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The U.S. economy experienced a robust 4.9% inflation-adjusted annual growth rate in Q3, exceeding economists' predictions of 4.7% and doubling the 2.1% growth seen in Q2. This notable performance is potentially at risk due to rising long-term interest rates, geopolitical conflicts in Ukraine and the Middle East, and the possibility of a U.S. government shutdown. Although this GDP growth was lower than the Atlanta FED GDPNOW's forecast of 5.3%, it is not expected to significantly impact the Federal Reserve's upcoming decisions. The Fed has maintained interest rates at a 22-year peak, providing policymakers an opportunity to evaluate the effects of their past rate hikes and recent events such as the sharp bond market sell-off.

Mortgage rates in the U.S. hit seven-week surge

In a seven-week consecutive surge, U.S. mortgage rates have reached an average of 7.79% for a 30-year fixed loan, according to Freddie Mac. The increase coincides with a rise in 10-year Treasury yields, which have surpassed 5%, marking a 16-year high. The surge has resulted in discouraging potential homebuyers, leading to a shortage of resale listings and driving purchase loan applications to their lowest point since 1995. Despite this downturn, the National Association of Realtors reported an unexpected increase in contracts for previously owned homes in September. Builders have responded to these market conditions by offering discounted mortgage rates, propelling new home purchases to their fastest pace since early 2022.

Core inflation in Japan's capital unexpectedly accelerates, BOJ in spotlight

Core consumer inflation in Japan's capital Tokyo, considered a leading indicator of nationwide trends, unexpectedly accelerated in October, a sign of broadening price pressures that may keep alive expectations of near-term end to ultra-low interest rates. The data reinforces expectations the Bank of Japan (BOJ) will revise up its inflation forecasts when it produces fresh quarterly projections at next week's policy meeting. The Tokyo core consumer price index (CPI), which excludes volatile fresh food but includes fuel costs, rose 2.7% in October from a year earlier, exceeding market forecasts for a 2.5% gain. The increase, which was faster than a 2.5% gain in September, casts doubt on the central bank's view that inflation will slow in coming months as cost-push pressure dissipate. The so-called "core core" index that strips away both fresh food and fuel prices - closely watched by the BOJ as a gauge of broader price trends - rose 3.8% in October from a year earlier after a 3.9% increase in September, the data showed.

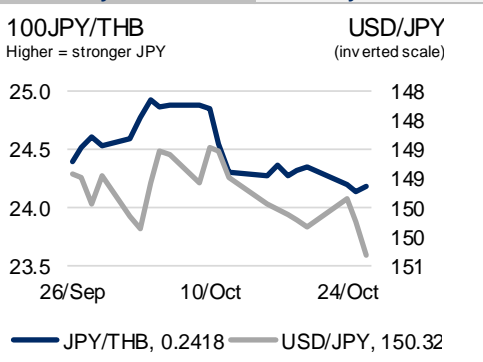
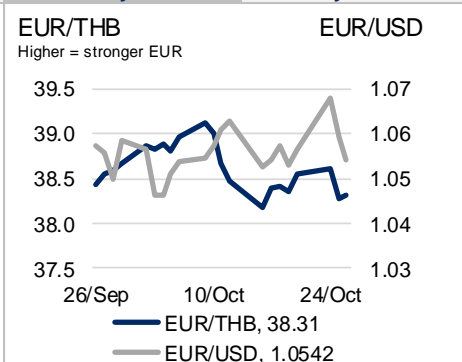
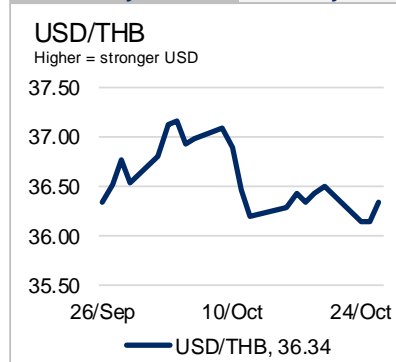
Asia FX weakens, yen on intervention watch after breaching 150

