

US manufacturing sector nears recovery; construction spending solid

US manufacturing sector nears recovery; construction spending solid

US manufacturing took a step further towards recovery in September as production picked up and employment rebounded, according to a survey that also showed prices paid for inputs by factories falling considerably. The ISM said that its manufacturing PMI increased to 49.0 last month, the highest reading since November 2022, from 47.6 in August. Still, September marked the 11th straight month that the PMI remained below 50, which indicates contraction in manufacturing. That is the longest such stretch since the 2007-2009 Great Recession. Economists polled by Reuters had forecast the index edging up to 47.7. Last month's rise pulled the PMI above the 48.7 level that the ISM says over time indicates an expansion of the overall economy. Growth estimates for the third quarter are as high as a 4.9% annualized rate. The economy grew at a 2.1% pace in the April-June quarter.

Euro zone factory activity stuck in steep downturn in September

Euro zone manufacturing activity remained mired in a deep and broad-based downturn last month, according to a survey that demand kept shrinking at a pace rarely surpassed since the data was first collected in 1997. HCOB's final euro zone manufacturing Purchasing Managers' Index (PMI), compiled by S&P Global, dipped to 43.4 in September from August's 43.5, matching a preliminary estimate. A reading below 50 marks a contraction in activity. An index measuring output, which feeds into a composite PMI due on Wednesday and seen as a good gauge of economic health, fell to 43.1 from 43.4. The new orders index did rise last month, to 39.2 from August's 39.0, but it remained firmly below the breakeven mark.

Japan's factory activity extends declines in September

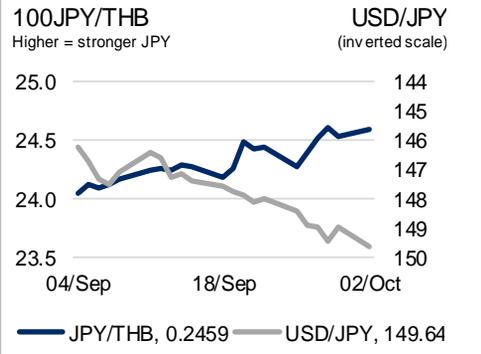
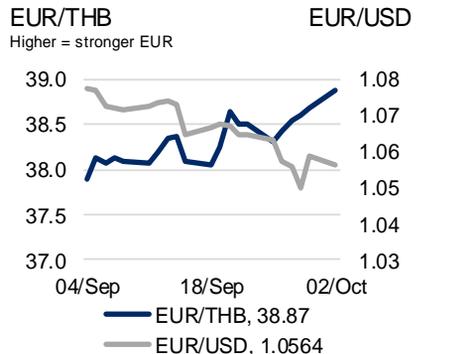
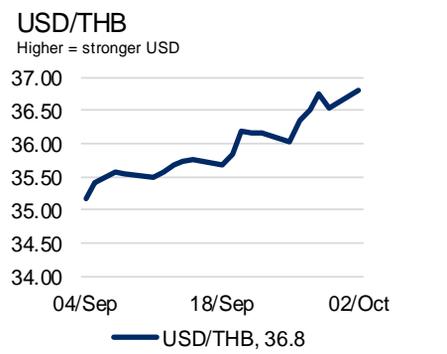
Japan's factory activity fell at the fastest pace in seven months in September, as worsening global economic conditions continued to weaken demand. The final au Jibun Bank Japan manufacturing purchasing managers' index (PMI) fell to 48.5 in September from 49.6 in August and roughly in line with the flash reading of 48.6. The index has remained below the 50.0-point threshold that separates growth from contraction for four straight months. Output in September was the lowest since June while the decline in new orders was the steepest since February, S&P Global Market Intelligence data showed. New export orders have remained in contraction for 19 consecutive months, due to softer demand from mainland China and Taiwan.

