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The Federal Reserve held interest rates steady on Wednesday as policymakers struggled to determine whether financial conditions may be tight enough already to control inflation, or whether an economy that continues to outperform expectations may need still more restraint. Fed Chair Jerome Powell said the situation remained something of a riddle, with US central bank officials willing to raise rates again if progress on inflation stalls, wary that a rise in market-based interest rates may begin to weigh on the economy in a significant way, and trying not to disrupt, any more than necessary, an ongoing dynamic of steady job and wage growth. Powell said the better course of action for now, given the uncertainties, was to maintain the Fed's benchmark overnight interest rate in the current 5.25%-5.50% range, and see how job and price data evolve between now and the next meeting.

US job openings stay elevated, layoffs at nine-month low

US job openings increased in September, pointing to persistent labor market tightness that is supporting the economy and likely to see the Federal Reserve keeping interest rates higher for a long time to cool demand. The Job Openings and Labor Turnover Survey, or JOLTS report from the Labor Department on Wednesday also showed layoffs dropping to a nine-month low. There were 1.50 job openings for every unemployed person in September, slightly up from 1.49 in August and way above the pre-pandemic ratio of 1.2. Job openings, a measure of labor demand, were up 56,000 to 9.553 million on the last day of September. Data for August was revised lower to show 9.497 million job openings instead of the previously reported 9.610 million. Economists polled by Reuters had forecast 9.250 million job openings in September.

US manufacturing sector slumps in October-ISM

US manufacturing contracted sharply in October after showing signs of improvement in prior months as new orders and employment slumped, likely reflecting strikes by the United Auto Workers (UAW) union against Detroit's Big Three car makers. The Institute for Supply Management (ISM) said on Wednesday that its manufacturing PMI dropped to 46.7 last month from 49.0 in September, which was the highest reading since November 2022. It was the 12th consecutive 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 unchanged at 49.0. The PMI was probably pulled down by the UAW strikes at assembly plants owned by Ford Motor, General Motors and Chrysler parent Stellantis across the country.

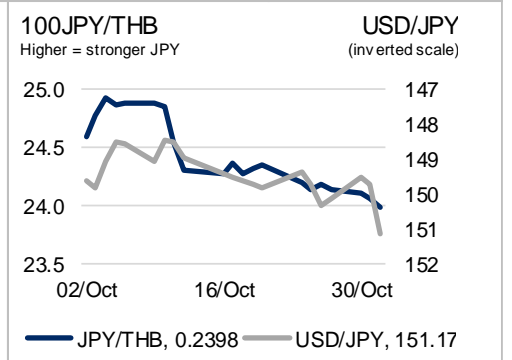
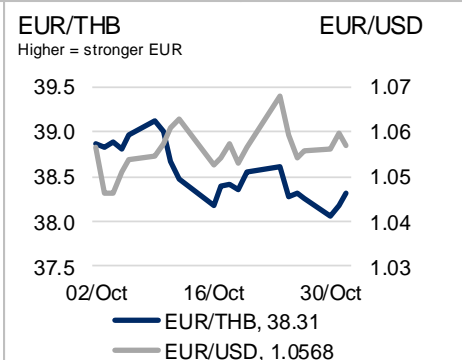
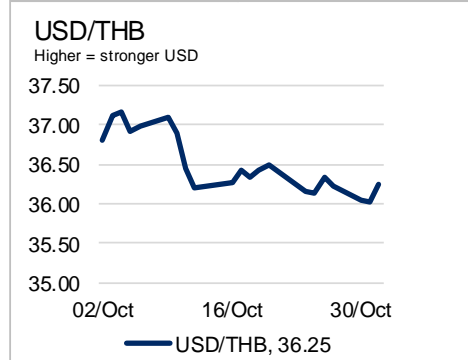
US dollar falls as markets believe Fed is done hiking rates

The 10-year government bond yield (interpolated) on the previous trading day was 3.29, +4.19 bps. The benchmark government bond yield (LB31DA) was 3.22, +4.00 bps. Meantime, the latest closed US 10-year bond yields was 4.77, -11.00 bps. USDTHB on the previous trading day closed around 36.25. Moving in a range of 35.97-36.00 this morning. USDTHB could be closed between 35.85-36.10 today. The dollar index, which initially rose after the Fed statement, was last slightly down at 106.64. It has traded sideways since hitting an almost one-year high of 107.34 in early October on the back of a sharp rise US bond yields driven by strong economic growth. The Fed's latest statement noted that with job gains still "strong" and inflation still "elevated," the central bank continues to consider "the extent of additional policy firming that may be appropriate to return inflation to 2% over time." That said, US rate futures have added to bets that the Fed is done raising its policy rate and will start cutting rates by June.

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

SET Index	1,380.0	S&P500	4,237.9	10Y UST	4.77%	Brent	86.4	Gold	1,982.2
-Nov	▼ -0.14%	1-Nov	▲ 1.69%	1-Nov	▼ -11.0 bps	30-Oct	▼ -3.25%	1-Nov	▼ -0.76%

