

US job growth slows down with unemployment rate hitting two-year high

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The US labor market experienced a slowdown in October, with job growth significantly underperforming. A total of 150,000 jobs were added, marking the smallest gain since June and falling short of the expected 180,000. Concurrently, the unemployment rate rose to a two-year high of 3.9%, reflecting a cooling labor market. The automobile industry was particularly impacted due to the United Auto Workers strike, which accounted for approximately 33,000 fewer workers. Manufacturing overall lost 35,000 jobs, largely attributed to strikes against Ford, Stellantis, and General Motors. The information sector also saw declines due to strikes by Hollywood writers and actors. Despite these challenges, some sectors witnessed significant job gains. Health care added a substantial 58,400 jobs, specifically in hospitals, physicians' offices, and home health care services. Government hiring also increased with an addition of 51,000 jobs, particularly in local government education. The construction sector gained 23,000 jobs with specialty trade contractors leading the growth.

Eurozone unemployment edges up as ECB maintains high interest rates

The eurozone has witnessed a slight uptick in its unemployment rate, rising to 6.5% in September from August's record low of 6.4%. The total number of unemployed individuals increased by 69,000, bringing the figure to 11.017 million. Youth unemployment also saw a marginal increase, reaching 14.2%. This trend might bring some relief to policy makers at the European Central Bank (ECB) who have been expecting a cooling labor market to help ease inflationary pressures. However, concerns remain that if the ECB has over-tightened its monetary policy, it could inadvertently fuel higher unemployment rates as the economy slows down. In Q3, the euro-area's economy unexpectedly contracted by 0.1%, attributed to low private consumption and a slump in global demand. Following a series of ten consecutive rate hikes, the ECB decided to maintain its rates at its recent meeting, indicating a potential peak in the current hiking cycle.

Japan service activity posts slowest growth this year

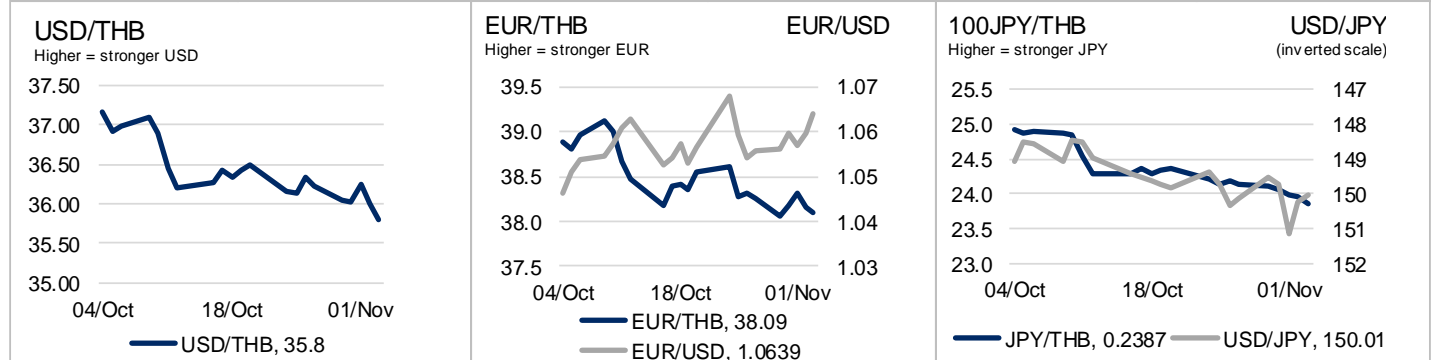
Japan's services activity expanded at the slowest pace this year in October, reinforcing concerns that the key sector propelling economic growth is continuing to soften. The final au Jibun Bank Service purchasing managers' index (PMI) fell to 51.6 in October from 53.8 in September, beset by weak demand. The index was slightly above the flash reading of 51.1 and remained over the 50.0 threshold separating expansion from contraction, according to the survey compiled by S&P Global Intelligence. Although consumption maintained its post-pandemic momentum, the rise in new orders was the weakest since January and new export orders slipped into the contraction for the first time in 14 months. Employment returned to growth, but retirements offset the overall pace of job creation, the survey found. Business expectations, while optimistic, dipped to a nine-month low.

