

Foreign holdings of US Treasuries in August hit highest since December 2021

Foreign holdings of US Treasuries in August hit highest since December 2021

Foreign holdings of U.S. Treasuries in August rose to their largest level since December 2021, data from the Treasury Department showed, rising for a third straight month. Total holdings of U.S. Treasuries climbed to \$7.707 trillion in August from \$7.655 trillion the previous month. Compared with a year earlier, overseas holdings were up roughly 2.8%. Japanese investors raised their stash of Treasuries to \$1.116 trillion from \$1.112 trillion in July. Their August holdings were the largest since April, rising for a third straight month. Japan remains the largest non-U.S. holder of U.S. government debt. China's holdings of Treasuries fell further to \$805.4 billion in August, the lowest since May 2009, when it had \$776.4 billion, data showed.

Japan exports rise for the first time in three months

Japan's exports grew for the first time in three months in September, amid signs of resilience in overseas markets, but a worsening conflict in the Middle East and slowdown in China cloud the outlook for the world's third-largest economy. Exports grew 4.3% in September from a year earlier, Ministry of Finance (MOF) data showed on Thursday, bigger than a 3.1% increase expected by economists in a Reuters poll and a 0.8% fall in August. Exports were driven by car shipments, which account for 18% of overall exports, offsetting declines in exports of chip-related products. China-bound food exports, including fishery produce, tumbled 58% year-on-year in September due to its ban on Japanese food imports on worries about water released from the Fukushima nuclear power plant.

China's Q3 GDP growth, Sept activity show economic recovery gaining traction

China's economy grew at a faster-than-expected clip in the third quarter, while consumption and industrial activity in September also surprised on the upside, suggesting the recent flurry of policy measures is helping to bolster a tentative recovery. Rapidly weakening growth in the world's second-biggest economy since the second quarter prompted authorities to step up their support steps, with batch of data indicating the stimulus is starting to gain traction although a property crisis and other headwinds continue to pose risks to the outlook. Gross domestic product (GDP) grew 4.9% in July-September from the year earlier, data released by the National Bureau of Statistics showed, versus analysts' expectations in a Reuters poll for a 4.4% increase but slower than the 6.3% expansion in the second quarter.

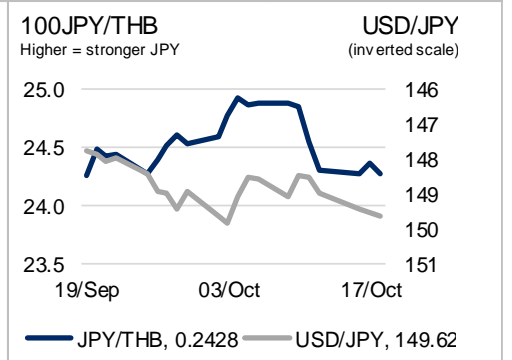
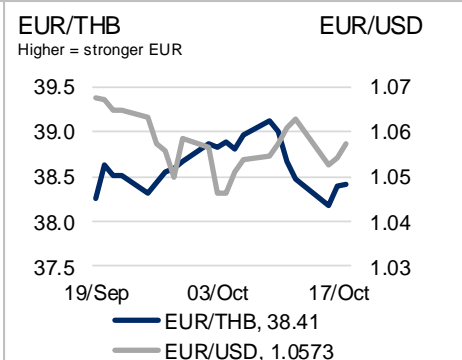
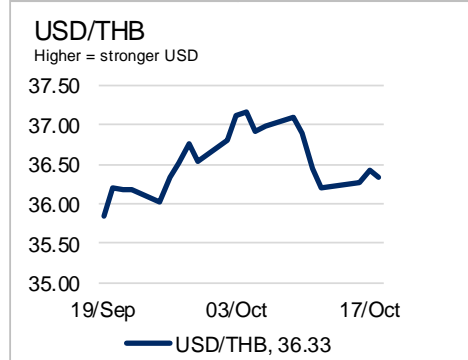
Dollar gains as Fed, Middle East in focus

The 10-year government bond yield (interpolated) on the previous trading day was 3.36, +3.09 bps. The benchmark government bond yield (LB31DA) was 3.32, +2.00 bps. Meantime, the latest closed US 10-year bond yields was 4.91, +8.00 bps. USDTHB on the previous trading day closed around 36.33. Moving in a range of 36.38-36.425 this morning. USDTHB could be closed between 36.30-36.50 today. The dollar rose against the euro and yen as benchmark 10-year Treasury yields hit 16-year highs and as investors watched the war between Hamas and Israel for signs of escalation. Since mid-July, the benchmark 10-year Treasury yield has climbed about 120 basis points and the dollar index has risen around 7%. Fed funds futures traders are pricing in a 39% chance that the Fed could hike rates again by year-end, but only 6% odds of an increase next month, according to the CME Group's FedWatch Tool. In a strong signal that the Fed will not raise interest rates at its next meeting but could easily do so later, Fed Governor Christopher Waller said he wants to "wait, watch and see" if the U.S. economy continues its run of strength or weakens in the face of the Fed's rate hikes to date. The currency has benefited from expectations the U.S. Federal Reserve will hold rates higher for longer as it battles to bring inflation closer to its 2% annual target.