USD/THB 36.25	Daily ▲ 0.66%	EUR/THB 38.31	Daily ▲ 0.37%	JPY/THB 0.2398	Daily ▼ -0.30%
Weekly ▼ -0.25%	Weekly ▼ 0.00%	Weekly ▼ -0.81%	Monthly ▼ -1.45%	Monthly ▼ -2.50%	
Sideways Trend		Sideways Trend		Falling 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		106.33	0.0%	0.2%	0.2%	105.41	107.22
EUR/USD		1.0598	0.3%	0.0%	0.1%	1.0462	1.0681
USD/JPY		149.74	0.2%	0.0%	0.5%	148.48	150.32
USD/CHF		0.9025	0.0%	1.1%	-1.1%	0.8896	0.9213
GBP/USD		1.2147	0.2%	-0.2%	-0.7%	1.2068	1.2320
USD/CAD		1.3848	-0.1%	0.7%	2.8%	1.3471	1.3857
AUD/USD		0.6353	0.1%	-0.4%	-1.6%	0.6280	0.6457
NZD/USD		0.5834	0.1%	-0.3%	-2.9%	0.5782	0.6040
ASEAN Dollar		108.76	0.0%	-0.4%	0.0%	107.82	109.35
USD/THB		36.02	-0.1%	-0.3%	-1.4%	36.02	37.16
USD/SGD		1.3659	-0.1%	-0.1%	0.2%	1.3612	1.3743
USD/MYR		4.7613	0.1%	-0.4%	1.6%	4.6856	4.7881
USD/IDR		15,842	-0.1%	0.2%	2.8%	15,381	15,883
USD/PHP		56.81	-0.2%	-0.1%	0.4%	56.60	57.06
USD/CNY		7.3184	0.0%	0.1%	0.5%	7.2768	7.3234
USD/HKD		7.8248	0.1%	0.1%	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		210,692	-728
Gold		15,554	381
SDR		5,385	12
IMF Reserves		1,225	3
Foreign Ccy		188,528	-1123
Net Fwd Position		30,050	-170

Last update: 20/10/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
1/11/2023	-718	-4,510	-5,228
31/10/2023	-2,334	292	-2,042
30/10/2023	-751	724	-26
27/10/2023	1,329	5,892	7,221
26/10/2023	-1,558	1,796	239
Last 5 days	-4,032	4,195	163

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -718	↓ -4,510	↓ -5,228
QTD	Quarter	↓ -16,455	↑ 12,049	↓ -4,406
YTD	Year	↓ -173,625	↑ 1,368	↓ -172,258

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	1.86	2.53	1W		1.64	0.22	1.64	1W		0.00	0.00	0.08
1M		2.55	1.95	2.55	1M		1.55	0.69	1.72	1M		0.19	0.09	0.19
2M		2.60	2.00	2.60	2M					2M		0.00	0.00	0.16
3M		2.64	2.06	2.64	3M		2.02	1.07	2.02	3M		0.50	0.12	0.50
6M		2.72	2.16	2.72	6M		2.27	1.31	2.27	6M		0.83	0.16	0.83
12M		2.83	2.30	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=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		4.9100	21.00		64.00		116.00		3.69	4.91
Gilt 10y		4.4575	3.35		-1.76		20.24		4.12	4.61
Bund 10y		2.9100	18.00		31.00		43.00		2.32	2.93
JGB 10y		0.8110	5.50		14.90		36.00		0.38	0.81
TGB 1y		2.4313	-0.07		-1.75		-3.34		2.43	2.48
TGB 2y		2.5578	0.82		-1.65		2.04		2.53	2.59
TGB 5y		2.8958	2.50		-1.20		8.48		2.78	2.94
TGB 7y		3.0808	1.84		-3.93		8.40		2.95	3.15
TGB 10y		3.2865	4.19		-3.84		10.45		3.15	3.39
AAA Spread		65.11	-0.40		-4.14		-7.50		64.94	73.93
AA Spread		67.08	-0.03		-13.19		-11.57		67.08	85.27
A Spread		112.46	-0.86		-8.57		-11.12		112.46	124.71
BBB Spread		238.89	4.62		3.87		0.92		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		86.35	-3.2%		-2.6%		-9.5%		84.07	96.55
London Gold		1943.9	3.3%		1.0%		-0.4%		1,828.3	1,981.0

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)		4,217.0	-0.7%		-3.7%		-4.9%		4,186.8	4,453.5
STOXX (EU)		436.1	-1.1%		1.1%		-3.2%		431.3	454.2
FTSE All-Share(UK)		3,967.6	0.3%		-0.6%		-2.6%		3,933.2	4,137.3
DAX (DE)		15,094.9	-2.1%		-4.1%		-7.3%		15,085.2	16,406.0
CAC All-Tradable(FR)		5,169.9	-2.1%		-4.3%		-5.2%		5,169.9	5,576.1
TOPIX (JP)		2,295.3	-2.0%		-4.1%		3.2%		2,159.2	2,392.5
Shanghai (CH)		3,207.0	-1.6%		-2.0%		-5.4%		3,207.0	3,450.0
Hang Seng (HK)		17,773.3	-0.7%		-3.7%		-7.7%		17,773.3	19,912.9
ASX 200 (AU)		7,077.6	0.4%		-1.1%		-1.4%		6,943.4	7,455.9
SET (TH)		1,433.4	-0.1%		-7.4%		-8.1%		1,433.4	1,565.9
SET50 (TH)		881.0	0.3%		-7.1%		-6.9%		878.0	960.5
Straits Times (SG)		3,136.6	-2.5%		-2.2%		-1.9%		3,136.6	3,374.0
FTSE Malay (MY)		1,446.5	0.2%		-0.9%		5.1%		1,376.1	1,463.4
JSX Index (ID)		6,927.9	-0.1%		-0.4%		4.7%		6,619.8	6,991.5
PSE Index (PH)		6,198.8	-1.0%		-0.7%		-5.6%		6,041.0	6,677.9
Vn Index (VN)		1,103.4	-4.2%		-11.1%		-1.7%		1,078.4	1,241.5

Sources: ttb analytics, CEIC

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

Important Disclosures

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