The 10-year government bond yield (interpolated) on the previous trading day was 3.35, +2.30 bps. The benchmark government bond yield (LB31DA) was 3.31, +0.00 bps. Meantime, the latest closed US 10-year bond yields was 4.86, -9.00 bps. USDTHB on the previous trading day closed around 36.34. Moving in a range of 36.205-36.26 this morning. USDTHB could be closed between 35.15-36.45 today. The dollar index and dollar index futures both rose 0.2% in Asian trade, hitting a near two-week high as markets hunkered down before a Federal Reserve meeting next week. While the central bank is widely expected to keep rates on hold, Fed officials have still left the door open for at least one more hike this year. Recent signs of resilience in the U.S. economy also give the Fed more headroom to keep rates higher for longer. The prospect of higher for longer U.S. rates weighed on most Asian currencies, given that it diminishes the appeal of risk-driven assets. Regional units were nursing steep losses for the year, following a sharp rise in U.S. rates. The yen broke past the key 150 level for the second time this month, ramping up bets that the Japanese government will intervene in currency markets to stem further weakness.

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

DAX Index	1,371.2	S&P500	4,137.2	10Y UST	4.86%	Brent	90.1	Gold	1,991.5
26-Oct	▼ -2.20%	26-Oct	▼ -2.63%	26-Oct	▼ -9.0 bps	25-Oct	▲ 2.31%	26-Oct	▲ 1.08%

USD/THB 36.34	Daily ▲ 0.59%	EUR/THB 38.31	Daily ▲ 0.10%	JPY/THB 0.2418	Daily ▲ 0.21%
Weekly ▼ -0.21%	Weekly ▼ -0.11%	Weekly ▼ -0.61%	Monthly ▼ -0.29%	Monthly ▼ -0.92%	
Sideways Trend	Sideways Trend	Sideways Trend	Sideways Trend	Sideways Trend	



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		106.13	0.0%	0.0%	0.4%	105.28	107.22
EUR/USD		1.0593	-0.8%	0.2%	-0.4%	1.0462	1.0681
USD/JPY		149.74	0.3%	0.1%	0.9%	147.86	149.85
USD/CHF		0.8931	0.4%	-0.7%	-1.7%	0.8896	0.9213
GBP/USD		1.2168	-0.9%	-0.1%	-0.5%	1.2068	1.2376
USD/CAD		1.3748	0.6%	0.8%	1.9%	1.3471	1.3748
AUD/USD		0.6380	0.4%	0.2%	-0.7%	0.6303	0.6457
NZD/USD		0.5854	-0.2%	-0.8%	-1.6%	0.5824	0.6040
ASEAN Dollar		110.19	0.0%	0.3%	1.2%	108.65	110.51
USD/THB		36.13	0.0%	-0.5%	0.3%	36.03	37.16
USD/SGD		1.3671	0.2%	-0.1%	0.0%	1.3612	1.3743
USD/MYR		4.7782	0.0%	0.8%	1.9%	4.6847	4.7782
USD/IDR		15,812	-0.2%	0.9%	3.2%	15,317	15,840
USD/PHP		56.85	0.1%	0.2%	-0.2%	56.60	57.06
USD/CNY		7.3076	0.0%	0.0%	0.1%	7.2768	7.3231
USD/HKD		7.8204	0.1%	0.0%	0.0%	7.8107	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		211,420	951
Gold		15,173	787
SDR		5,373	-16
IMF Reserves		1,223	-4
Foreign Ccy		189,651	184
Net Fwd Position		30,220	440

Last update: 13/10/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
26/10/2023	-1,558	1,796	239
25/10/2023	-924	2,640	1,715
24/10/2023	-1,444	645	-799
20/10/2023	-1,215	-3,234	-4,450
19/10/2023	-1,897	-1,313	-3,210
Last 5 days	-7,038	534	-6,504