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

SET Index	1,437.9	S&P500	4,314.6	10Y UST	4.91%	Brent	89.9	Gold	1,943.3
8-Oct	▲ 0.31%	18-Oct	▼ -1.36%	18-Oct	▲ 8.0 bps	17-Oct	▲ 0.28%	18-Oct	▲ 1.06%

USD/THB 36.33	Daily ▼ -0.26%	EUR/THB 38.41	Daily ▲ 0.03%	JPY/THB 0.2428	Daily ▼ -0.33%
Weekly ▼ -0.35%	Weekly ▼ -0.70%	Weekly ▼ -1.08%	Monthly ▲ 0.40%	Monthly ▲ 0.10%	
Sideways Trend	Monthly ▲ 1.36%	Sideways Trend		Sideways 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		106.37	0.0%	0.3%	1.1%	104.71	107.22
EUR/USD		1.0542	0.2%	-0.3%	-1.2%	1.0462	1.0741
USD/JPY		149.52	0.1%	0.7%	1.3%	147.13	149.85
USD/CHF		0.9013	-0.1%	-0.4%	0.5%	0.8920	0.9213
GBP/USD		1.2190	0.2%	-0.5%	-1.7%	1.2068	1.2488
USD/CAD		1.3633	-0.1%	0.4%	0.9%	1.3471	1.3736
AUD/USD		0.6347	0.4%	-1.1%	-1.4%	0.6303	0.6457
NZD/USD		0.5899	-0.4%	-2.1%	-0.2%	0.5886	0.6040
ASEAN Dollar		109.64	0.0%	-0.1%	1.5%	107.65	110.12
USD/THB		36.42	0.4%	-1.3%	2.1%	35.68	37.16
USD/SGD		1.3687	0.0%	0.3%	0.4%	1.3601	1.3743
USD/MYR		4.7343	-0.1%	0.1%	1.1%	4.6781	4.7370
USD/IDR		15,680	0.2%	0.3%	2.3%	15,307	15,680
USD/PHP		56.78	-0.1%	-0.2%	-0.2%	56.60	57.06
USD/CNY		7.3090	0.0%	0.4%	0.4%	7.2679	7.3146
USD/HKD		7.8201	0.0%	0.0%	0.0%	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: 6/10/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
18/10/2023	2,800	-842	1,958
17/10/2023	-841	-1,474	-2,315
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
Last 5 days	215	13,790	14,005

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -6,942	↑ 9,116	↑ 2,174
QTD	Quarter	↓ -6,942	↑ 9,116	↑ 2,174
YTD	Year	↓ -164,112	↓ -1,565	↓ -165,678

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	1.79	2.52	1W		1.64	0.22	1.65	1W		0.00	0.00	0.08
1M		2.55	1.88	2.55	1M		1.55	0.69	1.72	1M		0.19	0.09	0.19
2M		2.59	1.96	2.59	2M					2M		0.00	0.00	0.16
3M		2.63	2.01	2.63	3M		2.02	1.07	2.02	3M		0.50	0.13	0.50
6M		2.71	2.12	2.71	6M		2.27	1.31	2.27	6M		0.83	0.16	0.83
12M		2.82	2.27	2.82	12M		2.71	1.59	2.71	12M		1.34	0.26	1.34

Last Updated: 29/6/2023

Last Updated: 9/3/2022

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		4.8100	20.00		69.00		120.00		3.61	4.81
Gilt 10y		4.5236	22.67		15.22		43.65		4.00	4.60
Bund 10y		2.9700	5.00		47.00		60.00		2.29	2.97
JGB 10y		0.7790	2.70		11.00		33.10		0.39	0.78
TGB 1y		2.4624	0.46		1.36		11.34		2.33	2.48
TGB 2y		2.5817	0.35		0.73		7.51		2.49	2.58
TGB 5y		2.9085	1.97		3.97		16.80		2.72	2.91
TGB 7y		3.1260	4.28		3.26		23.51		2.87	3.13
TGB 10y		3.3638	3.09		-0.03		34.28		2.97	3.38
AAA Spread		65.56	0.20		-4.94		-7.16		65.36	73.91
AA Spread		69.66	-0.14		-10.83		-9.65		69.66	85.03
A Spread		116.49	-2.89		-5.81		-7.22		116.49	127.51
BBB Spread		234.54	0.21		-0.46		-3.43		234.33	239.73

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		89.90	0.3%		2.6%		-4.3%		84.07	96.55
London Gold		1823.3	-2.7%		-6.2%		-7.1%		1,823.3	1,976.8

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)		4,335.7	1.0%		2.1%		-1.7%		4,229.5	4,505.1
STOXX (EU)		436.5	-0.5%		-3.6%		-4.6%		436.5	457.4
FTSE All-Share(UK)		4,088.2	-1.2%		-0.7%		-1.6%		4,010.9	4,197.8
DAX (DE)		15,099.9	-1.5%		-5.3%		-5.4%		15,099.9	16,469.8
CAC All-Tradable(FR)		5,200.1	-1.8%		-4.8%		-3.4%		5,200.1	5,582.2
TOPIX (JP)		2,275.5	-4.4%		-1.2%		5.9%		2,145.8	2,428.4
Shanghai (CH)		3,252.6	-0.2%		0.8%		-3.4%		3,227.2	3,455.5
Hang Seng (HK)		17,195.8	-2.4%		-5.2%		-5.7%		17,195.8	20,078.9
ASX 200 (AU)		6,890.2	-1.9%		-5.7%		-3.4%		6,890.2	7,403.6
SET (TH)		1,451.3	-2.1%		-7.3%		-4.6%		1,451.3	1,565.9
SET50 (TH)		886.3	-2.6%		-7.4%		-3.4%		886.3	963.0
Straits Times (SG)		3,147.4	-1.9%		-2.3%		-0.6%		3,147.4	3,373.8
FTSE Malay (MY)		1,415.8	-1.7%		-2.7%		2.1%		1,378.7	1,460.1
JSX Index (ID)		6,886.6	-0.7%		-1.1%		3.0%		6,626.1	6,991.7
PSE Index (PH)		6,298.2	-1.4%		2.0%		-2.1%		6,048.0	6,679.1
Vn Index (VN)		1,128.7	-2.1%		-6.3%		2.8%		1,061.8	1,245.5

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.