Dollar maintains strength amid global economic uncertainties

The 10-year government bond yield (interpolated) on the previous trading day was 3.22, -1.90 bps. The benchmark government bond yield (LB31DA) was 3.26, -6.00 bps. Meantime, the latest closed US 10-year bond yields was 4.57, -10.00 bps. USDTHB on the previous trading day closed around 35.80. Moving in a range of 35.44-35.54 this morning. USDTHB could be closed between 35.30-35.60 today. The US dollar is forecasted to maintain its strength through the end of 2023, despite traditional weakness in the November-December period. This strength is driven by US macro-outperformance and a hawkish Federal Reserve. High US rates, described as risk-negative events, are positively influencing the dollar while adversely affecting pro-cyclical currencies in Europe and Asia. Despite these trends, softer US macro data could potentially lead to a weaker dollar. However, significant shifts due to Chinese or European growth re-ratings are seen as unlikely. Sources : ttb analytics , Bloomberg, CNBC, Trading Economics, Investing, CEIC

DAX Index	1,419.8	S&P500	4,358.3	10Y UST	4.57%	Brent	86.9	Gold	1,988.3
3-Nov	▲ 1.12%	3-Nov	▲ 2.80%	3-Nov	▼ -10.0 bps	2-Nov	▲ 2.59%	3-Nov	▲ 0.09%

USD/THB 35.80	Daily ▼ -0.57%	EUR/THB 38.09	Daily ▼ -0.16%	JPY/THB 0.2387	Daily ▼ -0.42%
Weekly ▼ -0.66%	Weekly ▲ 0.06%	Weekly ▼ -1.00%	Monthly ▼ -2.04%	Monthly ▼ -4.34%	
Monthly ▼ -3.72%					



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		106.36	0.0%	-0.1%	-0.8%	105.41	107.22
EUR/USD		1.0596	0.3%	0.4%	1.3%	1.0462	1.0681
USD/JPY		150.23	-0.6%	0.1%	0.3%	148.48	151.17
USD/CHF		0.9040	-0.6%	0.5%	-1.7%	0.8896	0.9213
GBP/USD		1.2189	0.4%	0.5%	1.0%	1.2068	1.2320
USD/CAD		1.3832	-0.4%	0.1%	0.9%	1.3471	1.3885
AUD/USD		0.6427	1.6%	1.4%	1.5%	0.6280	0.6457
NZD/USD		0.5887	1.5%	1.1%	-0.5%	0.5782	0.6040
ASEAN Dollar		109.33	0.0%	-0.2%	0.4%	108.91	110.10
USD/THB		36.01	-0.7%	-0.6%	-3.0%	36.01	37.16
USD/SGD		1.3650	-0.3%	-0.3%	-0.7%	1.3612	1.3743
USD/MYR		4.7523	-0.4%	-0.5%	0.6%	4.6856	4.7881
USD/IDR		15,825	-0.4%	-0.4%	1.9%	15,417	15,888
USD/PHP		56.87	0.0%	-0.2%	0.0%	56.60	57.06
USD/CNY		7.3155	0.0%	0.0%	0.0%	7.2768	7.3234
USD/HKD		7.8200	0.0%	0.0%	-0.2%	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		211,217	525
Gold		15,755	201
SDR		5,380	-5
IMF Reserves		1,224	-1
Foreign Ccy		188,858	330
Net Fwd Position		30,050	0

Last update: 10/27/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
11/3/2023	-575	478	-97
11/2/2023	1,207	3,026	4,233
11/1/2023	-718	-4,510	-5,228
10/31/2023	-2,334	292	-2,042
10/30/2023	-751	724	-26
Last 5 days	-3,171	11	-3,160

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -86	↓ -1,006	↓ -1,091
QTD	Quarter	↓ -15,822	↑ 15,553	↓ -269
YTD	Year	↓ -172,993	↑ 4,872	↓ -168,121