Dollar climbs to near 150 vs yen after US shutdown avoided

The 10-year government bond yield (interpolated) on the previous trading day was 3.15, -2.88 bps. The benchmark government bond yield (LB31DA) was 3.11, -3.00 bps. Meantime, the latest closed US 10-year bond yields was 4.69, +10.00 bps. USDTHB on the previous trading day closed around 36.80. Moving in a range of 37.06-37.11 this morning. USDTHB could be closed between 36.90-37.20 today. The dollar index climbed building on four straight weeks of gains, after the US government avoided a shutdown and economic data again supported the view that the Federal Reserve will keep interest rates higher for a longer period. US manufacturing took a step further toward recovery in September as production picked up and employment rebounded, according to an Institute for Supply Management survey that also showed prices paid for inputs by factories falling considerably. The US Congress passed a stopgap funding bill late with overwhelming Democratic support after Republican House Speaker Kevin McCarthy backed down from an earlier demand by his party's hardliners for a partisan bill. Treasury yields rose, with the benchmark 10-year note hitting 4.703%, as averting a government shutdown reduced demand for US debt, while the data highlighted the economy's resiliency despite the Fed's target rate in restrictive territory. Sources : ttb analytics , Bloomberg, CNBC, Trading Economics, Investing, CEIC

DAX Index	1,469.5	S&P500	4,288.4	10Y UST	4.69%	Brent	92.5	Gold	1,871.0
2-Oct	▼ -0.13%	2-Oct	▼ -0.26%	2-Oct	▲ 10.0 bps	1-Oct	▼ -0.68%	29-Sep	▼ -0.13%

USD/THB 36.80	Daily ▲ 0.71%	EUR/THB 38.87	Daily ▲ 0.51%	JPY/THB 0.2459	Daily ▲ 0.25%
Weekly ▲ 1.24%	Weekly ▲ 1.15%	Weekly ▲ 0.77%	Monthly ▲ 4.50%	Monthly ▲ 2.55%	Monthly ▲ 2.21%
Rising Trend	Rising Trend	Rising Trend	Rising Trend	Rising Trend	Rising Trend



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

Main Contributor

Tarathip Tangkanjanapas
tarathip.tan@ttbank.com

Pimchatr Ekkachan
pimchatr.ekk@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		106.09	0.0%	0.3%	2.3%	103.21	106.84
EUR/USD		1.0585	0.8%	-0.4%	-2.3%	1.0498	1.0917
USD/JPY		148.95	-0.3%	0.4%	2.4%	145.49	149.43
USD/CHF		0.9125	-1.0%	0.4%	3.2%	0.8783	0.9213
GBP/USD		1.2233	0.8%	0.0%	-3.4%	1.2132	1.2720
USD/CAD		1.3471	-0.3%	-0.2%	-0.4%	1.3471	1.3672
AUD/USD		0.6457	1.5%	0.5%	-0.2%	0.6360	0.6486
NZD/USD		0.6006	1.2%	1.0%	0.7%	0.5872	0.6006
ASEAN Dollar		110.06	0.0%	0.9%	2.5%	107.11	110.06
USD/THB		36.54	-0.6%	1.4%	4.2%	34.93	36.80
USD/SGD		1.3625	-0.7%	-0.3%	0.8%	1.3493	1.3722
USD/MYR		4.6856	-0.5%	0.0%	1.0%	4.6383	4.7085
USD/IDR		15,417	-0.4%	0.6%	1.5%	15,173	15,472
USD/PHP		56.60	-0.8%	-0.6%	-0.2%	56.60	57.06
USD/CNY		7.2814	0.0%	-0.3%	0.3%	7.2580	7.3429
USD/HKD		7.8215	-0.1%	0.0%	-0.3%	7.8186	7.8497

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		213,587	-1152
Gold		15,113	12
SDR		5,402	-9
IMF Reserves		1,229	-5
Foreign Ccy		191,843	-1150
Net Fwd Position		29,905	-230