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -13,980	↑ 9,650	↓ -4,330
QTD	Quarter	↓ -13,980	↑ 9,650	↓ -4,330
YTD	Year	↓ -171,151	↓ -1,031	↓ -172,182

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		2.53	1.79	2.53	1W		1.64	0.22	1.64	1W		0.00	0.00	0.08
1M		2.55	1.89	2.55	1M		1.55	0.69	1.72	1M		0.19	0.09	0.19
2M		2.60	1.96	2.60	2M					2M		0.00	0.00	0.16
3M		2.64	2.02	2.64	3M		2.02	1.07	2.02	3M		0.50	0.12	0.50
6M		2.72	2.13	2.72	6M		2.27	1.31	2.27	6M		0.83	0.16	0.83
12M		2.83	2.27	2.83	12M		2.71	1.59	2.71	12M		1.34	0.24	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 Market

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.7000	-2.00	61.00	101.00	3.69	4.72
Gilt 10y		4.4240	-15.72	13.20	28.03	4.12	4.61
Bund 10y		2.7300	-16.00	17.00	31.00	2.32	2.89
JGB 10y		0.7560	-4.70	9.90	30.60	0.38	0.80
TGB 1y		2.4493	0.05	-1.31	0.69	2.42	2.48
TGB 2y		2.5819	0.76	0.03	2.64	2.53	2.59
TGB 5y		2.9256	1.78	1.71	10.01	2.78	2.94
TGB 7y		3.1290	0.89	0.30	12.95	2.95	3.15
TGB 10y		3.3479	2.30	-1.59	10.52	3.14	3.39
AAA Spread		65.51	-0.13	-5.05	-7.16	65.51	73.93
AA Spread		67.11	-2.59	-13.38	-12.25	67.11	85.27
A Spread		113.32	-2.67	-9.15	-10.28	113.32	127.52
BBB Spread		234.27	-0.10	-0.75	-3.67	234.27	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		90.13	2.3%	-1.5%	-3.4%	84.07	96.55
London Gold		1881.2	3.3%	-3.1%	-3.4%	1,821.9	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)		4,373.2	-2.2%	-0.7%	-5.0%	4,229.5	4,505.1
STOXX (EU)		442.0	1.5%	1.3%	-2.2%	431.5	454.2
FTSE All-Share(UK)		3,959.5	-0.8%	-2.0%	-4.3%	3,959.5	4,172.4
DAX (DE)		15,425.0	1.3%	-2.5%	-3.3%	15,217.5	16,406.0
CAC All-Tradable(FR)		5,279.4	0.6%	-2.9%	-2.1%	5,246.0	5,576.1
TOPIX (JP)		2,342.5	3.5%	0.4%	5.5%	2,152.4	2,405.6
Shanghai (CH)		3,258.5	-0.1%	1.4%	-3.6%	3,212.3	3,456.4
Hang Seng (HK)		17,893.1	3.9%	-3.2%	-1.8%	17,213.9	20,040.4
ASX 200 (AU)		7,048.0	1.3%	-3.7%	-0.7%	6,954.2	7,455.9
SET (TH)		1,434.5	-1.2%	-8.4%	-5.7%	1,434.5	1,565.9
SET50 (TH)		878.0	-0.9%	-8.3%	-4.3%	878.0	963.0
Straits Times (SG)		3,218.7	1.4%	-0.6%	0.9%	3,149.3	3,374.0
FTSE Malay (MY)		1,443.8	1.9%	-1.3%	4.5%	1,376.1	1,463.4
JSX Index (ID)		6,935.2	0.7%	-0.6%	4.5%	6,619.8	6,982.8
PSE Index (PH)		6,263.1	0.0%	0.8%	-4.0%	6,124.6	6,661.1
Vn Index (VN)		1,151.6	2.0%	-5.9%	3.8%	1,063.8	1,241.5

Sources: ttb analytics, CEIC

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

Important Disclosures

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