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US consumer sentiment deteriorated in October, with households expecting higher inflation over the next year, but labor market strength was likely to continue supporting consumer spending. The third straight monthly decline in sentiment reported by the University of Michigan on Friday was across nearly all demographic groups and likely reflected a rise in gasoline prices, which has since reversed. Consumers' 12-month inflation expectations increased to a five-month high. Sentiment was also likely hurt by violence in the Middle East, with the cutoff date for the survey Oct. 11, days after Palestinian Islamist group Hamas launched its attack on Israel. Other factors that could have weighed on morale include the continuing strike in the automobile industry and political dysfunction in Washington.

**Persistent US services inflation dampens oil outlook**

US service-sector businesses returned to steady expansion in the third quarter after a brief and scarcely perceptible slowdown in the second quarter, according to business surveys. But the expansion is fueling faster price increases, putting the central bank's disinflation plan in jeopardy and will likely lead to interest rates remaining higher for longer. In turn, higher rates will dampen interest-sensitive expenditure and likely lead to slower growth in oil consumption in 2024. Higher-for-longer rates will hit marginal borrowers in the United States, Europe and emerging markets especially hard. The Institute for Supply Management's services activity index was at 53.6 (29th percentile for all months since 1997) in September up from a low of 50.3 (11th percentile) in May.

**Euro industrial output up in August, but sharply down year-on-year**

Euro zone industrial production rose by more than expected in August, as factories made more consumer goods although overall output was down by more than 5% from a year earlier. The European Union's statistics office Eurostat said industrial production in the 20 countries sharing the euro rose by 0.6% month-on-month in August for a 5.1% year-on-year decline. Economists polled by Reuters had expected a 0.1% monthly increase and a 3.5% decline from a year earlier. The stronger than expected month-on-month numbers resulted from a 1.2% rebound in production of durable consumer goods, such as televisions or fridges, after a similar-sized decline in July. Output of non-durable consumer goods, such as food or clothing, rose by 0.5% for a second consecutive month.

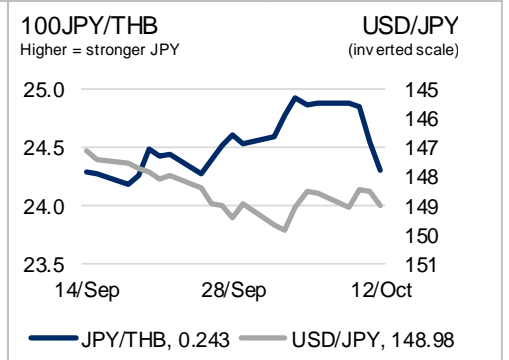
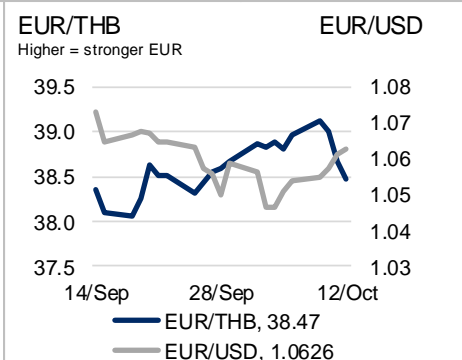
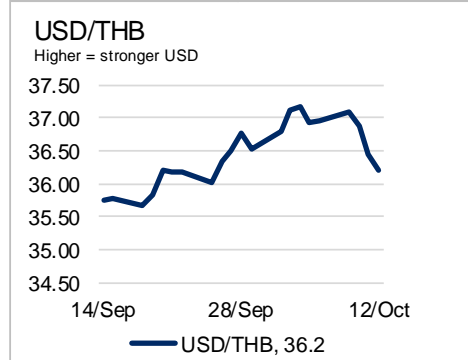
**Dollar steady on underlying moderate PPI data, dovish Fed officials**

