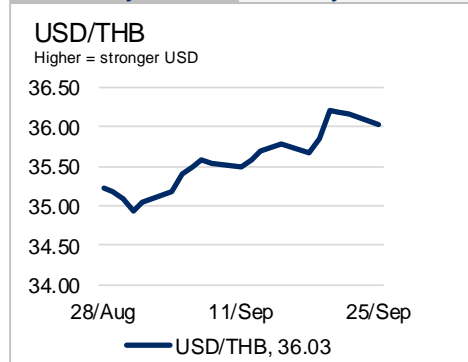
**US Dollar Peaks Amid Inflation Concerns; Stocks Remain Steady**

The 10-year government bond yield (interpolated) on the previous trading day was 3.24, +4.56 bps. The benchmark government bond yield (LB31DA) was 3.21, +4.00 bps. Meantime, the latest closed US 10-year bond yields was 4.55, +11.00 bps. USDTHB on the previous trading day closed around 36.03. Moving in a range of 36.19-36.345 this morning. USDTHB could be closed between 36.15-36.45 today. The U.S. Dollar reach its highest level since March, as investors sought safer options amidst speculation that central banks would maintain high interest rates to curb inflation. This development coincided with a decline in U.S. government bonds, while stocks remained steady. The S&P 500 and the Nasdaq 100, heavily influenced by technology companies, showed little change following the worst weekly drop on Wall Street since March. Netflix Inc. saw a rise of 0.8% after reaching a preliminary labor agreement with Hollywood screenwriters. In contrast, Foot Locker Inc. and Nike Inc. experienced a slump following a downgrade from Jefferies analysts due to anticipated consumer challenges. A surge in the yield on the U.S. Treasury 10-year note by nine basis points marked a high of 4.53%, a level unseen since 2007. Concurrently, Bloomberg's Dollar Spot Index increased for the fourth day in a row, nearing its highest point this year.

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

<b>SET Index</b>	<b>1,507.4</b>	<b>S&amp;P500</b>	<b>4,337.4</b>	<b>10Y UST</b>	<b>4.55%</b>	<b>Brent</b>	<b>93.3</b>	<b>Gold</b>	<b>1,922.0</b>
25-Sep	▼ -1.01%	25-Sep	▲ 0.17%	25-Sep	▲ 11.0 bps	22-Sep	▼ -0.03%	25-Sep	▼ -0.19%

<b>USD/THB 36.03</b>	Daily ▼ -0.38%	<b>EUR/THB 38.31</b>	Daily ▼ -0.51%	<b>JPY/THB 0.2428</b>	Daily ▼ -0.67%
Weekly ▲ 0.54%	Weekly ▲ 0.15%	Weekly ▲ 0.09%	Monthly ▲ 0.76%	Monthly ▲ 0.94%	
Sideways Trend	Monthly ▲ 2.25%	Sideways Trend	Monthly ▲ 0.76%	Sideways Trend	Monthly ▲ 0.94%



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		105.59	0.0%	0.4%	1.4%	103.09	105.59
EUR/USD		1.0646	0.0%	-0.2%	-1.2%	1.0646	1.0917
USD/JPY		147.99	-0.1%	0.3%	1.3%	145.00	148.10
USD/CHF		0.9050	0.6%	0.9%	2.1%	0.8773	0.9050
GBP/USD		1.2276	-0.4%	-1.0%	-2.4%	1.2276	1.2781
USD/CAD		1.3474	0.0%	-0.3%	-0.9%	1.3474	1.3672
AUD/USD		0.6420	0.0%	-0.3%	0.2%	0.6376	0.6486
NZD/USD		0.5935	0.2%	0.4%	0.4%	0.5872	0.5962
ASEAN Dollar		109.51	0.0%	0.4%	1.4%	107.81	109.60
USD/THB		36.17	0.0%	1.4%	3.0%	34.91	36.20
USD/SGD		1.3661	0.0%	0.2%	0.7%	1.3493	1.3661
USD/MYR		4.6891	0.1%	0.1%	0.8%	4.6383	4.6932
USD/IDR		15,318	0.0%	0.0%	0.6%	15,173	15,337
USD/PHP		56.90	0.0%	0.1%	0.1%	56.26	57.03
USD/CNY		7.3004	0.0%	0.3%	0.2%	7.2580	7.3429
USD/HKD		7.8186	0.0%	0.0%	-0.3%	7.8186	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		214,739	-255
Gold		15,102	37
SDR		5,411	-3
IMF Reserves		1,234	-1
Foreign Ccy		192,992	-288
Net Fwd Position		30,135	-245