Last update: 22/09/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
02/10/2023	-670	2,435	1,766
29/09/2023	1,071	2,152	3,223
28/09/2023	-2,702	-2,946	-5,648
27/09/2023	2,056	-1,503	553
26/09/2023	-789	833	45
Last 5 days	-1,033	972	-61

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -670	↑ 2,435	↑ 1,766
QTD	Quarter	↓ -670	↑ 2,435	↑ 1,766
YTD	Year	↓ -157,840	↓ -8,246	↓ -166,086

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	1.81	2.28	1W		1.47	0.89	1.65	1W		0.00	0.00	0.08
1M		2.34	1.92	2.34	1M		1.20	0.87	1.72	1M		0.23	0.09	0.23
2M		2.41	1.98	2.41	2M					2M		0.00	0.00	0.16
3M		2.47	2.04	2.47	3M		1.91	1.09	2.02	3M		0.52	0.14	0.52
6M		2.56	2.15	2.56	6M		2.27	1.31	2.27	6M		0.83	0.22	0.83
12M		2.66	2.29	2.66	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=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		4.3500	3.00	26.00	56.00	3.61	4.35
Gilt 10y		4.3556	13.05	-0.08	18.85	4.07	4.61
Bund 10y		2.6400	1.00	7.00	32.00	2.27	2.70
JGB 10y		0.7310	1.60	7.40	29.70	0.40	0.73
TGB 1y		2.4627	-0.20	2.03	27.20	2.19	2.48
TGB 2y		2.5299	-0.75	-2.56	22.66	2.30	2.56
TGB 5y		2.7755	-3.55	-5.00	25.22	2.51	2.87
TGB 7y		2.9462	-5.07	-5.34	28.97	2.65	3.04
TGB 10y		3.1532	-2.88	-8.94	36.77	2.77	3.26
AAA Spread		66.40	-1.39	-4.19	-6.22	66.40	73.93
AA Spread		71.81	-0.54	-8.71	-7.03	71.81	85.02
A Spread		120.41	-0.16	-2.03	-3.18	120.41	126.90
BBB Spread		234.24	-0.20	-0.77	-3.74	234.24	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		92.47	-0.7%	-0.9%	7.7%	84.42	97.33
London Gold		1935.0	0.8%	-0.5%	-0.6%	1,890.1	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)		4,337.4	-1.5%	-3.8%	-3.6%	4,273.5	4,515.8
STOXX (EU)		454.2	0.3%	1.3%	1.6%	445.3	457.4
FTSE All-Share(UK)		4,072.4	-1.3%	-1.6%	0.3%	4,048.7	4,197.8
DAX (DE)		15,781.6	0.3%	-0.4%	-2.0%	15,603.3	16,469.8
CAC All-Tradable(FR)		5,460.9	0.8%	0.2%	0.7%	5,300.8	5,582.2
TOPIX (JP)		2,406.0	-0.9%	3.2%	9.1%	2,145.8	2,428.4
Shanghai (CH)		3,277.4	0.0%	-0.3%	-2.2%	3,242.5	3,449.9
Hang Seng (HK)		17,997.2	-1.0%	-2.6%	-5.8%	17,950.9	20,078.9
ASX 200 (AU)		7,163.3	-0.9%	-1.6%	0.6%	7,042.3	7,403.6
SET (TH)		1,507.9	-1.3%	-3.4%	-1.7%	1,466.9	1,576.7
SET50 (TH)		924.2	-1.4%	-3.4%	-0.3%	896.4	966.7
Straits Times (SG)		3,242.0	-0.7%	0.3%	2.0%	3,149.3	3,373.8
FTSE Malay (MY)		1,458.0	0.6%	0.2%	5.6%	1,376.1	1,463.5
JSX Index (ID)		6,980.3	0.0%	0.4%	5.2%	6,633.3	6,996.0
PSE Index (PH)		6,041.0	-1.4%	-2.3%	-6.8%	6,041.0	6,679.1
Vn Index (VN)		1,226.1	1.2%	1.1%	11.3%	1,075.0	1,245.4

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.