The 10-year government bond yield (interpolated) on the previous trading day was 3.28, -2.02 bps. The benchmark government bond yield (LB31DA) was 3.28,+0.00 bps. Meantime, the latest closed US 10-year bond yields was 4.63, -7.00 bps. USDTHB on the previous trading day closed around 36.20. Moving in a range of 36.20-36.28 this morning. USDTHB could be closed between 36.15-36.35 today. The US dollar touched a one-week high against a basket of currencies, extending its gains from the previous session when hot US consumer prices data reinforced expectations that the Federal Reserve may have to keep interest rates higher for longer. The consumer price index (CPI) rose 0.4% in September, keeping the annual rate at 3.7%, the same as in August, while economists polled by Reuters had forecast it would gain 0.3% on the month and 3.6% year-on-year. Data had shown U.S. producer prices increased more than expected in September amid higher costs for energy products and food. The dollar was also helped by safe-haven buying driven by the escalating Middle East conflict as Israel urged civilians to leave the northern Gaza Strip.

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

<b>SET Index</b>	<b>1,450.8</b>	<b>S&amp;P500</b>	<b>4,327.8</b>	<b>10Y UST</b>	<b>4.63%</b>	<b>Brent</b>	<b>86.0</b>	<b>Gold</b>	<b>1,887.0</b>
2-Oct	▼ -0.36%	13-Oct	▼ -1.13%	13-Oct	▼ -7.0 bps	12-Oct	▲ 0.21%	13-Oct	▲ 0.31%

<b>USD/THB 36.20</b>	Daily ▼ -0.70%	<b>EUR/THB 38.47</b>	Daily ▼ -0.54%	<b>JPY/THB 0.2430</b>	Daily ▼ -1.01%
Weekly ▼ -2.11%	Weekly ▼ -1.28%	Weekly ▼ -2.38%	Monthly ▲ 0.28%	Monthly ▲ 0.02%	
Sideways Trend	Monthly ▲ 1.27%	Sideways Trend		Sideways Trend	Monthly ▲ 0.02%



Sources: ttbank analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoJ'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		105.72	0.0%	-0.9%	1.0%	104.68	107.22
EUR/USD		1.0610	0.4%	1.0%	-1.2%	1.0462	1.0741
USD/JPY		148.53	0.0%	0.0%	0.8%	146.41	149.85
USD/CHF		0.9040	-0.1%	-1.2%	1.3%	0.8906	0.9213
GBP/USD		1.2301	0.5%	1.3%	-1.5%	1.2068	1.2507
USD/CAD		1.3578	0.0%	-1.2%	0.0%	1.3471	1.3736
AUD/USD		0.6429	0.2%	1.2%	0.4%	0.6303	0.6457
NZD/USD		0.6040	0.2%	1.7%	2.4%	0.5886	0.6040
ASEAN Dollar		110.46	0.0%	-0.2%	1.8%	108.56	110.78
USD/THB		36.45	-1.2%	-1.3%	2.1%	35.50	37.16
USD/SGD		1.3614	-0.2%	-0.6%	0.0%	1.3601	1.3743
USD/MYR		4.7230	-0.1%	0.0%	1.0%	4.6705	4.7311
USD/IDR		15,659	0.1%	0.7%	2.3%	15,268	15,659
USD/PHP		56.75	-0.3%	0.0%	0.0%	56.60	57.06
USD/CNY		7.2807	0.0%	-0.3%	-0.1%	7.2679	7.3429
USD/HKD		7.8108	-0.2%	-0.3%	-0.3%	7.8108	7.8350

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.40	0.15
3-month		1.30	0.30
6-month		2.35	0.35

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		210,469	-1281
Gold		14,387	-124
SDR		5,389	4
IMF Reserves		1,226	1
Foreign Ccy		189,467	-1161
Net Fwd Position		29,780	25

Last update: 06/10/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
12/10/2023	-1,760	1,889	129
11/10/2023	2,916	17,127	20,043
10/10/2023	-1,266	280	-986
09/10/2023	2,963	-1,984	980
06/10/2023	-1,638	1,676	38
Last 5 days	1,216	18,988	20,204

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -6,000	↑ 14,342	↑ 8,341
QTD	Quarter	↓ -6,000	↑ 14,342	↑ 8,341
YTD	Year	↓ -163,171	↑ 3,661	↓ -159,510