Last update: 15/9/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
25/9/2023	-2,662	-5,405	-8,066
22/9/2023	-1,305	-2,981	-4,286
21/9/2023	637	121	758
20/9/2023	-2,253	1,903	-351
19/9/2023	-1,117	-1,740	-2,857
Last 5 days	-6,700	-8,102	-14,802

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -21,610	↓ -20,650	↓ -42,260
QTD	Quarter	↓ -49,668	↓ -24,646	↓ -74,314
YTD	Year	↓ -156,808	↓ -9,218	↓ -166,025

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	1.79	2.28	1W		1.47	0.89	1.65	1W		0.00	0.00	0.08
1M		2.32	1.88	2.32	1M		1.20	0.87	1.72	1M		0.23	0.09	0.23
2M		2.38	1.95	2.38	2M					2M		0.00	0.00	0.16
3M		2.44	2.01	2.44	3M		1.91	1.09	2.02	3M		0.52	0.14	0.52
6M		2.53	2.12	2.53	6M		2.27	1.31	2.27	6M		0.83	0.22	0.83
12M		2.63	2.26	2.63	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		4.2500	-4.00	2.00	61.00	3.64	4.34
Gilt 10y		4.4295	0.90	-16.61	31.40	3.92	4.61
Bund 10y		2.6700	7.00	13.00	30.00	2.32	2.67
JGB 10y		0.7160	5.80	6.20	26.80	0.39	0.72
TGB 1y		2.4424	1.96	9.34	25.19	2.19	2.44
TGB 2y		2.5555	0.42	4.89	25.16	2.30	2.56
TGB 5y		2.8255	3.58	8.50	30.64	2.51	2.83
TGB 7y		2.9996	2.56	10.86	35.00	2.63	3.00
TGB 10y		3.2426	4.56	22.16	44.97	2.77	3.24
AAA Spread		67.49	-0.16	-3.00	-5.23	67.49	73.93
AA Spread		72.31	-7.97	-8.19	-7.00	72.31	85.02
A Spread		120.82	-0.36	-1.21	-2.88	120.82	127.51
BBB Spread		234.33	-0.29	-5.40	-3.64	234.33	248.70

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		93.27	0.0%	-0.7%	12.1%	83.21	94.43
London Gold		1912.2	-0.8%	-0.4%	-3.5%	1,901.9	1,981.5

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)		4,453.5	-0.2%	-0.4%	1.0%	4,369.7	4,515.8
STOXX (EU)		448.5	0.3%	-1.2%	-2.9%	445.3	461.7
FTSE All-Share(UK)		4,139.1	-0.8%	-0.3%	3.7%	3,953.4	4,197.8
DAX (DE)		15,654.0	-0.9%	0.1%	-1.9%	15,631.8	16,406.0
CAC All-Tradable(FR)		5,387.8	-0.8%	0.0%	0.1%	5,356.8	5,576.1
TOPIX (JP)		2,379.9	0.9%	4.1%	11.7%	2,130.6	2,392.5
Shanghai (CH)		3,274.4	-0.6%	1.9%	-2.5%	3,212.3	3,455.5
Hang Seng (HK)		18,009.2	-0.5%	0.9%	-3.2%	17,623.3	20,078.9
ASX 200 (AU)		7,153.9	-0.5%	0.5%	0.1%	7,078.7	7,455.9
SET (TH)		1,535.3	-0.4%	-1.6%	0.0%	1,478.1	1,565.9
SET50 (TH)		941.2	-0.1%	-2.0%	1.5%	902.7	966.2
Straits Times (SG)		3,218.9	0.0%	1.2%	1.0%	3,139.5	3,374.0
FTSE Malay (MY)		1,453.5	-0.1%	0.6%	4.1%	1,377.7	1,460.3
JSX Index (ID)		6,935.5	-0.4%	0.6%	3.4%	6,633.3	6,991.7
PSE Index (PH)		6,149.2	-1.4%	-1.2%	-5.6%	6,149.2	6,661.1
Vn Index (VN)		1,238.4	1.2%	5.6%	14.8%	1,063.8	1,243.1

Sources: ttb analytics, CEIC

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

Important Disclosures

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