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The US services sector slowed for a second straight month in October, but momentum is likely to pick up in the near term amid an acceleration in growth in new orders. The Institute for Supply Management (ISM) said on Friday that its non-manufacturing PMI dropped to a five-month low of 51.8 from 53.6 in September. The Services PMI has been declining since August, when it rose to the highest level in six months. A reading above 50 indicates growth in the services industry, which accounts for more than two-thirds of the economy. Economists polled by Reuters had forecast the index slipping to 53.0. Demand for services initially surged as Americans resumed normal lives after COVID-19 lockdowns. But momentum has ebbed, with spending swinging back to goods. Spending on goods far outpaced outlays on services in the third quarter.

Euro zone recession fears harden as surveys show grim start to Q4

The downturn in euro zone business activity accelerated last month as demand in the dominant services industry weakened further, suggesting there is a growing chance of a recession in the 20-country currency union. The economy contracted 0.1% in the third quarter, official data has shown, and Monday's final Composite Purchasing Managers' Index (PMI) for October indicated the bloc entered the final quarter of 2023 on the back foot. HCOB's PMI, compiled by S&P Global and seen as a good guide of overall economic health, fell to 46.5 in October from September's 47.2, its lowest reading since November 2020 when COVID-19 restrictions were tightened on much of the continent. That was below the 50-mark separating growth from contraction for a fifth consecutive month and matched a preliminary estimate.

German service sector activity contracts in October

The German service sector slipped back into contraction in October amid persistent weakness in demand. The HCOB final services Purchasing Managers' Index (PMI) fell to 48.2 in October from 50.3 in September, sliding back below the 50 level that signals growth in activity. The service sector's performance continued to be undermined by a lack of incoming new work, the survey showed. There continued to be only limited spillover to the labor market, however, with employment decreasing just fractionally. October's survey showed that service providers were only cautiously optimistic about the year-ahead outlook for activity, with concerns about the wider economy and persistent inflationary pressures dampening confidence.

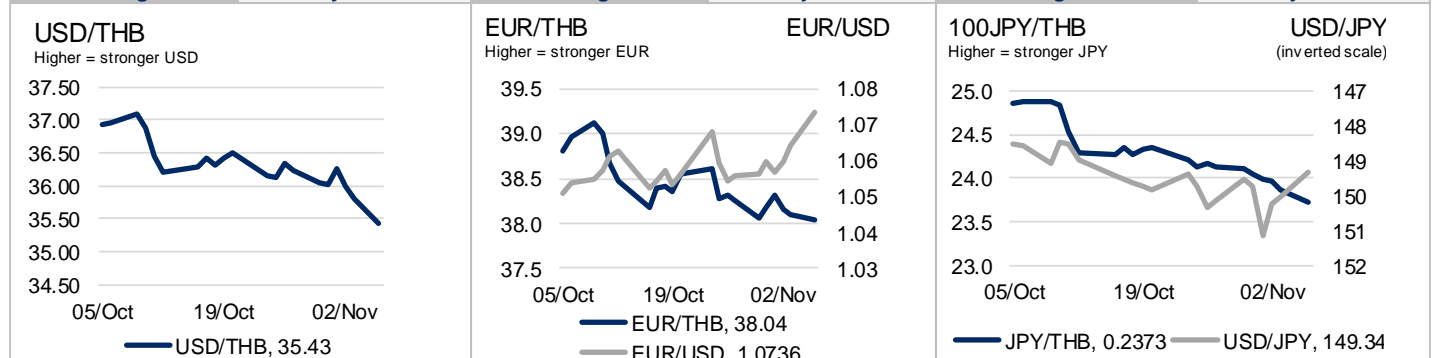
Dollar rebounds, Fed officials take center stage

The 10-year government bond yield (interpolated) on the previous trading day was 3.18, -4.12 bps. The benchmark government bond yield (LB31DA) was 3.20, -6.00 bps. Meantime, the latest closed US 10-year bond yields was 4.67, -10.00 bps. USDTHB on the previous trading day closed around 35.43. Moving in a range of 35.47-35.57 this morning. USDTHB could be closed between 35.40-35.70 today. The US dollar edged higher against the euro on Monday, after earlier dipping to an almost 8-week low on growing expectations that the Federal Reserve is done hiking interest rates, with US central bank officials in focus this week for further signals on rate policy. Fed Chairman Jerome Powell is due to speak on Wednesday and Thursday, where the focal point will be on whether he maintains the more dovish tone he struck after the Fed's two-day meeting last week. Comments from other Fed officials will also be evaluated for signs on whether they expect further rate increases. Weaker than expected jobs growth in October released on Friday added to expectations of a slowing US economy, which would support the Fed continuing to hold rates steady.

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

SET Index	1,417.2	S&P500	4,366.0	10Y UST	4.67%	Brent	84.9	Gold	1,987.7
6-Nov	▼ -0.18%	6-Nov	▲ 1.11%	6-Nov	▲ 10.0 bps	3-Nov	▼ -2.28%	6-Nov	▼ -0.07%

USD/THB 35.43	Daily ▼ -1.04%	EUR/THB 38.04	Daily ▼ -0.13%	JPY/THB 0.2373	Daily ▼ -0.59%
Weekly ▼ -1.63%	Weekly ▼ -0.34%	Weekly ▼ -1.37%	Monthly ▼ -4.66%		
Monthly ▼ -4.12%	Monthly ▼ -1.99%				



