

US economy grows 5.2% in third quarter; higher interest rates sapping momentum

US economy grows 5.2% in third quarter; higher interest rates sapping momentum

Gross domestic product increased at a 5.2% annualized rate last quarter, revised up from the previously reported 4.9% pace, the Commerce Department's Bureau of Economic Analysis (BEA) said in its second estimate of third-quarter GDP. It was the fastest pace of expansion since the fourth quarter of 2021. Economists polled by Reuters had expected GDP growth would be revised up to a 5.0% rate. The economy grew at a 2.1% pace in the April-June quarter and is expanding at a pace well above what Federal Reserve officials regard as the non-inflationary growth rate of around 1.8%. The upward revision to growth last quarter reflected upgrades to business investment on structures, mostly warehouses and healthcare facilities. Spending by state and local governments was also revised higher.

Euro zone economic sentiment inches up in November

Euro zone economic sentiment increased slightly for a second consecutive month in November, in line with expectations, as a modest up-tick of the mood in services, retail and amongst consumers outweighed a decline in manufacturers' confidence. The European Commission's monthly survey on Wednesday showed economic sentiment in the 20 countries sharing the euro rose to 93.8 points from a revised 93.5 in October. Economists polled by Reuters had expected an increase to 93.7 points. Sentiment in services, the biggest sector of the euro zone economy, rose against expectations of a decline, while for industry, sentiment fell against expectations of an increase.

China's manufacturing PMI shrinks further in Nov, misses expectations

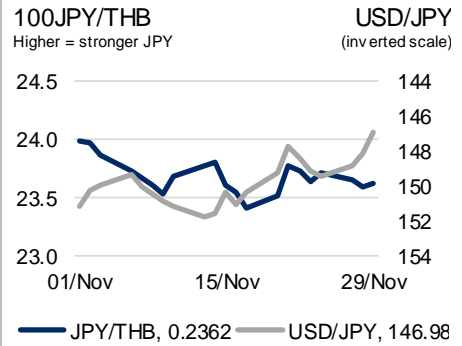
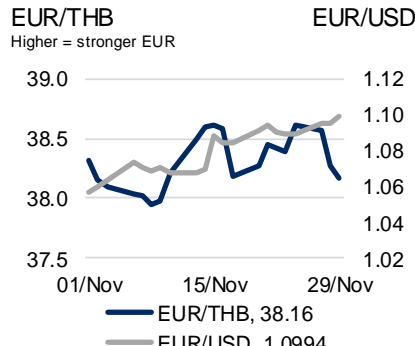
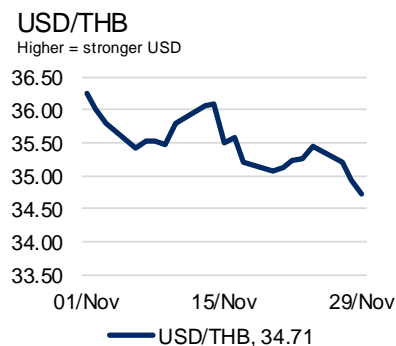
Chinese manufacturing activity declined further in November, as the sector saw increased headwinds from slowing overseas demand, while growth in the non-manufacturing sector also deteriorated. The official manufacturing purchasing managers index (PMI) read 49.4 in November, data from the National Bureau of Statistics showed. The reading was weaker than expectations of 49.6, and contracted from the prior month's reading of 49.5. A reading below 50 indicates contraction, with China's manufacturing PMI now having contracted for six out of the 11 months so far in 2023. The manufacturing sector has been struggling with a steady decline in overseas demand for Chinese goods, which saw new orders and production levels drop drastically this year.

Dollar rises from 3-1/2-month low; rate cut bets intact

The 10-year government bond yield (interpolated) on the previous trading day was 2.97, -6.85 bps. The benchmark government bond yield (LB31DA) was 3.04, -8.00 bps. Meantime, the latest closed US 10-year bond yields was 4.27, -7.00 bps. USDTHB on the previous trading day closed around 34.71. Moving in a range of 34.87-34.93 this morning. USDTHB could be closed between 34.80-35.00 today. The dollar climbed from more than three-month lows on Wednesday after data showing the US economy grew faster in the third quarter than initially reported helped investors consolidate positions following four days of losses. The greenback rose against the euro and an index of six major peers, but remained on track to post its biggest monthly decline since November 2022 on growing expectations the Federal Reserve will cut interest rates in the first half of 2024. But markets are waiting to see whether Fed Chair Jerome Powell will let stand comments by Fed Governor Christopher Waller on Tuesday flagging a possible rate cut in the months ahead. The remarks sent US bond yields and the dollar sliding. The dollar rose on news that US gross domestic product increased at a 5.2% annualized rate in the last quarter, faster than the previously reported 4.9%. It was the fastest expansion since the fourth quarter of 2021, the US Commerce Department said in its second estimate of third-quarter GDP.

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

SET Index 1,387.7	S&P500 4,550.6	10Y UST 4.27%	Brent 81.5	Gold 2,037.6
29-Nov ▼ -0.98%	29-Nov ▼ -0.09%	29-Nov ▼ -7.0 bps	28-Nov ▲ 1.85%	29-Nov ▲ 1.16%
USD/THB 34.71	EUR/THB 38.16	JPY/THB 0.2362		
Daily ▼ -0.63%	Daily ▼ -0.27%	Daily ▲ 0.13%		
Weekly ▼ -1.54%	Weekly ▼ -0.60%	Weekly ▼ -0.08%		
Monthly ▼ -4.34%	Monthly ▼ -0.39%	Monthly ▼ -1.53%		
Falling Trend	Falling Trend	Sideways Trend		



Sources: ttbank analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoI's daily closing rates