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	1.94	2.50	ON		1.90	0.43	2.00	ON		0.08	0.07	0.08
1W		2.52	2.00	2.52	1W		1.64	0.22	1.64	1W		0.00	0.00	0.08
1M		2.55	2.02	2.55	1M		1.55	0.69	1.72	1M		0.19	0.09	0.19
2M		2.60	2.06	2.60	2M					2M		0.00	0.00	0.16
3M		2.64	2.11	2.64	3M		2.02	1.07	2.02	3M		0.50	0.12	0.50
6M		2.72	2.19	2.72	6M		2.27	1.31	2.27	6M		0.83	0.16	0.83
12M		2.83	2.32	2.83	12M		2.71	1.59	2.71	12M		1.34	0.24	1.34

Last Updated: 6/29/2023

Last Updated: 3/9/2022

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		4.9300	22.00		64.00		109.00		3.61	4.93
Gilt 10y		4.6263	23.36		26.54		29.73		4.09	4.63
Bund 10y		2.9200	14.00		29.00		44.00		2.36	2.95
JGB 10y		0.8450	8.00		17.80		39.90		0.40	0.85
TGB 1y		2.4266	-0.29		-1.51		-3.64		2.43	2.47
TGB 2y		2.5424	-1.07		-2.52		0.37		2.53	2.59
TGB 5y		2.8579	-1.46		-4.64		6.96		2.78	2.94
TGB 7y		3.0369	-2.03		-7.28		4.67		2.95	3.15
TGB 10y		3.2202	-1.90		-8.87		-1.98		3.15	3.39
AAA Spread		65.15	-0.37		-2.78		-7.38		65.15	73.91
AA Spread		67.07	-0.07		-13.14		-11.84		67.07	85.03
A Spread		111.65	-0.83		-9.32		-11.64		111.65	124.60
BBB Spread		235.82	1.60		1.17		-2.03		234.22	239.83

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		86.85	2.6%		-1.2%		1.2%		84.07	92.38
London Gold		1984.2	3.6%		3.4%		1.0%		1,822.8	1,984.2

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)		4,186.8	-1.7%		-5.9%		-4.7%		4,117.4	4,402.2
STOXX (EU)		431.2	-1.1%		-0.1%		-3.6%		431.2	454.2
FTSE All-Share(UK)		4,028.2	-0.1%		2.4%		0.4%		3,933.2	4,128.5
DAX (DE)		14,798.5	-2.9%		-5.8%		-8.7%		14,798.5	16,446.8
CAC All-Tradable(FR)		5,054.9	-3.1%		-6.5%		-7.4%		5,054.9	5,592.3
TOPIX (JP)		2,264.2	-1.9%		-5.0%		1.1%		2,130.6	2,383.4
Shanghai (CH)		3,127.6	-3.0%		-6.1%		-6.7%		3,127.6	3,426.8
Hang Seng (HK)		17,295.9	-2.9%		-5.0%		-10.8%		17,195.8	20,078.9
ASX 200 (AU)		6,900.7	-1.8%		-4.2%		-5.4%		6,900.7	7,410.4
SET (TH)		1,423.0	-1.9%		-8.0%		-8.3%		1,423.0	1,568.8
SET50 (TH)		878.0	-1.4%		-7.2%		-6.6%		878.0	966.2
Straits Times (SG)		3,076.7	-2.8%		-4.3%		-4.4%		3,076.7	3,337.4
FTSE Malay (MY)		1,441.0	0.1%		-1.0%		4.4%		1,378.7	1,459.0
JSX Index (ID)		6,849.2	-0.7%		-1.6%		2.3%		6,633.4	6,998.4
PSE Index (PH)		6,280.9	0.4%		1.6%		-4.0%		6,094.7	6,631.3
Vn Index (VN)		1,108.0	-2.9%		-11.0%		-0.8%		1,097.8	1,245.5

Sources: ttb analytics, CEIC

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

Important Disclosures

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