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German wholesale prices fell for the sixth month in a row in September due to lower prices for mineral oil products, data from the federal statistics office showed, pointing to lower inflation in the coming months. September's wholesale prices fell by 4.1% compared with the same month last year, the biggest drop since May 2020. The 19.8% year-on-year fall in prices for mineral oil products, attributed to a base effect originating from high prices last year due to the war in Ukraine, was the primary driver of the overall decline, according the office. Easing price pressures in wholesale trade point to lower inflation rates in Germany in the coming months. Wholesalers are the link between manufacturers and consumers, and price reductions usually reach consumers with a delay.

Bank of England chief economist advocates for sustained high interest rates

The chief economist for the Bank of England, Huw Pill, has underscored the necessity of maintaining high interest rates to counter inflation, despite the recent drop in living costs. Speaking at the Official Monetary and Financial Institutions Forum, Pill emphasized that persistent domestically driven inflation factors should guide the Bank's efforts to steer inflation back to its 2% target. Pill compared his preferred approach to interest rates to Table Mountain, indicating a lower peak but a longer duration of high rates than market expectations. This strategy represents a departure from the market's anticipation of a sharp peak followed by a rapid decline. Pill further acknowledged the uncertainties in forecasting, referring to what he termed as the "cloudy peak". He stated that future decisions regarding interest rates would be "finely balanced", suggesting possible additional hikes before the end of the year to achieve the 2% target.

Oil prices extend losses amid Middle East uncertainty, Venezuela deal talk

Oil prices fell in Asian trade, extending recent losses after reports suggested that the US could potentially relax its sanctions on Venezuela's oil industry. A lack of immediate escalation in the Israel-Hamas war also spurred bets that the conflict will not spill over into the broader Middle East region, as US officials said that Israel had agreed to provide aid to Gaza. While the move pushed up some hopes over a de-escalation in the Israel-Hamas war, it also dented bets over disruptions in Middle Eastern oil supply- a notion that had boosted oil prices since the onset of the conflict earlier in October. This, coupled with reports of potential sanctions relief for Venezuela, spurred steep losses in oil prices.

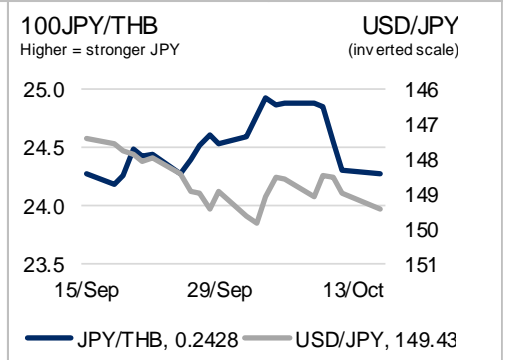
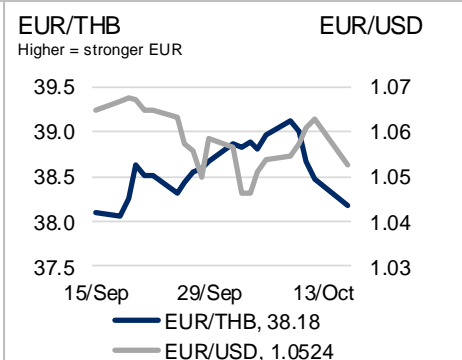
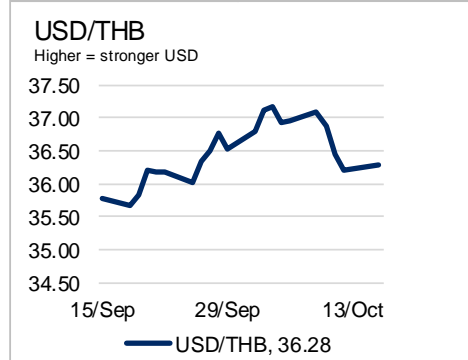
Dollar drifts as investors eye Powell speech, yen wobbles near intervention zone

The 10-year government bond yield (interpolated) on the previous trading day was 3.31, +2.72 bps. The benchmark government bond yield (LB31DA) was 3.27,+3.00 bps. Meantime, the latest closed US 10-year bond yields was 4.71, +8.00 bps. USDTHB on the previous trading day closed around 36.28. Moving in a range of 36.30-36.37 this morning. USDTHB could be closed between 36.30-36.50 today. The US dollar started on the back foot as investors took stock of developments in the Middle East and braced for a slew of speeches by central bank officials this week headlined by Fed Chair Powell to gauge the monetary policy outlook. The yen was pinned close to the key 150 per dollar level, keeping traders on edge for any signs of intervention by the Japanese authorities. The yen last fetched 149.62 per dollar, having slipped to 150.17 on Oct. 3, the weakest in a year, before getting some relief in a brief rally. Japan's top financial diplomat Masato Kanda said the yen was still perceived as a safe haven asset like the dollar and the Swiss franc despite its recent weakness and was benefiting from demand due to the conflict in the Middle East.