Main Contributor

Tarathip Tanganjanapas
tarathip.tan@ttbank.com

Pimchatr Ekkachan
pimchatr.ekk@ttbank.com

ttbank analytics ttbankanalytics@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		103.13	0.0%	-0.5%	-3.0%	103.13	106.72
EUR/USD		1.0954	0.0%	0.4%	3.4%	1.0542	1.0954
USD/JPY		148.11	-0.5%	-0.2%	-1.1%	147.78	151.73
USD/CHF		0.8800	-0.2%	-0.4%	-2.5%	0.8800	0.9098
GBP/USD		1.2634	0.1%	0.8%	4.0%	1.2082	1.2634
USD/CAD		1.3614	-0.2%	-0.7%	-1.7%	1.3614	1.3885
AUD/USD		0.6614	0.5%	1.1%	4.1%	0.6280	0.6614
NZD/USD		0.6104	0.4%	1.1%	4.6%	0.5782	0.6104

ASEAN Dollar		107.58	0.0%	-0.3%	-2.1%	107.63	110.83
USD/THB		34.94	-0.8%	-0.8%	-3.0%	34.94	36.25
USD/SGD		1.3350	-0.2%	-0.3%	-2.3%	1.3350	1.3726
USD/MYR		4.6699	-0.1%	0.0%	-1.9%	4.6493	4.7881
USD/IDR		15,401	-0.6%	-0.5%	-2.8%	15,386	15,888
USD/PHP		55.50	0.2%	0.0%	-2.3%	55.41	57.01
USD/CNY		7.1456	0.0%	0.1%	-2.4%	7.1389	7.3234
USD/HKD		7.7891	0.1%	-0.1%	-0.5%	7.7803	7.8267

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		216,768	4012
Gold		15,546	340
SDR		5,466	67
IMF Reserves		1,187	12
Foreign Ccy		194,569	3594
Net Fwd Position		30,450	-260

Last update: 11/17/2023

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
11/29/2023	-3,328	6,169	2,842
11/28/2023	773	611	1,384
11/27/2023	613	-1,555	-941
11/24/2023	-1,153	-5,870	-7,023
11/23/2023	-1,715	-1,696	-3,411
Last 5 days	-4,810	-2,340	-7,150

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -15,674	↑ 15,515	↓ -160
QTD	Quarter	↓ -31,411	↑ 32,073	↑ 662
YTD	Year	↓ -188,581	↑ 21,392	↓ -167,189

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	2.52	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	2.12	2.60	2M					2M		0.00	0.00	0.16
3M		2.65	2.19	2.65	3M		2.02	1.07	2.02	3M		0.50	0.12	0.50
6M		2.72	2.30	2.72	6M		2.27	1.31	2.27	6M		0.83	0.16	0.83
12M		2.84	2.44	2.84	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	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.4400	-5.00	-29.00	43.00	3.77	4.98
Gilt 10y		4.3251	4.56	-25.61	-21.96	4.18	4.65
Bund 10y		2.5900	-5.00	-30.00	10.00	2.34	2.92
JGB 10y		0.8600	0.80	9.60	47.60	0.38	0.88
TGB 1y		2.3799	-0.20	0.05	-5.20	2.38	2.44
TGB 2y		2.4493	-2.89	-1.25	-10.04	2.45	2.57
TGB 5y		2.6022	-3.55	-1.67	-26.86	2.60	2.90
TGB 7y		2.7961	-4.96	-1.29	-26.63	2.80	3.11
TGB 10y		2.9656	-6.85	-5.68	-27.90	2.97	3.31
AAA Spread		67.30	-2.44	1.67	-6.49	65.15	73.91
AA Spread		75.29	7.20	5.59	-6.48	67.07	84.99
A Spread		109.95	-0.04	-6.03	-14.65	109.95	124.61
BBB Spread		235.07	0.43	0.70	-2.72	234.27	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		81.47	1.9%	-1.2%	-6.8%	77.42	90.48
London Gold		1973.4	1.4%	8.3%	1.9%	1,821.9	1,997.6

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)		4,547.4	0.2%	4.8%	5.6%	4,117.4	4,556.6
STOXX (EU)		443.0	0.0%	4.0%	2.4%	421.2	443.1
FTSE All-Share(UK)		4,077.5	0.2%	1.0%	2.4%	3,933.2	4,088.1
DAX (DE)		15,748.2	2.6%	3.4%	-2.4%	14,798.5	16,469.8
CAC All-Tradable(FR)		5,355.1	1.4%	2.1%	-2.7%	5,054.9	5,582.2
TOPIX (JP)		2,264.2	-1.9%	-0.5%	-1.8%	2,236.4	2,405.6
Shanghai (CH)		3,127.6	-3.0%	-4.1%	-7.4%	3,127.6	3,449.9
Hang Seng (HK)		17,295.9	-2.9%	0.5%	-6.7%	17,195.8	19,916.6
ASX 200 (AU)		6,900.7	-1.8%	-0.8%	-4.8%	6,900.7	7,403.6
SET (TH)		1,423.0	-1.9%	-1.9%	-4.5%	1,423.0	1,563.0
SET50 (TH)		865.0	0.8%	-2.4%	-5.4%	858.0	960.8
Straits Times (SG)		3,076.7	-2.8%	-3.1%	-2.8%	3,076.7	3,373.8
FTSE Malay (MY)		1,441.0	0.1%	1.8%	4.6%	1,377.7	1,463.5
JSX Index (ID)		6,849.2	-0.7%	-0.6%	1.8%	6,639.7	6,998.4
PSE Index (PH)		6,280.9	0.4%	-0.4%	-3.6%	6,041.0	6,679.1
Vn Index (VN)		1,108.0	-2.9%	-1.8%	-3.8%	1,108.0	1,241.5

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.