Sources: ttbank 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		105.94	0.0%	-0.5%	-1.1%	105.41	107.22
EUR/USD		1.0639	0.4%	0.7%	1.7%	1.0462	1.0681
USD/JPY		150.01	-0.1%	0.3%	0.6%	148.48	151.17
USD/CHF		0.9039	0.0%	0.1%	-1.9%	0.8896	0.9213
GBP/USD		1.2217	0.2%	0.8%	1.2%	1.2068	1.2320
USD/CAD		1.3726	-0.8%	-0.9%	0.1%	1.3471	1.3885
AUD/USD		0.6439	0.2%	1.4%	2.2%	0.6280	0.6457
NZD/USD		0.5907	0.3%	1.4%	0.4%	0.5782	0.6040
ASEAN Dollar		110.70	0.0%	-1.1%	-0.1%	110.25	111.91
USD/THB		35.80	-0.6%	-0.7%	-3.7%	35.80	37.16
USD/SGD		1.3608	-0.3%	-0.5%	-1.0%	1.3608	1.3743
USD/MYR		4.7360	-0.3%	-0.5%	0.1%	4.6856	4.7881
USD/IDR		15,721	-0.7%	-0.8%	0.9%	15,417	15,888
USD/PHP		56.36	-0.9%	-1.0%	-0.8%	56.36	57.01
USD/CNY		7.3023	0.0%	-0.1%	-0.2%	7.2768	7.3234
USD/HKD		7.8080	-0.2%	-0.1%	-0.3%	7.8080	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: 27/10/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
6/11/2023	-861	8,620	7,760
3/11/2023	-575	478	-97
2/11/2023	1,207	3,026	4,233
1/11/2023	-718	-4,510	-5,228
31/10/2023	-2,334	292	-2,042
Last 5 days	-3,281	7,907	4,626

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -946	↑ 7,615	↑ 6,668
QTD	Quarter	↓ -16,683	↑ 24,173	↑ 7,490
YTD	Year	↓ -173,854	↑ 13,492	↓ -160,361

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	2.00	2.50	ON		1.90	0.43	2.00	ON		0.08	0.07	0.08
1W		2.52	2.03	2.53	1W		1.64	0.22	1.64	1W		0.00	0.00	0.08
1M		2.55	2.05	2.55	1M		1.55	0.69	1.72	1M		0.19	0.09	0.19
2M		2.60	2.09	2.60	2M					2M		0.00	0.00	0.16
3M		2.64	2.14	2.64	3M		2.02	1.07	2.02	3M		0.50	0.12	0.50
6M		2.72	2.21	2.72	6M		2.27	1.31	2.27	6M		0.83	0.16	0.83
12M		2.83	2.35	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		4.8600	3.00	59.00	103.00	3.69	4.86
Gilt 10y		4.6651	29.04	23.56	34.87	4.15	4.67
Bund 10y		2.9500	14.00	28.00	46.00	2.32	2.95
JGB 10y		0.8450	8.00	17.80	39.90	0.40	0.85
TGB 1y		2.4103	-1.63	-2.52	-5.53	2.41	2.47
TGB 2y		2.5322	-1.02	-2.75	-2.34	2.53	2.59
TGB 5y		2.8072	-5.07	-7.72	-5.24	2.78	2.94
TGB 7y		3.0179	-1.90	-6.23	-5.18	2.95	3.15
TGB 10y		3.1790	-4.12	-7.23	-18.81	3.15	3.39
AAA Spread		65.26	0.05	-2.66	-7.25	65.21	73.93
AA Spread		67.54	0.55	-12.67	-12.13	66.99	85.27
A Spread		111.03	-1.60	-10.16	-12.23	111.03	124.63
BBB Spread		238.83	-0.10	4.19	1.03	234.35	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		84.89	-2.3%	-6.2%	1.0%	84.07	92.38
London Gold		1981.0	3.0%	3.6%	1.4%	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)		4,137.2	0.7%	-4.7%	-3.9%	4,137.2	4,377.0
STOXX (EU)		428.7	-1.7%	-1.6%	-5.3%	428.7	454.2
FTSE All-Share(UK)		4,020.8	-0.2%	1.7%	-0.3%	3,933.2	4,137.3
DAX (DE)		14,800.7	-3.0%	-5.5%	-8.1%	14,800.7	16,406.0
CAC All-Tradable(FR)		5,076.8	-2.7%	-5.8%	-6.7%	5,076.8	5,576.1
TOPIX (JP)		2,264.2	-1.9%	-4.0%	0.0%	2,149.3	2,405.6
Shanghai (CH)		3,127.6	-3.0%	-5.4%	-7.2%	3,127.6	3,439.0
Hang Seng (HK)		17,295.9	-2.9%	-4.4%	-10.9%	17,195.8	20,040.4
ASX 200 (AU)		6,900.7	-1.8%	-3.5%	-6.2%	6,900.7	7,455.9
SET (TH)		1,423.0	-1.9%	-7.7%	-8.9%	1,423.0	1,576.7
SET50 (TH)		909.9	-1.1%	-3.4%	-3.9%	896.4	966.7
Straits Times (SG)		3,076.7	-2.8%	-4.4%	-5.1%	3,076.7	3,371.2
FTSE Malay (MY)		1,441.0	0.1%	-0.8%	4.0%	1,374.6	1,462.0
JSX Index (ID)		6,849.2	-0.7%	-1.2%	1.9%	6,618.9	6,996.0
PSE Index (PH)		6,280.9	0.4%	0.9%	-3.5%	6,142.8	6,661.1
Vn Index (VN)		1,108.0	-2.9%	-10.5%	-0.6%	1,108.0	1,243.1

Sources: ttb analytics, CEIC

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

Important Disclosures

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