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

SET Index	1,427.1	S&P500	4,373.6	10Y UST	4.71%	Brent	90.9	Gold	1,914.7
6-Oct	▼ -1.64%	16-Oct	▲ 0.55%	16-Oct	▲ 8.0 bps	13-Oct	▲ 5.53%	16-Oct	▲ 1.45%

USD/THB 36.28	Daily ▲ 0.21%	EUR/THB 38.18	Daily ▼ -0.75%	JPY/THB 0.2428	Daily ▼ -0.09%
Weekly ▼ -2.21%	Weekly ▼ -2.42%	Weekly ▼ -2.45%	Monthly ▲ 0.23%	Monthly ▲ 0.03%	
Sideways Trend	Monthly ▲ 1.39%	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		105.59	0.0%	-0.8%	0.8%	104.68	107.22
EUR/USD		1.0626	0.2%	0.8%	-1.0%	1.0462	1.0741
USD/JPY		148.98	0.3%	0.3%	1.3%	146.41	149.85
USD/CHF		0.8999	-0.4%	-1.5%	0.8%	0.8911	0.9213
GBP/USD		1.2320	0.2%	1.1%	-1.3%	1.2068	1.2507
USD/CAD		1.3586	0.1%	-1.0%	0.3%	1.3471	1.3736
AUD/USD		0.6419	-0.2%	0.8%	-0.2%	0.6303	0.6457
NZD/USD		0.6014	-0.4%	0.9%	1.5%	0.5886	0.6040
ASEAN Dollar		109.68	0.0%	-0.9%	1.8%	108.09	110.63
USD/THB		36.20	-0.7%	-2.1%	1.3%	35.50	37.16
USD/SGD		1.3612	0.0%	-0.5%	0.1%	1.3601	1.3743
USD/MYR		4.7165	-0.1%	-0.1%	0.8%	4.6705	4.7311
USD/IDR		15,652	0.0%	0.5%	2.2%	15,281	15,659
USD/PHP		56.68	-0.1%	0.0%	-0.2%	56.60	57.06
USD/CNY		7.2913	0.0%	-0.2%	0.2%	7.2679	7.3146
USD/HKD		7.8155	0.1%	-0.2%	-0.2%	7.8108	7.8344

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.40	0.70
3-month		1.30	0.90
6-month		2.35	1.10

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
16/10/2023	-2,900	-2,910	-5,810
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
Last 5 days	-46	14,402	14,356

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -8,901	↑ 11,432	↑ 2,531
QTD	Quarter	↓ -8,901	↑ 11,432	↑ 2,531
YTD	Year	↓ -166,071	↑ 750	↓ -165,321

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	1.75	2.50	ON		1.90	0.43	2.00	ON		0.08	0.07	0.08
1W		2.52	1.92	2.52	1W		1.64	0.50	1.65	1W		0.00	0.00	0.08
1M		2.55	1.98	2.55	1M		1.55	0.69	1.72	1M		0.19	0.09	0.19
2M		2.59	2.03	2.59	2M					2M		0.00	0.00	0.16
3M		2.62	2.08	2.62	3M		2.02	1.07	2.02	3M		0.50	0.13	0.50
6M		2.71	2.17	2.71	6M		2.27	1.31	2.27	6M		0.83	0.18	0.83
12M		2.81	2.31	2.81	12M		2.71	1.59	2.71	12M		1.34	0.33	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		4.5900	4.00		32.00		86.00		3.69	4.59
Gilt 10y		4.3219	7.05		-2.24		13.33		4.15	4.64
Bund 10y		2.8700	7.00		26.00		43.00		2.32	2.87
JGB 10y		0.7740	3.60		12.20		31.90		0.38	0.77
TGB 1y		2.4512	0.33		-1.34		12.42		2.29	2.48
TGB 2y		2.5757	0.54		1.71		8.36		2.44	2.58
TGB 5y		2.8670	1.22		0.76		13.65		2.72	2.88
TGB 7y		3.0554	0.58		0.65		18.06		2.87	3.10
TGB 10y		3.3105	2.72		-5.49		33.58		2.97	3.38
AAA Spread		64.94	-1.64		-5.60		-7.67		64.94	73.93
AA Spread		69.38	0.89		-11.13		-9.28		68.49	85.27
A Spread		116.49	-3.17		-5.23		-7.09		116.49	124.71
BBB Spread		234.44	0.10		-0.54		-3.52		234.24	239.99

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		90.89	5.7%		7.5%		-1.1%		84.07	96.55
London Gold		1831.9	-4.2%		-4.8%		-6.7%		1,831.9	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)		4,258.2	1.8%		1.1%		-2.6%		4,229.5	4,505.1
STOXX (EU)		438.7	0.4%		-3.1%		-4.1%		437.0	457.4
FTSE All-Share(UK)		4,111.2	0.4%		1.5%		-1.9%		4,010.9	4,197.8
DAX (DE)		15,247.2	-0.1%		-3.1%		-6.5%		15,247.2	16,310.8
CAC All-Tradable(FR)		5,258.9	-0.1%		-2.1%		-4.1%		5,258.9	5,547.9
TOPIX (JP)		2,323.4	-2.6%		-2.1%		6.0%		2,159.2	2,406.0
Shanghai (CH)		3,284.2	0.2%		-0.1%		-3.0%		3,212.3	3,439.0
Hang Seng (HK)		17,809.7	0.5%		-5.5%		-7.5%		17,729.3	19,912.9
ASX 200 (AU)		7,033.2	-0.1%		-3.1%		-1.8%		7,033.2	7,450.7
SET (TH)		1,469.5	-1.6%		-5.1%		-5.5%		1,469.5	1,568.8
SET50 (TH)		901.1	-1.8%		-5.0%		-4.3%		901.1	963.5
Straits Times (SG)		3,208.9	-0.2%		-0.4%		0.7%		3,139.5	3,371.2
FTSE Malay (MY)		1,418.8	-1.7%		-2.5%		3.2%		1,374.6	1,463.4
JSX Index (ID)		6,961.5	-0.5%		-0.4%		5.2%		6,618.9	7,011.7
PSE Index (PH)		6,304.5	0.6%		1.0%		-3.6%		6,094.7	6,631.3
Vn Index (VN)		1,155.3	1.5%		-7.2%		3.5%		1,078.4	1,245.5

Sources: ttb analytics, CEIC

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

Important Disclosures

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