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		2.50	2.00	2.50	ON		1.90	0.43	2.02	ON		0.08	0.07	0.08
1W		2.52	2.03	2.52	1W		1.64	0.89	1.65	1W		0.00	0.00	0.08
1M		2.55	2.05	2.55	1M		1.55	0.85	1.72	1M		0.19	0.09	0.19
2M		2.59	2.09	2.59	2M					2M		0.00	0.00	0.16
3M		2.62	2.14	2.62	3M		2.02	1.09	2.02	3M		0.50	0.13	0.50
6M		2.70	2.22	2.70	6M		2.27	1.31	2.27	6M		0.83	0.20	0.83
12M		2.80	2.35	2.80	12M		2.71	1.59	2.71	12M		1.34	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>4.5900</b>	3.00	30.00	75.00	3.69	4.59
Gilt 10y		<b>4.3219</b>	3.13	-3.90	-0.71	4.15	4.64
Bund 10y		<b>2.8600</b>	8.00	23.00	38.00	2.36	2.86
JGB 10y		<b>0.7470</b>	0.90	8.00	30.10	0.40	0.76
TGB 1y		<b>2.4479</b>	-0.11	-1.64	12.43	2.28	2.48
TGB 2y		<b>2.5703</b>	-0.03	1.35	7.53	2.41	2.57
TGB 5y		<b>2.8547</b>	-0.23	-0.30	9.46	2.68	2.88
TGB 7y		<b>3.0496</b>	-1.86	0.40	13.77	2.83	3.10
TGB 10y		<b>3.2833</b>	-2.02	-7.26	24.76	2.94	3.38
AAA Spread		<b>65.28</b>	-1.26	-2.64	-7.23	65.28	73.93
AA Spread		<b>68.22</b>	-0.22	-11.99	-11.46	68.22	85.02
A Spread		<b>119.35</b>	-0.04	-1.84	-3.92	119.35	124.63
BBB Spread		<b>234.50</b>	0.21	-0.14	-3.30	234.29	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		<b>86.00</b>	0.2%	2.3%	-6.6%	84.07	96.55
London Gold		<b>1871.6</b>	-1.3%	-2.5%	-4.7%	1,871.6	1,978.2

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>4,258.2</b>	1.2%	0.5%	-3.2%	4,229.5	4,505.1
STOXX (EU)		<b>436.3</b>	-0.2%	-3.6%	-4.6%	436.3	457.4
FTSE All-Share(UK)		<b>4,095.5</b>	-0.8%	1.0%	-1.9%	4,010.9	4,197.8
DAX (DE)		<b>15,386.6</b>	1.1%	-2.1%	-5.0%	15,217.5	16,446.8
CAC All-Tradable(FR)		<b>5,311.1</b>	0.9%	-1.8%	-2.7%	5,262.3	5,592.3
TOPIX (JP)		<b>2,345.5</b>	-1.1%	-0.6%	3.6%	2,182.7	2,430.3
Shanghai (CH)		<b>3,234.2</b>	-1.3%	-2.9%	-3.5%	3,231.3	3,419.2
Hang Seng (HK)		<b>17,373.0</b>	-0.5%	-4.0%	-10.5%	17,373.0	20,040.4
ASX 200 (AU)		<b>7,048.6</b>	0.3%	-2.2%	-3.4%	7,004.0	7,410.4
SET (TH)		<b>1,471.4</b>	-1.7%	-4.8%	-5.7%	1,471.4	1,563.0
SET50 (TH)		<b>899.3</b>	-2.2%	-4.9%	-4.9%	899.3	960.8
Straits Times (SG)		<b>3,217.4</b>	0.5%	0.1%	0.0%	3,150.4	3,337.4
FTSE Malay (MY)		<b>1,424.2</b>	-1.5%	-2.1%	3.2%	1,376.7	1,462.7
JSX Index (ID)		<b>6,939.9</b>	0.2%	-0.3%	3.7%	6,633.4	7,016.8
PSE Index (PH)		<b>6,321.2</b>	-0.8%	1.5%	-1.8%	6,041.0	6,677.9
Vn Index (VN)		<b>1,154.2</b>	0.0%	-7.3%	3.3%	1,107.5	1,245.4

Sources: ttb analytics, CEIC

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

### Important Disclosures

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